Weekly Market Update

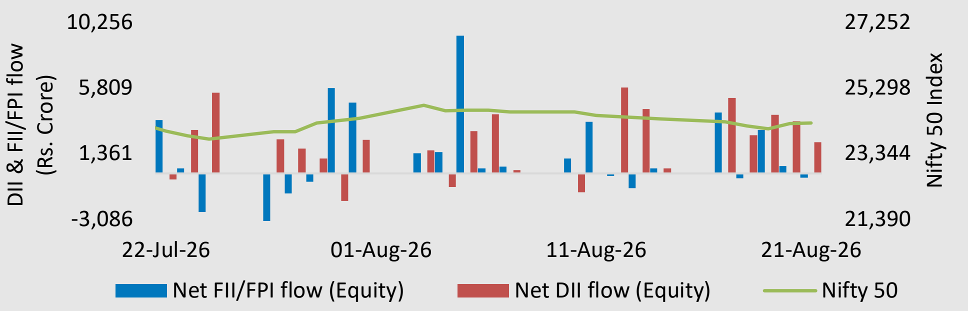
21 August, 2026

Macro Economic Release

Indicators	Actual	Consensus	Previous
Imports ($ billion) (Jul 2026)	76.22	NA	70.84
Exports ($ billion) (Jul 2026)	44.24	NA	40.41
Trade Deficit ($ billion) (Jul 2026)	31.98	NA	30.43
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

- According to the Ministry of Commerce & Industry, the Index of Core Industries (ICI) rose 5.4% YoY in Jul 2026, following an upwardly revised growth of 6.0% YoY in Jun 2026. Iron ore recorded the strongest growth at 29.5%, followed by cement and electricity, which grew 13.1% and 9.0%, respectively. In contrast, fertilizers and crude oil contracted by 8.0% and 5.3%, respectively.
- India's unemployment rate fell to a four-month low of 5.1% in Jul 2026 from 5.5% in Jun 2026, driven by improved rural employment. Labour market conditions strengthened further as labour force participation and worker population ratios increased, while unemployment among women and youth also declined.
- The RBI Governor, in the minutes of Aug 2026 MPC meeting, reiterated the need for greater clarity on the inflation trajectory before considering any policy rate recalibration, while highlighting risks from rising food, fuel, and input costs.
- According to provisional RBI data, India's outward FDI rose 17% YoY to $5.7 billion in Jul 2026, up from $4.88 billion a year ago and $3.14 billion in Jun 2026.
- According to data from the Petroleum Planning and Analysis Cell, India's crude oil imports rose over 9% MoM to 21.41 million metric tons in Jul 2026 and were up 13% YoY.

Indian Equity Market Performance

Broad Indices	21-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE Sensex	77,541	-0.60	-5.44	-9.01
Nifty 50	24,252	-0.47	-3.32	-7.19
BSE 100	25,994	-0.59	-1.11	-4.94
Nifty 500	23,530	-0.27	1.70	-1.43
Nifty Mid cap 50	18,320	0.33	12.28	6.18
Nifty Small cap 100	19,978	1.21	11.20	12.78
Sector Indices	**21-Aug-26**	**% Change (WoW)**	**% Change (YoY)**	**% Change (YTD)**
BSE AUTO	64,261	-0.55	13.19	2.72
BSE Bankex	65,369	0.15	5.20	-2.08
BSE CD	65,276	-0.65	7.06	8.79
BSE CG	79,220	-1.12	18.07	18.04
BSE FMCG	17,980	-1.71	-13.29	-11.62
BSE HC	50,545	-0.85	12.91	15.39
BSE IT	29,334	-2.61	-16.28	-20.15
BSE METAL	41,796	0.60	32.11	13.54
BSE Oil & Gas	26,091	-0.70	-1.32	-9.12
BSE Power	7,542	-1.33	14.40	15.97
BSE PSU	20,729	-0.83	9.06	0.79
BSE Realty	7,108	1.58	-0.23	4.43
BSE Teck	15,509	-2.58	-10.41	-16.21

Source: BSE & NSE

Domestic Equity Market Update

- Domestic equity markets fell for the second consecutive week, with the benchmark indices, BSE Sensex and Nifty 50, declining by 0.60% and 0.47%, respectively.
- Domestic equity markets fell as rising crude oil prices and escalating tensions between Iran and the U.S. rekindled concerns over inflation and the interest rate outlook. Sentiment was dampened after the U.S. President ruled out extending the temporary ceasefire agreement with Iran, while Tehran stated that it was preparing to shift to a "fully offensive" military posture, heightening fears of further geopolitical instability and potential disruptions to global energy supplies. Markets received some support after the U.S. Treasury Department announced plans to repurchase longer-dated debt securities with maturities ranging from 10 to 30 years, a measure aimed at containing borrowing costs. However, these efforts to ease yield pressures failed to provide sustained relief as the week progressed.
- On the BSE sectoral front, BSE IT fell 2.61% after a major global investment bank cautioned that, while technology sector valuations do not appear stretched, there could be an "earnings bubble" risk as expectations for future growth continue to outpace the tangible benefits of artificial intelligence investments. Shares of major domestic IT companies declined as investors reassessed the sustainability of earnings growth amid rising AI-related capital expenditure and limited evidence of broad-based productivity gains.
- BSE Metal rose 0.60% as higher global prices of key commodities such as steel, copper, aluminium, and zinc boosted expectations of stronger profitability and revenue growth for metal producers. Sentiment was further supported by supply disruptions, declining inventories, and robust demand trends, which helped drive commodity prices higher and lifted margin outlooks across the sector. Investors also remained optimistic following healthy quarterly earnings from several metal and mining companies, while expectations that elevated commodity prices could continue to support earnings growth kept buying interest strong in the sector.

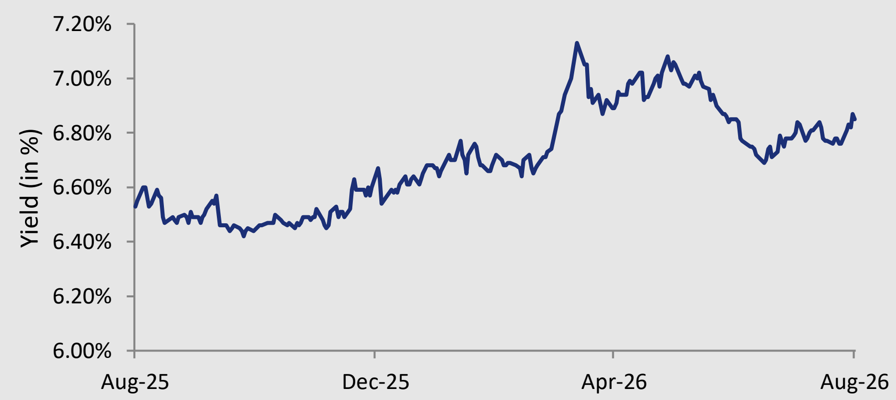
Indian Debt Market Indicators

Broad Indices	21-Aug-26	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	5.19%	5.23%	5.34%	5.11%	5.52%
T-Repo	5.07%	5.06%	5.23%	4.94%	5.55%
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%	6.40%	6.92%	7.07%	5.82%
1 Year CP	7.33%	7.10%	7.32%	6.91%	6.35%
3 Month CD	6.56%	6.43%	6.92%	7.09%	5.87%
1 Year CD	7.38%	7.18%	7.09%	7.09%	6.35%

Broad Indices	21-Aug-26	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.60%	7.43%	7.59%	7.04%	6.88%
3 Year AAA Corporate Bond	7.36%	7.29%	7.34%	7.10%	6.87%
5 Year AAA Corporate Bond	7.37%	7.23%	7.32%	7.12%	7.00%
1 Year G-Sec[1]	5.80%	5.75%	5.77%	5.66%	5.61%
3 Year G-Sec	6.28%	6.19%	6.26%	6.05%	6.03%
5 Year G-Sec	6.49%	6.36%	6.47%	6.48%	6.34%
10 Year G-Sec	6.85%	6.76%	6.79%	6.72%	6.53%
Forex Reserve ($ in billion)	716.91*	707.00**	676.24@	723.61@@	695.11@@@

*Source: CCIL,Refinitiv * As on Aug 14, 2026; ** As on Aug 07, 2026; @ As on Jul 17, 2026; @@ As on Feb 20, 2026; @@@ As on Aug 15, 2025*

10 - Year benchmark G-Sec Movement



Source: Refinitiv

Domestic Debt Market Update

- Bond yields rose after the RBI unexpectedly advanced the deadline for its concessional swap window for non-resident Indian (NRI) deposits. Losses extended as rising crude oil prices and escalating geopolitical tensions in the Middle East heightened concerns over inflationary pressures and their potential impact on the interest rate outlook. Yields rose further after the minutes of the RBI's Aug 2026 policy meeting struck a hawkish tone, with policymakers signaling a greater willingness to raise rates if inflation risks materialize, amid growing concerns that higher food, fuel, and input costs could translate into broader price pressures.
- Yield on the 10-year benchmark paper (6.94% GS 2036) rose by 9 bps to close at 6.85% from the previous week's close of 6.76%.
- Reserve Bank of India conducted the auction of two government securities namely 7.06% GS 2041 & 7.43% GS 2076 for a notified amount of Rs. 28,000 crore, for which full amount was accepted. The cut-off price/implicit yield at cut-off for 7.06% GS 2041 & 7.43% GS 2076 stood Rs. 99.93/7.0668% & Rs. 98.22/7.5674%.

[1] Data as on 20 Aug, 2026

Weekly Market Update

21 August, 2026

Global Commodity Update

Commodities	21-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil ($/barrel)	86.62	5.62	36.47	50.93
Brent Crude Oil ($/barrel)	93.60	5.31	38.50	53.69
Gold ($/ounce)	4,602.61	5.18	37.87	6.69
Silver ($/ounce)	68.97	6.67	80.71	-3.22

Source: Refinitiv

Currencies Update

Currency	21-Aug-26	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	95.69	95.44	96.23	90.70	87.27
GBP	130.52	129.13	128.67	122.28	117.04
Euro	111.76	110.42	109.67	106.85	101.27
100 Yen	60.19	59.90	58.97	58.48	58.81

Source: Refinitiv

Global Equity Market Performance

Country/ Region	Indices	21-Aug-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	4,186	-1.39	20.19	12.15
U.K.	FTSE	10,817	0.62	16.19	8.91
France	CAC 40	8,484	-1.76	6.88	4.11
Germany	DAX	26,137	-1.15	7.59	6.72
Japan	Nikkei 225	66,016	-3.93	54.93	31.14
China	Shanghai Composite	3,905	-0.56	3.56	-1.60
Hong Kong	Hang Seng	26,009	3.55	3.60	1.48
Singapore	Straits Times	5,689	-0.95	34.46	22.44
Brazil	Sao Paulo Se Bovespa	171,032	2.45	27.15	6.15

Source: Refinitiv

Global Bond Yield Update

Indicators	21-Aug-26	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	4.74	4.70	4.63	4.09	4.33
U.K. 10 Year Bond yield (%)	5.07	5.04	5.03	4.36	4.73
German 10 Year Bond yield (%)	3.26	3.21	3.17	2.74	2.76
Japan 10 Year Bond yield (%)	2.87	2.88	2.72	2.11	1.60

Source: Refinitiv

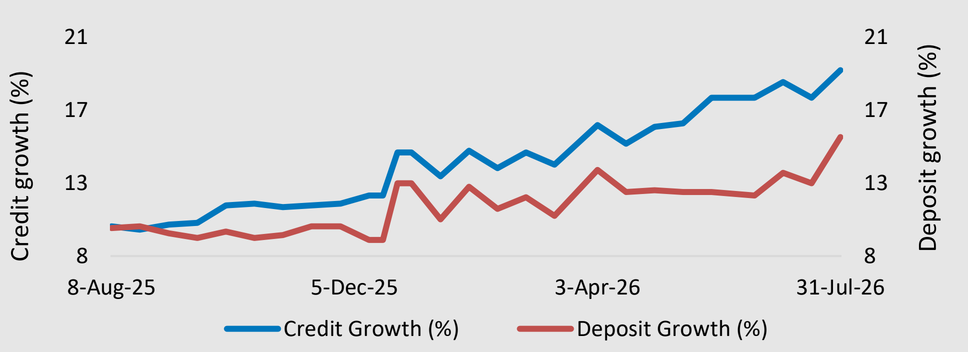
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
U.K. ILO Unemployment Rate Jun 2026	18-Aug	4.90%	4.80%	4.90%
Euro Zone HICP Final YY Jul 2026	19-Aug	2.90%	2.90%	2.90%
Japan CPI, Overall Nationwide Jul 2026	20-Aug	1.90%	NA	1.60%
China Loan Prime Rate 1Y Aug 2026	20-Aug	3.00%	NA	3.00%

Source: Refinitiv

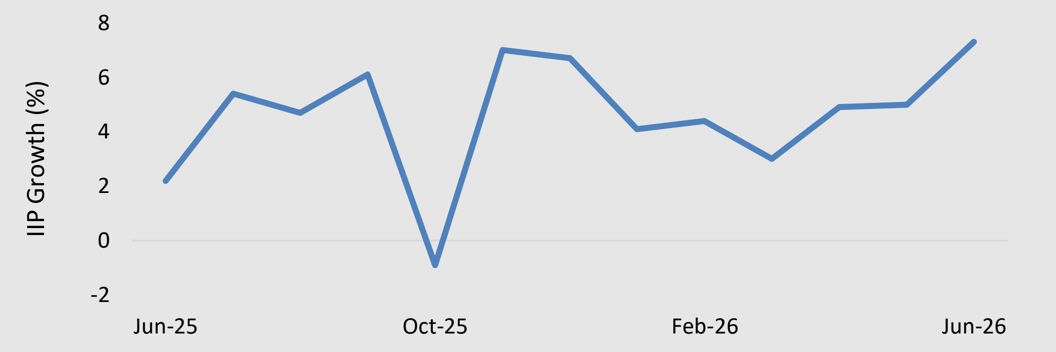
Macro Economic Performance of India

Credit growth vs Deposit growth



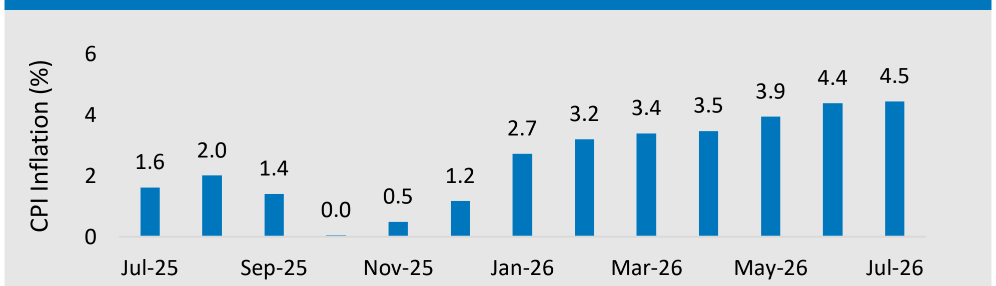
Source: Refinitiv

IIP Growth (%)



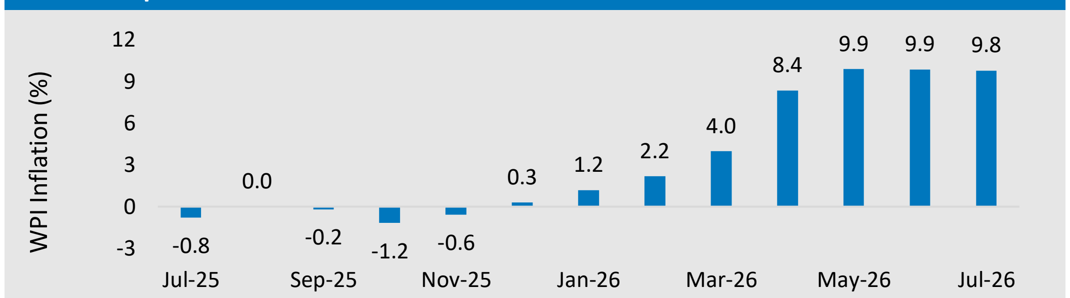
Source: Refinitiv

Retail inflation movement



Source: Refinitiv

Wholesale price inflation movement



Source: Refinitiv

Regd. Office Address: Bajaj Insurance House, Airport Road, Yerawada, Pune - 411006, Reg. No.: 116, CIN : U66010PN2001PLC015959, Call us on Customer Care Number: 020-6712 1212, Mail us: customercare@bajajlife.com.