Weekly Market Update

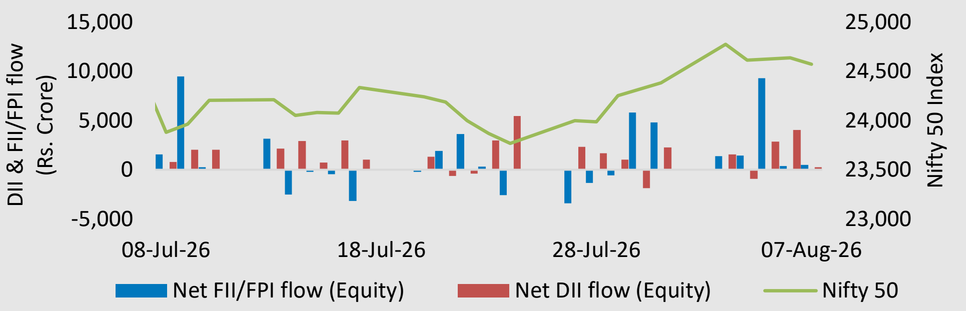
07 August, 2026

Macro Economic Release

Indicators	Actual	Consensus	Previous
India Manufacturing PMI (Jul 2026)	53.5	NA	54.2
India Services PMI (Jul 2026)	53.3	NA	57.4
India Composite PMI (Jul 2026)	54.3	NA	57.1
Fiscal Deficit % of BE (Jun 2026)	18.15	NA	9.57

Source: Refinitiv

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Macro Economic Update

- The Monetary Policy Committee (MPC), in its third bi-monthly monetary policy review for FY27, decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 5.25%. Consequently, the standing deposit facility (SDF) rate remains at 5.00%, and the marginal standing facility (MSF) rate and the Bank Rate remain at 5.50%. The MPC also decided to continue with the neutral stance.
- The RBI has projected real GDP growth at 6.7% for FY27, with quarterly growth of 7.0% in Q1, 6.4% in Q2, 6.5% in Q3, and 6.8% in Q4. Real GDP growth for Q1 FY28 is projected at 7.3%, with risks assessed as broadly balanced.
- Total gross Goods and Services Tax (GST) revenue grew 15.4% YoY to Rs. 2.11 lakh crore in Jul 2026 from Rs. 1.83 lakh crore in Jul 2025.
- The Manufacturing Purchasing Managers' Index (PMI) eased to 53.5 in Jul 2026 from 54.2 in Jun 2026. Output and new orders continued to expand, although total sales grew at one of the slowest rates in more than four years amid challenging market conditions and softer client demand.
- India's Services Purchasing Managers' Index (PMI) fell to a four-year low of 53.3 in Jul 2026 from 57.4 in Jun 2026, as business activity and new business inflows were moderated by softer demand and intense competition. The Composite PMI also declined to 54.3 in Jul 2026 from 57.1 in the previous month.

Indian Equity Market Performance

Broad Indices	07-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE Sensex	78,499	0.52	-2.63	-7.89
Nifty 50	24,571	0.77	-0.10	-5.97
BSE 100	26,272	0.87	1.92	-3.92
Nifty 500	23,712	1.07	4.49	-0.67
Nifty Mid cap 50	18,173	0.37	13.34	5.32
Nifty Small cap 100	19,868	2.73	12.29	12.16

Sector Indices	07-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE AUTO	65,074	2.86	22.28	4.02
BSE Bankex	65,492	0.86	6.03	-1.90
BSE CD	64,973	-0.27	8.22	8.28
BSE CG	79,283	2.95	16.85	18.13
BSE FMCG	18,474	0.86	-9.22	-9.20
BSE HC	51,235	0.86	17.39	16.97
BSE IT	30,305	2.72	-11.27	-17.51
BSE METAL	42,153	2.97	35.87	14.51
BSE Oil & Gas	26,349	-0.51	1.12	-8.22
BSE Power	7,661	-0.11	15.54	17.80
BSE PSU	21,096	2.03	11.58	2.57
BSE Realty	6,911	-1.74	-0.36	1.53
BSE Teck	15,832	1.31	-6.57	-14.47

Source: BSE & NSE

Domestic Equity Market Update

- Domestic equity markets rose for the second consecutive week, with the benchmark indices, BSE Sensex and Nifty 50, gaining 0.52% and 0.77%, respectively.
- Domestic equity markets advanced, supported by a weaker U.S. dollar, renewed foreign fund inflows, and easing crude oil prices, which helped bolster investor sentiment.
- Sentiment received a further boost after the RBI, at its Aug 2026 monetary policy meeting, kept policy rates unchanged while marginally raising its FY27 GDP growth forecast to 6.7% from 6.6% and lowering its FY27 inflation projection to 5.0% from 5.1%, reflecting confidence in the resilience of the domestic economy.
- Gains were further supported by softer U.S. labor market data for Jul 2026, which strengthened expectations of Federal Reserve rate cuts, and optimism surrounding a potential U.S.-Iran agreement that could lead to the reopening of the Strait of Hormuz.
- However, gains were capped as tensions in the Middle East escalated following attacks by the Iran-backed Houthis on a military camp in Yemen and targets in Saudi Arabia, one of the world's largest oil producers.
- On the BSE sectoral front, BSE Metal gained 2.97% during the week, supported by improving global commodity sentiment. Investor appetite for metal stocks strengthened after softer U.S. labor market data for Jul 2026 reinforced expectations of Federal Reserve rate cuts, leading to a weaker U.S. dollar. The decline in the dollar boosted metal prices and supported mining and metal stocks globally, benefiting the domestic metals sector. BSE Auto rose 2.86% after the RBI kept the repo rate unchanged at 5.25% in its Aug 2026 monetary policy meeting and adopted a relatively positive policy stance, boosting investor sentiment toward the rate-sensitive automobile sector.

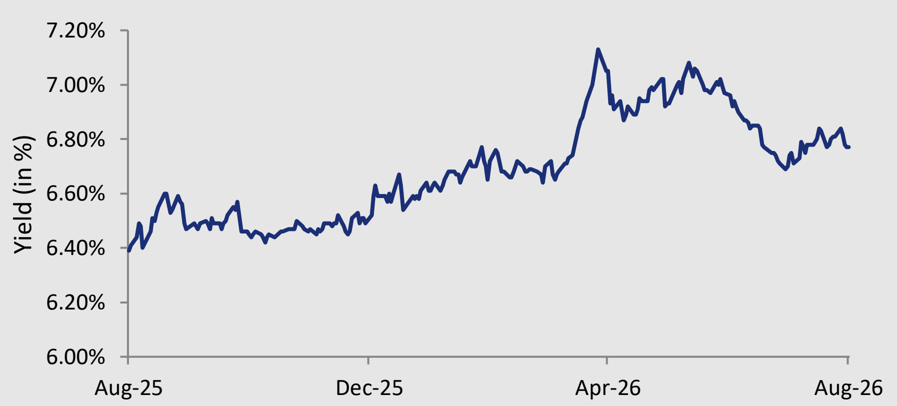
Indian Debt Market Indicators

Broad Indices	07-Aug-26	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	5.09%	5.37%	5.25%	5.06%	5.44%
T-Repo	4.96%	5.21%	5.14%	4.32%	5.39%
Repo	5.25%	5.25%	5.25%	5.25%	5.50%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	6.62%	6.90%	6.57%	7.02%	5.82%
1 Year CP	7.20%	7.23%	7.11%	7.03%	6.33%
3 Month CD	6.60%	6.80%	6.44%	7.06%	5.77%
1 Year CD	7.10%	7.10%	7.08%	6.96%	6.28%

Broad Indices	07-Aug-26	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.46%	7.37%	7.43%	7.10%	6.86%
3 Year AAA Corporate Bond	7.32%	7.44%	7.25%	7.17%	6.82%
5 Year AAA Corporate Bond	7.22%	7.35%	7.20%	7.18%	6.96%
1 Year G-Sec	5.77%	5.75%	5.80%	5.74%	5.69%
3 Year G-Sec	6.19%	6.35%	6.17%	6.12%	5.97%
5 Year G-Sec	6.35%	6.45%	6.37%	6.54%	6.15%
10 Year G-Sec	6.77%	6.84%	6.70%	6.74%	6.39%
Forex Reserve ($ in billion)	692.87*	682.35**	674.19@	717.06@@	688.87@@@

*Source: CCIL,Refinitiv * As on Jul 31, 2026; ** As on Jul 24, 2026; @ As on Jul 03, 2026; @@ As on Feb 06, 2026; @@@ As on Aug 01, 2025*

10 - Year benchmark G-Sec Movement



Source: Refinitiv

Domestic Debt Market Update

- Bond yields declined after the RBI kept key policy rates unchanged at its Aug 2026 monetary policy meeting, broadly in line with market expectations. The rally gained further momentum as the policy statement was perceived to be slightly more dovish than anticipated, particularly regarding the inflation outlook and the central bank's approach to liquidity management. Additionally, stronger inflows through the RBI's dollar-inflow schemes helped counter the negative sentiment arising from Bloomberg's decision to defer the inclusion of Indian government bonds in its debt indices.
- Yield on the 10-year benchmark paper (6.94% GS 2036) fell by 8 bps to close at 6.76% from the previous week's close of 6.84%.
- Reserve Bank of India conducted the auction of two government securities namely 6.36% GS 2031 & 7.71% GS 2066 for a notified amount of Rs. 32,000 crore, for which full amount was accepted. The cut-off price/implicit yield at cut-off for 6.36% GS 2031 & 7.71% GS 2066 stood at Rs. 99.98/6.3647% & Rs. 101.84/7.5618%.

Weekly Market Update

07 August, 2026

Global Commodity Update

Commodities	07-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil ($/barrel)	77.08	-10.75	20.82	34.31
Brent Crude Oil ($/barrel)	82.30	-8.65	23.93	35.14
Gold ($/ounce)	4,341.71	7.44	27.81	0.64
Silver ($/ounce)	63.55	10.27	65.89	-10.82

Source: Refinitiv

Currencies Update

Currency	07-Aug-26	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	95.20	95.38	94.96	90.58	87.42
GBP	128.41	128.57	126.79	123.26	117.50
Euro	110.03	109.95	108.36	107.02	101.97
100 Yen	60.32	60.52	58.57	57.61	59.41

Source: Refinitiv

Global Equity Market Performance

Country/ Region	Indices	07-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	4,228	3.72	21.90	13.26
U.K.	FTSE	10,901	0.30	19.78	9.76
France	CAC 40	8,715	2.41	13.04	6.94
Germany	DAX	26,319	2.69	8.79	7.47
Japan	Nikkei 225	65,607	1.93	59.79	30.33
China	Shanghai Composite	3,940	2.81	8.25	-0.73
Hong Kong	Hang Seng	25,668	-0.84	2.34	0.15
Singapore	Straits Times	5,698	1.24	33.82	22.65
Brazil	Sao Paulo Se Bovespa	172,513	-3.08	26.36	7.07

Source: Refinitiv

Global Bond Yield Update

Indicators	07-Aug-26	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	4.66	4.75	4.53	4.21	4.24
U.K. 10 Year Bond yield (%)	4.92	5.05	4.85	4.51	4.55
German 10 Year Bond yield (%)	3.14	3.21	2.99	2.84	2.63
Japan 10 Year Bond yield (%)	2.79	2.79	2.85	2.23	1.47

Source: Refinitiv

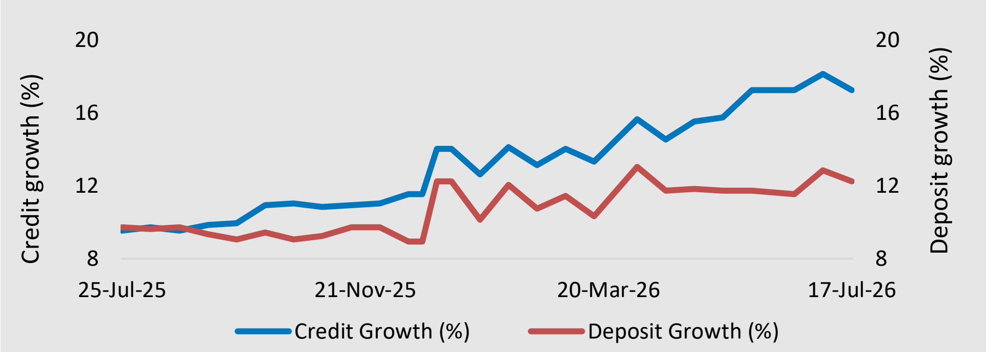
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China Caixin Mfg PMI Final Jul 2026	3-Aug	50.9	51.5	51.7
Euro Zone Markit Mfg Final PMI Jul 2026	3-Aug	51.9	52.0	52.0
U.S. Markit Mfg PMI Final Jul 2026	3-Aug	53.9	NA	53.8
U.S. Markit Svcs PMI Final Jul 2026	5-Aug	54.6	NA	53.6

Source: Refinitiv

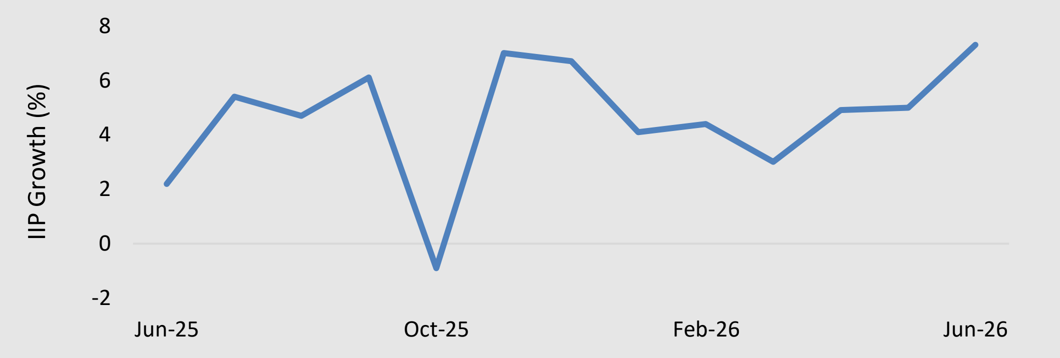
Macro Economic Performance of India

Credit growth vs Deposit growth



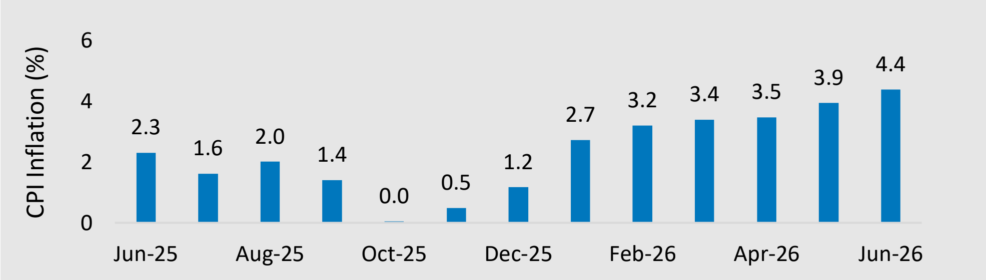
Source: Refinitiv

IIP Growth (%)



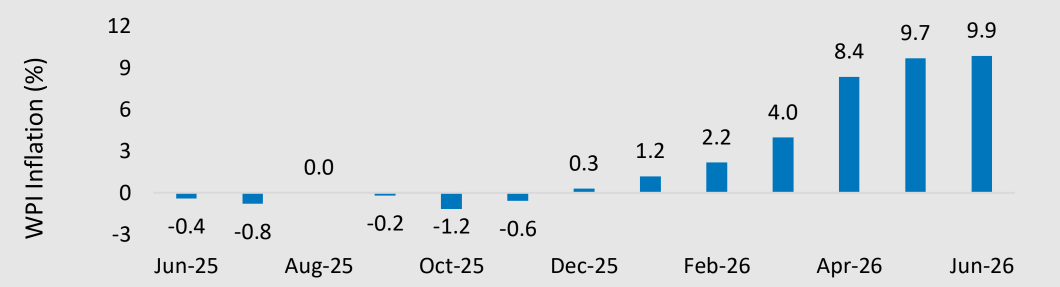
Source: Refinitiv

Retail inflation movement



Source: Refinitiv

Wholesale price inflation movement



Source: Refinitiv

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