



HSBC Mutual Fund

# Market Flash

October 30, 2023





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### Sensex falls over 250 points, Nifty below 19,000 mark; Nifty Bank drags

Indian equity market started Monday's trading session on a dismal note, amid weak cues from Asian peers. Indian rupee opened flat at 82.26 per dollar on Monday versus Friday's close of 83.24.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 63,497 down 289 points or 0.45%. Market breadth is negative and out of a total of 3,123 shares traded on the Bombay Stock Exchange, 1,335 advanced while 1,647 declined and 141 remained unchanged. The broader Nifty50 was at 18,961 levels down 86 points or 0.45%.

Except oil & gas, all other sectoral indices are trading in the red. Nifty Bank dips by 300 points. In the broader market, the BSE Mid Cap index slipped 0.7%, and Small Cap index was down 0.5%.

### WEEKLY REVIEW – OCTOBER 23 – OCTOBER 27, 2023

Domestic equity indices dropped sharply in truncated trading week on selling pressure across index pivotal, driven by rising US bond yields and escalating tensions between Hamas and Israel. The Nifty settled below the 19,050 mark.

In the week ended on Friday, 27 October 2023, the S&P BSE Sensex dropped 1,614.82 points or 2.47% to settle at 63,782.80. The Nifty 50 index tumbled 495.40 points or 2.53% to close at 19,047.25.

The BSE Mid Cap index shed 2.41% to close at 31,112.51. The BSE Mid Cap index shed 2.41% to close at 31,112.51. The BSE Small Cap index slipped 3.43% to end at 36,888.03.

| Indices                   | Last close | One-day change in % | One month change in % | % YTD change in % |
|---------------------------|------------|---------------------|-----------------------|-------------------|
| <b>Domestic</b>           |            |                     |                       |                   |
| S&P BSE Sensex            | 63,782.80  | 1.01                | -3.53                 | 4.84              |
| Nifty 50                  | 19,047.25  | 1.01                | -3.39                 | 5.2               |
| S&P BSE 200               | 8,334.44   | 1.19                | -3.56                 | 6.14              |
| S&P BSE 500               | 26,548.45  | 1.25                | -3.39                 | 7.9               |
| S&P BSE Midcap            | 31,112.51  | 1.7                 | -3.71                 | 22.9              |
| S&P BSE Smallcap          | 36,888.03  | 1.89                | -1.57                 | 27.52             |
| S&P BSE Auto              | 36,717.99  | 1.34                | -0.47                 | 26.95             |
| S&P BSE Bankex            | 48,345.74  | 1.37                | -3.47                 | -1.15             |
| S&P BSE Cap Goods         | 45,766.82  | 1.4                 | -3.09                 | 37.26             |
| S&P BSE Consumer Durables | 44,049.49  | 0.39                | -4.01                 | 10.89             |
| S&P BSE FMCG              | 18,560.81  | 0.92                | -1.86                 | 15.46             |
| S&P BSE Healthcare        | 27,279.72  | 1.11                | -2.82                 | 18.43             |
| S&P BSE IT                | 31,068.47  | 1.38                | -5.12                 | 8.36              |
| S&P BSE Metal             | 22,303.92  | 0.86                | -2.32                 | 6.94              |
| S&P BSE Oil & Gas         | 18,055.68  | 1.15                | -4.66                 | -11.53            |
| S&P BSE Power             | 4,404.87   | 2.04                | -4.97                 | 0.54              |
| S&P BSE Realty            | 4,622.08   | 1.62                | 0.26                  | 34.1              |

## GLOBAL MARKETS

Asian share markets were mixed on Monday as Israel's push into Gaza stirred fears of a wider conflict ahead of central bank meetings in the United States, Britain and Japan, the latter of which might see a policy tightening.

Early on Monday, S&P 500 futures had edged up 0.3% to 4,151, while Nasdaq futures added 0.5%. EUROSTOXX 50 futures slipped 0.2% and FTSE futures were flat.

MSCI's broadest index of Asia-Pacific shares outside Japan eased 0.2%, having hit a one-year low last week. Chinese blue chips firmed 0.1%.

Japan's Nikkei fell 1.1% amid speculation the Bank of Japan (BOJ) might tweak its yield curve control (YCC) policy after its two-day policy meeting wraps up on Tuesday.

US stocks closed mostly lower on Friday, losing momentum as investors digested a hectic week of mixed earnings, and economic data that seemed to support the "higher for longer" interest rate scenario.

## RUPEE, OIL & FIIs

**Indian Rupee:** The rupee paused its three-day downward move to settle flat at 83.25 against the US dollar on Friday as the support from positive domestic equities was negated by surging crude oil prices.

**Crude Oil:** Oil prices slipped on Monday as investors adopted caution ahead of the Fed policy meeting and China's manufacturing data later this week, offsetting support from geopolitical tensions in the Middle East.

Brent lost 65 cents to \$89.83 a barrel, while US crude fell 77 cents to \$84.77.

**FPIs & DIIs:** Foreign institutional investors sold shares worth Rs 1,500.13 crore, while domestic institutional investors bought Rs 313.69 crore worth of stocks on October 27, provisional data from the National Stock Exchange showed.

| International             |            |       |       |        |
|---------------------------|------------|-------|-------|--------|
| DJIA*                     | 32,784.30  | -0.76 | -2.48 | -1.09  |
| Nasdaq Composite*         | 12,595.61  | -1.76 | -3.58 | 20.34  |
| Nikkei 225 (Japan)        | 30,991.69  | 1.27  | -4.26 | 18.77  |
| Straits Times (Singapore) | 3,061.85   | -0.31 | -4.32 | -5.83  |
| Hang Seng (Hong Kong)     | 17,398.73  | 2.08  | -1.21 | -12.05 |
| Kospi Composite (Seoul)   | 2,302.81   | 0.16  | -6.58 | 2.97   |
| FTSE 100 (London)         | 7,354.57   | -0.81 | -3.56 | -1.3   |
| Cac 40 (France)*          | 6,888.96   | -0.38 | -2.62 | 6.41   |
| Xetra Dax (Germany)*      | 14,731.05  | -1.08 | -3.44 | 5.8    |
| S&P 500 (US)*             | 4,137.23   | -1.18 | -3.19 | 7.75   |
| Shanghai (china)          | 3,017.78   | 0.99  | -2.88 | -2.31  |
| MICEX (Russia)*           | 3,217.40   | -0.2  | 4.88  | 49.36  |
| Bovespa (Brazil)*         | 114,776.86 | 1.73  | 0.51  | 4.59   |
| JCI (Indonesia)           | 6,758.79   | 0.66  | -2.58 | -1.34  |
| SET (Thailand)            | 1,388.23   | 1.24  | -7.28 | -16.81 |

**\*Data as of Oct 26**

**FII equity investments, Rs cr**

|                  | Buy        | Sell       | Net        | MTD        |
|------------------|------------|------------|------------|------------|
| 26-Oct           | 11,830.00  | 18,226.00  | -6,396.00  | -17,489.00 |
| 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       | 9,128.00   | 13,153.00  | -4,025.00  |            |
| 6 Months average | 229,092.98 | 205,510.34 | 23,582.64  |            |

**MF equity investments, Rs cr**

|                  | Buy        | Sell      | Net      | MTD        |
|------------------|------------|-----------|----------|------------|
| 26-Oct           | 6,033.00   | 5,077.00  | 956      | 13,878.00* |
| 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       | 6,033.00   | 5,077.00  | 956      |            |
| 6 Months average | 106,079.49 | 96,757.01 | 9,322.48 |            |

**-MF Data as of Oct 18**



## 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, the S&P Global Manufacturing PMI data for October will be declared on 1 November 2023. The S&P Global Services PMI for October will be declared on 3 November 2023.

Auto stocks will be in focus as auto companies will start announcing monthly sales numbers for October starting from 1 November 2023.

Overseas, China will announce the NBS Manufacturing PMI for October on 31 October 2023. China will announce the Caixin Manufacturing PMI for October on 1 November 2023. The US ISM Manufacturing PMI data for October will be announced on 1 November 2023.

The Bank of Japan (BoJ) will announce its interest rate decision on 31 October 2023.

The US Federal Reserve (Fed) will announce its interest rate decision after its two-day policy meeting on 1 November 2023.

The US Non Farm Payrolls data and unemployment rate for October will be disclosed on 3 November 2023. The US ISM Services PMI for October will be disclosed on 3 November 2023.

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

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