Weekly Market Update

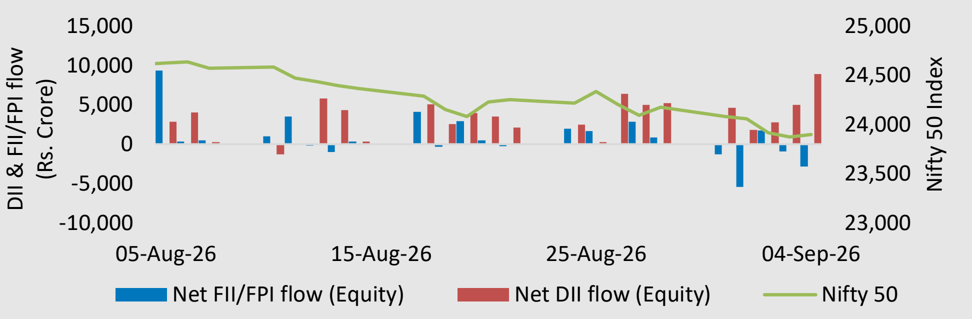
04 September, 2026

Macro Economic Release

Indicators	Actual	Consensus	Previous
India Manufacturing PMI (Aug 2026)	52.8	NA	53.5
India Services PMI (Aug 2026)	54.1	NA	53.3
India Composite PMI (Aug 2026)	54.3	NA	54.3
Fiscal Deficit % of BE (Jul 2026)	26.84	NA	18.15

Source: Refinitiv

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Macro Economic Update

- Government data showed that Gross Domestic Product (GDP) of the Indian economy at constant (2022-23) prices witnessed a growth of 7.8% YoY in Q1 of FY 2026-27, against the growth of 6.9% YoY experienced during Q1 of FY 2025-26. On the sectoral front, the Manufacturing sector witnessed growth of 9.2% YoY in Q1 of FY 2026-27 as against growth of 8.3% YoY in Q1 of FY 2025-26. The growth of Agriculture, Livestock, Forestry & Fishing slowed to 3.6% YoY in Q1 of FY27 compared to 4.4% YoY rise in Q1 of FY26.
- Government data showed that India's fiscal deficit for the period from Apr to Jul of FY27 stood at Rs. 4.55 lakh crore or 26.8% of the Budget Estimates (BE) of the current fiscal. India's fiscal deficit was at 29.9% of the BE in the corresponding period of the previous fiscal year. Total expenditure stood at Rs. 17.62 lakh crore or 32.9% of the BE as compared to 30.9% of the BE in the corresponding period of the previous fiscal year.
- According to the RBI data, India's current account deficit widened on a YoY basis to US$ 4.2 billion (0.5% of GDP) in Q1FY27, from US$ 3.4 billion (0.4% of GDP) in Q1FY26.
- Total gross Goods and Services Tax (GST) revenue grew 14.8% YoY to Rs. 2 lakh crore in Aug 2026 from Rs. 1.74 lakh crore in Aug 2025.
- The Manufacturing Purchasing Managers' Index (PMI) fell to a five-year low of 52.8 in Aug 2026 from 53.5 in Jul 2026, as weak demand slowed sales, output, and hiring.

Indian Equity Market Performance

Broad Indices	04-Sep-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE Sensex	76,515	-0.97	-5.21	-10.21
Nifty 50	23,898	-1.15	-3.38	-8.54
BSE 100	25,611	-1.11	-1.14	-6.34
Nifty 500	23,254	-1.17	1.90	-2.59
Nifty Mid cap 50	18,128	-1.51	12.81	5.06
Nifty Small cap 100	20,095	0.08	14.04	13.44

Sector Indices	04-Sep-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE AUTO	61,406	-3.66	5.64	-1.84
BSE Bankex	64,904	-0.09	7.31	-2.78
BSE CD	63,244	-2.80	1.45	5.40
BSE CG	77,869	-2.07	16.18	16.03
BSE FMCG	17,470	-1.64	-16.79	-14.13
BSE HC	50,913	-1.32	15.07	16.24
BSE IT	29,401	-1.93	-14.73	-19.96
BSE METAL	42,294	-1.57	32.43	14.89
BSE Oil & Gas	26,170	0.74	1.19	-8.84
BSE Power	7,476	-0.49	14.33	14.95
BSE PSU	20,544	-0.52	9.86	-0.11
BSE Realty	7,093	0.21	3.47	4.20
BSE Teck	15,319	-1.84	-9.72	-17.24

Source: BSE & NSE

Domestic Equity Market Update

- Domestic equity markets fell for the fourth consecutive week, with the benchmark indices, BSE Sensex and Nifty 50, declining by 0.97% and 1.15%, respectively.
- Domestic equity markets fell as rising U.S. Treasury yields and hawkish remarks from the U.S. Federal Reserve Chair weighed on investor sentiment. Losses were extended as crude oil prices continued to surge, driven by fears of prolonged disruptions to energy flows through the Strait of Hormuz following the first direct exchange of fire between the U.S. and Iran in over a month. However, losses were capped later in the week after dovish remarks from the U.S. Federal Reserve Chair prompted investors to scale back expectations of an interest rate hike this month.
- On the BSE sectoral front, BSE Auto declined 3.66% during the week despite robust Aug 2026 sales reported by most automakers. However, concerns over mixed month-on-month performance trends and signs of moderation in volume growth across certain segments weighed on investor sentiment, even as the sector continued to report healthy year-on-year sales growth. Additionally, a sharp rise in crude oil prices following escalating U.S.-Iran tensions dampened sentiment, as higher fuel costs raised concerns about increased input and transportation expenses, inflationary pressures, and a potential slowdown in vehicle demand.
- BSE Oil & Gas gained 0.74% during the week as a sharp rise in crude oil prices supported upstream oil companies. Crude prices increased amid escalating U.S.-Iran tensions and concerns over potential supply disruptions in the Middle East, a development that typically benefits upstream producers through higher realizations, helping the sector outperform the broader market.

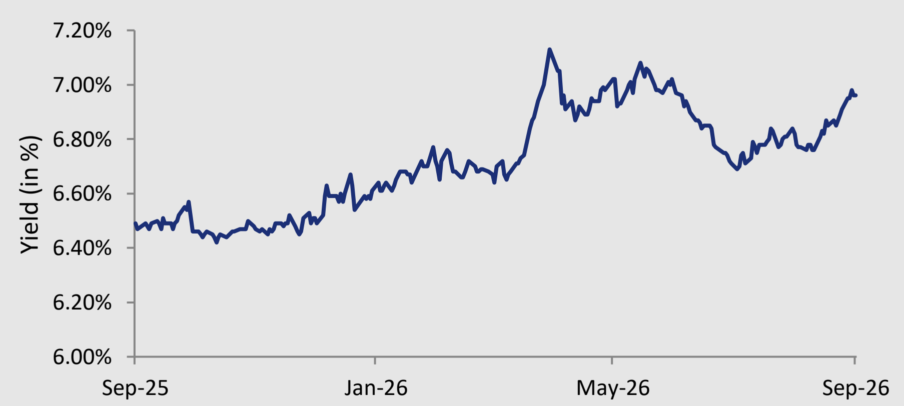
Indian Debt Market Indicators

Broad Indices	04-Sep-26	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	4.94%	5.22%	5.06%	5.11%	5.38%
T-Repo	4.22%	5.04%	4.88%	4.85%	5.36%
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	5.90%	6.45%	6.72%	7.15%	5.89%
1 Year CP	7.05%	7.37%	7.20%	7.05%	6.40%
3 Month CD	5.84%	6.42%	6.78%	7.22%	5.83%
1 Year CD	7.07%	7.13%	7.03%	6.99%	6.39%

Broad Indices	04-Sep-26	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.60%	7.62%	7.47%	7.03%	6.95%
3 Year AAA Corporate Bond	7.46%	7.36%	7.38%	7.05%	6.88%
5 Year AAA Corporate Bond	7.45%	7.39%	7.31%	7.13%	7.02%
1 Year G-Sec[1]	5.80%	5.82%	5.79%	5.63%	5.71%
3 Year G-Sec	6.43%	6.30%	6.27%	5.96%	6.05%
5 Year G-Sec	6.51%	6.54%	6.41%	6.35%	6.33%
10 Year G-Sec	6.96%	6.91%	6.82%	6.67%	6.50%
Forex Reserve ($ in billion)	740.80*	729.33**	692.87@	728.49@@	694.23@@@

*Source: CCIL,Refinitiv * As on Aug 28, 2026; ** As on Aug 21, 2026; @ As on Jul 31, 2026; @@ As on Feb 27, 2026; @@@ As on Aug 29, 2025*

10 - Year benchmark G-Sec Movement



Source: Refinitiv

Domestic Debt Market Update

- Bond yields rose after hawkish remarks from the U.S. Federal Reserve Chair heightened concerns about potential interest rate hikes. Yields increased further as renewed U.S.-Iran hostilities pushed crude oil prices higher and reignited inflation concerns. However, losses were limited by ample liquidity in the banking system and stronger-than-expected dollar inflows under the RBI's dollar-attracting schemes, which garnered $136.38 billion between Jun 5 and Aug 31, 2026.
- Yield on the 10-year benchmark paper (6.94% GS 2036) rose by 5 bps to close at 6.96% from the previous week's close of 6.91%.
- Reserve Bank of India conducted the auction of two government securities namely New 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 New GS 2031 & 7.71% GS 2066 stood 6.53% & Rs. 100.58/7.6618%.

[1]Data as on 31 Aug, 2026

Weekly Market Update

04 September, 2026

Global Commodity Update

Commodities	04-Sep-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil ($/barrel)	91.17	9.37	44.01	58.86
Brent Crude Oil ($/barrel)	95.85	7.32	43.42	57.39
Gold ($/ounce)	4,427.69	-0.56	24.89	2.63
Silver ($/ounce)	66.19	-0.25	62.75	-7.12

Source: Refinitiv

Currencies Update

Currency	04-Sep-26	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	94.48	95.37	95.38	92.10	88.17
GBP	127.75	129.07	128.26	123.15	118.44
Euro	109.72	110.48	109.96	107.14	102.70
100 Yen	60.47	59.57	60.46	58.63	59.38

Source: Refinitiv

Global Equity Market Performance

Country/ Region	Indices	04-Sep-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	4,204	0.08	18.11	12.63
U.K.	FTSE	10,831	0.06	17.51	9.06
France	CAC 40	8,279	-1.46	7.53	1.59
Germany	DAX	26,046	-1.97	9.58	6.35
Japan	Nikkei 225	65,021	-2.09	52.70	29.16
China	Shanghai Composite	3,930	-0.56	4.36	-0.98
Hong Kong	Hang Seng	25,651	0.26	2.36	0.08
Singapore	Straits Times	5,802	1.79	35.03	24.88
Brazil	Sao Paulo Se Bovespa	185,147	5.40	31.32	14.91

Source: Refinitiv

Global Bond Yield Update

Indicators	04-Sep-26	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	4.78	4.72	4.63	4.08	4.18
U.K. 10 Year Bond yield (%)	5.13	5.07	4.90	4.44	4.72
German 10 Year Bond yield (%)	3.34	3.28	3.11	2.76	2.72
Japan 10 Year Bond yield (%)	2.91	2.92	2.85	2.11	1.59

Source: Refinitiv

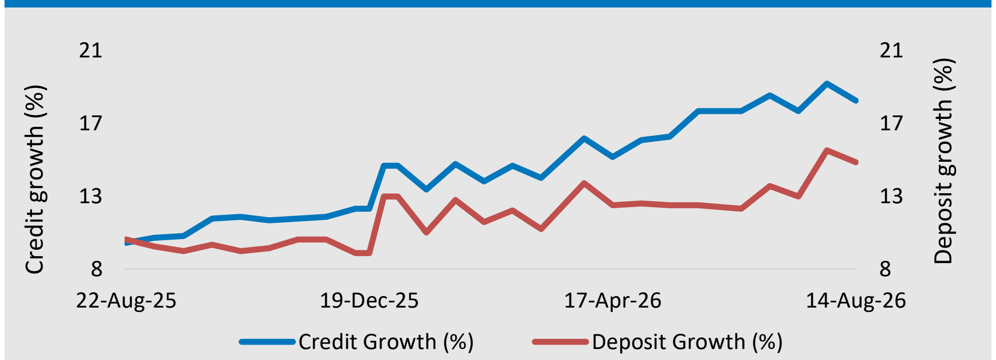
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China Caixin Mfg PMI Final Aug 2026	1-Sep	51.50	51.00	50.90
U.S. Markit Mfg PMI Final Aug 2026	1-Sep	53.90	NA	53.20
U.S. Non-Farm Payrolls Aug 2026	4-Sep	162 K	56.00	21 K
U.S. Average Earnings YY Aug 2026	4-Sep	3.10%	3.00%	3.20%

Source: Refinitiv

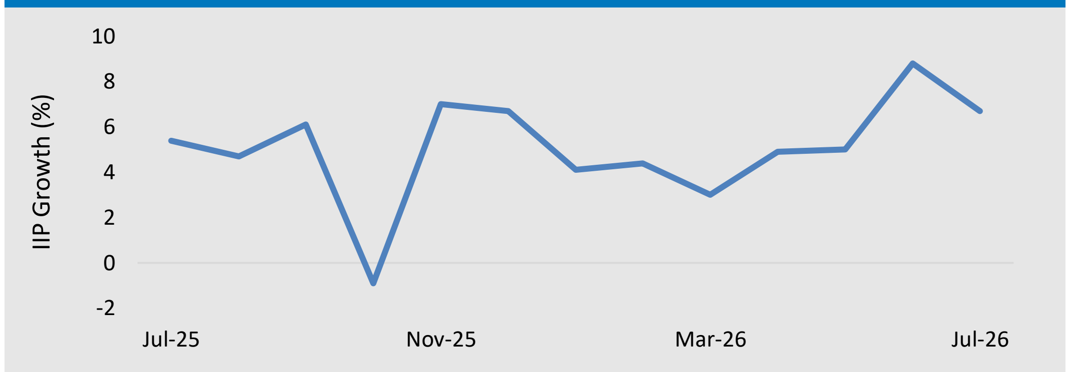
Macro Economic Performance of India

Credit growth vs Deposit growth



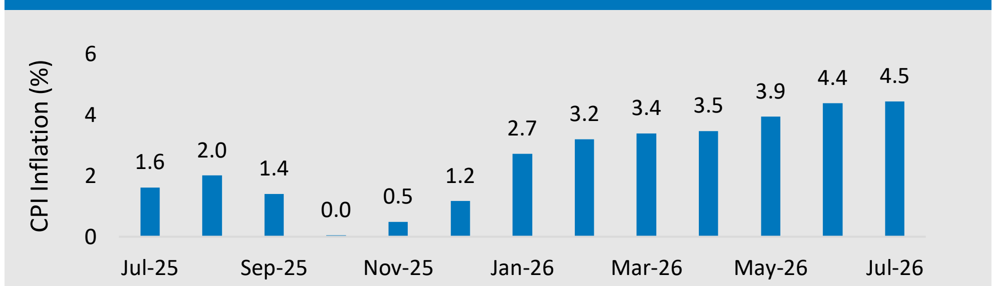
Source: Refinitiv

IIP Growth (%)



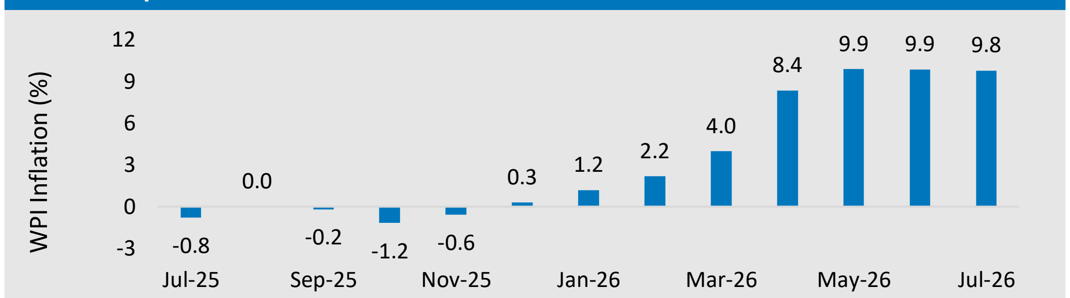
Source: Refinitiv

Retail inflation movement



Source: Refinitiv

Wholesale price inflation movement



Source: Refinitiv

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