

Market Flash

October 16, 2023





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Sensex hovers around 66,200 mark; broader markets outperform

Equity markets fell slightly on Monday tracking mixed global cues. Investors are juggling between Q2-FY24 quarterly results of India Inc and geopolitical tensions. Indian rupee opened flat at 83.24 per dollar on Monday versus Friday's close of 83.26.

Investors will also keep an eye on wholesale price inflation data for September and Q2-FY24 earnings of India Inc which will be announced today. That apart, geopolitical developments and commodity prices will also be tracked.

At 10:00 AM, the frontline S&P BSE Sensex was trading at 66,194 down 90 points or 0.14%. Market breadth is positive and out of a total of 3,216 shares traded on the Bombay Stock Exchange, 1,899 advanced while 1,173 declined and 144 remained unchanged. The broader Nifty50 was at 19,738 levels down 13 points or 0.06%.

In the broader markets, the BSE Mid Cap and Small Cap indices outperformed the market by rising 0.17% and 0.43%, respectively.

Among sectors, the Nifty Auto, and IT indices were up 0.3% each. The Nifty Bank index, on the flipside, fell 0.3%.

WEEKLY REVIEW – OCTOBER 9 – OCTOBER 13, 2023

The key equity barometers ended the week with minor gains, extending their rise for second-week in a row. The Nifty settled above the 19,750 mark.

In the week ended on Friday, 13 October 2023, the S&P BSE Sensex rose 287.11 points or 0.44% to settle at 66,282.74. The Nifty 50 index added 97.55 points or 0.50% to close at 19,751.05. The BSE Mid Cap index rose 0.71% to end at 32,305.62. The BSE Small Cap index gained 0.86% to close at 38,184.83.

India's foreign exchange reserves declined for a fifth straight week and stood at \$584.74 billion as of October 6, the lowest in more than five months, data from the Reserve Bank of India (RBI) showed on Friday.

The dollar index was little changed at 106.5, but has cooled off last week's peak above 107, which marked its highest level since November 2022. The 10-year U.S. treasury yield slipped to 4.64% in Asia.

India's merchandise trade deficit for September came in lower than expected at \$19.37 billion against expectations of \$23.25 billion.

| Indices | Last close | One-day change in % | One month change in % | % YTD change in % |
|---------------------------|------------|---------------------|-----------------------|-------------------|
| Domestic | | | | |
| S&P BSE Sensex | 66,282.74 | -0.19 | -1.76 | 8.94 |
| Nifty 50 | 19,751.05 | -0.22 | -1.59 | 9.09 |
| S&P BSE 200 | 8,652.91 | -0.16 | -1.12 | 10.2 |
| S&P BSE 500 | 27,560.74 | -0.15 | -0.8 | 12.01 |
| S&P BSE Midcap | 32,305.62 | -0.05 | 0.49 | 27.62 |
| S&P BSE Smallcap | 38,184.83 | -0.04 | 2.38 | 32.01 |
| S&P BSE Auto | 37,271.32 | 0.87 | 2.75 | 28.86 |
| S&P BSE Bankex | 49,768.68 | -0.75 | -3.51 | 1.76 |
| S&P BSE Cap Goods | 47,898.94 | -0.02 | 2.48 | 43.66 |
| S&P BSE Consumer Durables | 46,202.73 | -0.12 | 0.28 | 16.31 |
| S&P BSE FMCG | 19,012.71 | 0.25 | 0.76 | 18.27 |
| S&P BSE Healthcare | 28,300.40 | 0.32 | -0.47 | 22.87 |
| S&P BSE IT | 32,207.95 | -0.66 | -2.41 | 12.33 |
| S&P BSE Metal | 23,197.69 | -0.33 | 0.17 | 11.23 |
| S&P BSE Oil & Gas | 18,947.49 | -0.09 | -1.27 | -7.16 |
| S&P BSE Power | 4,537.90 | -0.21 | -1.51 | 3.57 |
| S&P BSE Realty | 4,889.12 | 0.41 | 5.17 | 41.84 |

GLOBAL MARKETS

Asia-Pacific markets started the week on soft footing as investors look ahead China's third-quarter gross domestic product numbers on Wednesday.

In Australia, the S&P/ASX 200 0.24% lower. Japan's Nikkei 225 fell 1.67%, while South Korea's Kospi index dipped 0.58%.

Hong Kong's Hang Seng index shed 0.35%, while China's benchmark CSI 300 index dipped 0.74%.

The S&P 500 and the Nasdaq closed lower on Friday as deteriorating consumer sentiment data and the Middle East conflict soured investors on riskier bets and overshadowed upbeat quarterly earnings from some of the largest US banks.

The S&P 500 declined by 0.50% in the US while the tech-heavy Nasdaq Composite lost 1.23%. The Dow Jones Industrial Average was the outlier, rising by 0.12%.

RUPEE, OIL & FIIs

Indian Rupee: The Indian rupee ended slightly lower on Friday as intermittent US dollar-selling intervention by the central bank prevented sharp losses, but the local unit closed weaker for a third consecutive week on the back of broad strength in the greenback.

The rupee closed at 83.2625 against the US dollar, slightly weaker than its previous close of 83.2425. The local unit posted a weekly loss of 0.1%, marking its third consecutive week of decline.

Crude Oil: Oil prices eased in early Asia trade on Monday, reversing last Friday's rally as investors waited to see if the Israel-Hamas conflict draws in other countries, which could drive up prices further and deal a fresh blow to the global economy.

Brent futures fell 36 cents, or 0.4%, to \$90.53 per barrel and US West Texas Intermediate (WTI) crude dropped 37 cents, or 0.4%, to \$87.32 a barrel.

FPIs & DIIs: Foreign institutional investors (FII) bought shares worth Rs 317.01 crore, while domestic institutional investors (DII) sold Rs 102.88 crore worth of stocks on October 13, provisional data from the National Stock Exchange (NSE) showed.

International

| | | | | |
|---------------------------|-----------|-------|-------|-------|
| DJIA* | 33,631.14 | -0.51 | -2.93 | 1.46 |
| Nasdaq Composite* | 13,574.22 | -0.63 | -1.45 | 29.69 |
| Nikkei 225 (Japan) | 32,315.99 | -0.55 | -1.19 | 23.84 |
| Straits Times (Singapore) | 3,185.79 | -1.02 | -1.03 | -2.02 |
| Hang Seng (Hong Kong) | 17,813.45 | -2.33 | -1.09 | -9.95 |
| Kospi Composite (Seoul) | 2,456.15 | -0.95 | -3.1 | 9.83 |
| FTSE 100 (London) | 7,644.78 | 0.32 | 1.56 | 2.59 |
| Cac 40 (France)* | 7,104.53 | -0.37 | -2.05 | 9.74 |
| Xetra Dax (Germany)* | 15,425.03 | -0.23 | -1.85 | 10.78 |
| S&P 500 (US)* | 4,349.61 | -0.62 | -2.52 | 13.29 |
| Shanghai (China) | 3,088.10 | -0.64 | -1.12 | -0.04 |
| MICEX (Russia)* | 3,194.59 | 0.63 | 1.47 | 48.3 |
| Bovespa (Brazil)* | Closed | NA | NA | 0 |
| JCI (Indonesia) | 6,926.78 | -0.12 | -0.13 | 1.11 |
| SET (Thailand) | Closed | NA | NA | 0 |

***Data as of Oct 12**

FII equity investments, Rs cr

| | Buy | Sell | Net | MTD |
|------------------|------------|------------|------------|-----------|
| 12-Oct | 8,623.00 | 10,370.00 | -1,747.00 | -6,916.00 |
| 23-Sep | 239,207.19 | 258,101.01 | -18,893.82 | |
| 23-Aug | 274,277.35 | 259,982.33 | 14,295.02 | |
| 23-Jul | 234,667.68 | 200,673.78 | 33,993.90 | |
| 23-Jun | 250,023.02 | 194,862.49 | 55,160.53 | |
| 23-May | 240,766.01 | 199,559.25 | 41,206.76 | |
| 23-Apr | 135,616.60 | 119,883.18 | 15,733.42 | |
| Last Close | 12,645.00 | 12,823.00 | -178 | |
| 6 Months average | 229,092.98 | 205,510.34 | 23,582.64 | |

MF equity investments, Rs cr

| | Buy | Sell | Net | MTD |
|------------------|------------|-----------|----------|------------|
| 12-Oct | 5,212.00 | 4,001.00 | 1,211.00 | 11,191.00* |
| 23-Sep | 119295.59 | 99548.54 | 19747.05 | |
| 23-Aug | 136454.48 | 110953.63 | 25500.85 | |
| 23-Jul | 95495.32 | 87787.86 | 7707.46 | |
| 23-Jun | 109374.51 | 103710.48 | 5664.03 | |
| 23-May | 100303.37 | 97856.86 | 2446.51 | |
| 23-Apr | 75553.66 | 80684.71 | -5131.05 | |
| Last Close | 227 | 250 | -23 | |
| 6 Months average | 106,079.49 | 96,757.01 | 9,322.48 | |

WEEK AHEAD

Market participants will also keep an eye on movement in oil prices amid geopolitical tension in Israel and Gaza.

The corporate results for the second quarter of the current fiscal (Q2FY24), July to September period, will be in focus. The progress of monsoon, domestic and global macroeconomic data, trend in global stock markets, the movement of rupee against the dollar and crude oil prices will also dictate trend on the bourses. Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will also be monitored.

On the macro front, India's inflation based on wholesale price index (WPI) for September will be declared today.

Overseas, China's GDP for Q3 will be unveiled on 18 October 2023, accompanied by the industrial production and retail sales figures for September.

Japan will declare its inflation data for September on 20 October 2023. The US Retail Sales data for September will be announced on 17 October 2023.

Source: Bloomberg, BSE, HSBC MF, CRISIL, Capital Market

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