



Weekly Market Brief

India had its best week since April. Almost all of it came from one sector.

The Nifty 50 rose 2.78% to 23,146.15 and the Sensex 3.11% to 74,729.27, a second straight weekly gain. Nifty IT rose about 11.7% on September-quarter results, its largest weekly gain since April 2008. Mid and small caps barely moved, foreign investors kept selling, and wholesale inflation reached 11.39%.

THE WEEK IN NUMBERS

MARKET	16 OCT	WEEK
Nifty 50	23,146.15	+2.78%
Sensex	74,729.27	+3.11%
Nifty IT	n.a.	+11.7%
Nifty Next 50	73,061.45	+3.36%
Nifty Midcap 150	21,736.75	+0.62%
Nifty Smallcap 250	n.a.	+0.36%
Rupee per US dollar	94.96	1.8% stronger
Brent crude, \$ per barrel	about 105	steady
Gold, MCX Dec, ₹ per 10 g	1,48,000	
10-year government bond yield	7.38%	
Repo rate	5.50%	unchanged
Foreign investors, net, 5 days	-₹8,989 Cr	
Domestic institutions, net, 5 days	+₹7,812 Cr	

Index closes NSE and BSE; weekly index changes for Nifty IT, Next 50, Midcap 150 and Smallcap 250 as reported by HDFC Sky and 5paisa. Flows are NSE provisional figures. Gold is the MCX December contract.

FIVE THINGS THAT MATTERED

- IT results turned the market.**
HCLTech, Tech Mahindra and Wipro reported, and Nifty IT had its strongest week in eighteen years.
- Wholesale inflation hit 11.39%**
in September, from 9.92%, with fuel and power up 25.9%. Retail inflation was 5.54%.
- The rupee recovered** from near 97 to 94.96, its best week since March.
- Wall Street went the other way.**
The Nasdaq fell 4.5% on doubts about AI spending; the Dow rose 0.7%.
- India's largest IPO opens on 21 October:** Jio Platforms, ₹30,213 crore, price band ₹1,065 to ₹1,119.

IN THIS ISSUE

01 Indian equities
The daily path, where the gain came from, results

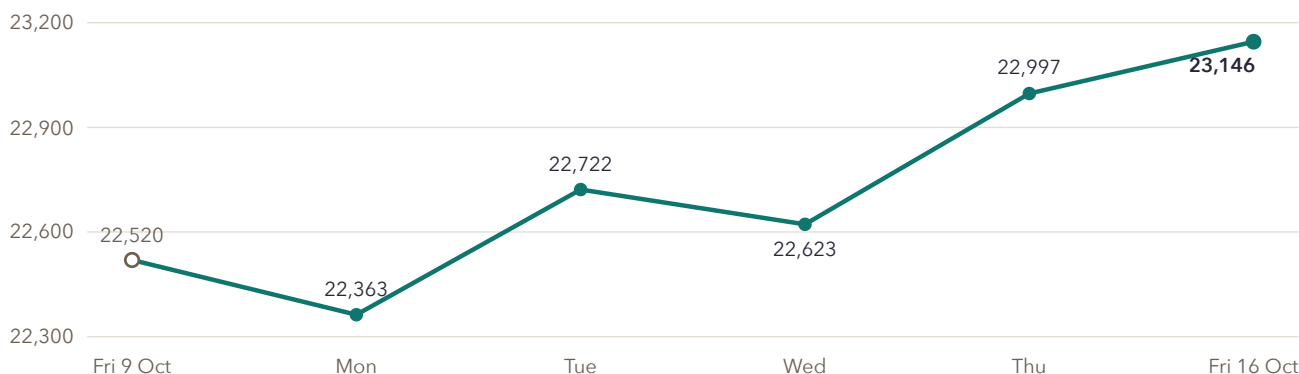
02 to 04 Economy, global, flows
Inflation and the RBI, US technology, AMFI September data

05 and 06 The week ahead
Jio IPO dates, the Fed, and what it means for a SIP

01 · Indian equities

A two-steps-forward week, carried by technology

The Nifty opened the week by falling 157.10 points on Monday, to 22,363.35, and then rose on three of the next four days. Tuesday added 358.60 and Thursday 374.65, the second taking the index to 22,997.35, its highest close since 25 September. Friday added 148.80 to finish at 23,146.15. Over five sessions the Nifty gained 625.70 points and the Sensex 2,256.94. Each day reconciles to the point on both indices.



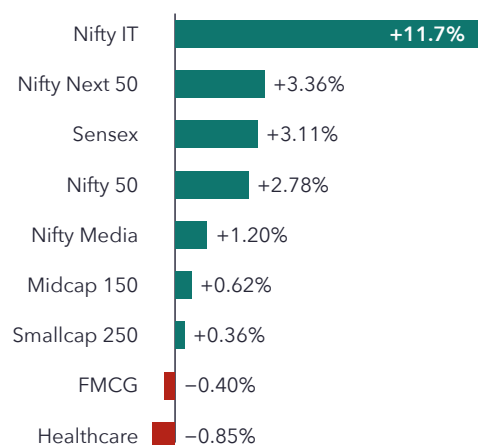
Nifty 50, daily closes. The open circle is the previous Friday's close. Source: NSE.

Where the gain came from

Nifty IT rose about 11.7% in the week, its largest weekly gain since April 2008. Business Standard counted a 14% rise over six sessions. HCLTech reported a September-quarter net profit of ₹5,132 crore, up 21.2%, on revenue of ₹35,620 crore, up 11.5% in rupees, and raised the lower end of its full-year growth guidance to 2.5%. Tech Mahindra's profit rose 32.7% to ₹1,585.6 crore with \$1.02 billion of new deals, and the stock rose 8.5% on Friday alone. Wipro rose 5.95% that day.

Outside technology the week was quiet. The Nifty Next 50 rose 3.36%, but the Midcap 150 rose only 0.62% and the Smallcap 250 0.36%. FMCG, healthcare and metal indices ended slightly lower, and Bank Nifty finished at 55,844, close to where it began.

Index moves for the week



Sector and broad-index weekly changes as reported by HDFC Sky (17 Oct); Nifty IT corroborated by 5paisa and CNBC-TV18. Nifty 50 and Sensex computed from exchange closes.

A 2.78% week for the Nifty and a 0.36% week for small caps are two different weeks. Most diversified portfolios lived somewhere between them.

Other results in the week

Federal Bank reported a record quarterly profit of ₹1,386 crore, up 45.1%, and its shares rose 2.9%. Nestle India's profit rose 35.9% to ₹1,009.6 crore on sales up 20.5%, yet the stock fell nearly 4%. These figures are as reported in company filings and summarised by HDFC Sky.

02 · Economy, rates and currency

Inflation is rising faster than the RBI expected

Wholesale prices rose 11.39% in the year to September, up from 9.92% in August. Fuel and power prices rose 25.9%, food articles 8.66% and manufactured products 9.76%. Retail inflation, published on 12 October, was 5.54%, up from 4.83%. That is above the 5.2% the RBI projected for the full year when it raised the repo rate to 5.50% on 7 October.

With Brent crude near \$105 a barrel all week, the pressure is coming mainly through energy. India Ratings expects October wholesale inflation above 12% and retail inflation above 6%. The RBI has said its next move is a rise or a pause, and this week it tightened the daily cash-reserve maintenance requirement for banks and foreign-exchange derivative rules.

The rupee had its best week since March, moving from near 97 to 94.96 per dollar, about 1.8% stronger than the previous Friday's 96.71. The 10-year government bond yield closed the week at 7.38%.

INDICATOR	LATEST	PREVIOUS
Wholesale inflation, Sep	11.39%	9.92%
Retail inflation, Sep	5.54%	4.83%
Repo rate	5.50%	5.25%
10-year G-sec yield	7.38%	market quote
Rupee per dollar	94.96	96.71
Nifty 50 P/E	19.77	long-run avg 20.8

MoSPI, Office of the Economic Adviser, RBI, NSE Indices. Bond yield is a market quote.

03 · Global markets

A bad week for US technology shares

The Nasdaq Composite fell 4.5% for the week, its worst since late June, ending a month of gains. Chip shares fell for an eighth straight day on Friday, reported as their longest run of declines since 2008, as investors questioned whether heavy spending on artificial intelligence will pay for itself. US consumer inflation for September came in at a reported 3.7%, above expectations, which pushed bond yields up. The S&P 500 lost about 1.9%; the Dow, with fewer technology shares, gained 0.7%.

INDEX	16 OCT CLOSE	WEEK
S&P 500	7,659.44	-1.9%
Nasdaq Composite	26,140.03	-4.5%
Dow Jones	52,002.41	+0.7%
Nikkei 225	65,324.29	
Hang Seng	24,186.83	
FTSE 100	10,881.90	
DAX	25,622.61	

US weekly changes as reported by the Associated Press and Yahoo Finance. Asian and European weekly changes are not shown because our sources disagreed.

04 · Money flows and mutual funds

Domestic money is still doing the lifting

Foreign investors sold a net ₹8,989 crore of Indian shares over the five sessions and domestic institutions bought ₹7,812 crore, on NSE's provisional figures. Friday alone reversed it: foreigners bought ₹1,166 crore. For October so far, reported foreign selling is close to ₹50,000 crore and domestic buying slightly more.

AMFI's September data, released this month, shows SIP contributions of **₹32,490 crore**, up 0.6% on August, and net inflows into equity funds of ₹38,307 crore. Industry assets fell ₹4.44 lakh crore to ₹82.64 lakh crore, mainly because debt funds saw quarter-end outflows of ₹1,83,156 crore, a pattern that repeats most Septembers.

05 · The week ahead

Dates to know

19 Oct	Jio Platforms takes bids from anchor investors.
21 to 23 Oct	Jio Platforms IPO. ₹30,213 crore, all fresh issue, price band ₹1,065 to ₹1,119, lot of 12 shares (₹13,428 at the top of the band). It would be India's largest IPO, ahead of Hyundai Motor India's ₹27,870 crore in 2024. Allotment is expected on 26 October and listing around 28 October.
Through the week	September-quarter results continue across banks, consumer and industrial companies.
Until 30 Oct	Carnelian Small Cap Fund NFO is open (minimum ₹500). Documents and a one-page summary are on merasip.com/funds/nfo .
27 to 28 Oct	US Federal Reserve meeting. After the September inflation figure, markets put the chance of a rate rise at about 44%, from 22% a week earlier, according to CME FedWatch as reported.

06 · What it means for a SIP investor

Read the week by its width, not its height

A 2.78% week after eight falling weeks feels like a turn. Look at what carried it. One sector rose about 11.7%, the largest companies followed, and mid and small caps moved less than one percent. Foreign investors sold on four of five days. Wholesale inflation is at 11.39% and the RBI has said its next move is a rise or a pause. Nobody knows whether the decline that began in August is over, and one good week does not settle it.

Nothing in that calls for a change to a SIP. An instalment's date, amount and the units already held are unaffected by a rally in IT shares or a rise in inflation. Two things are worth a look. If your portfolio leans heavily to mid and small caps, this week shows how differently they can move from the index you see on the news, and a conversation about balance may be useful. And if you plan to apply for the Jio IPO, use money set aside for it, not money meant for a SIP or a near-term goal. An IPO allotment is a lottery; a SIP is a habit.

If a loan, a near-term goal or a mid and small-cap heavy portfolio needs a second look, speak to your Relationship Manager.

Ram Shah, CFP · Founder, Trustner

About this brief. The Weekly Market Brief is prepared by Trustner Asset Services Pvt. Ltd. for information and education. Figures are from the sources named on each page, checked against at least two sources where available; where sources disagreed we say so or leave the figure out. Index levels and flows are as published by NSE and BSE; flows are provisional. Nothing in this brief is investment advice, a recommendation to buy or sell any security or scheme, or a forecast. Past performance may or may not be sustained in future.

Trustner Asset Services Pvt. Ltd. is an AMFI-registered Mutual Fund Distributor and SIF Distributor (ARN-286886) and an APMI-registered PMS Distributor. We distribute Regular plans and receive commission from fund houses; see merasip.com/commission-disclosure. Trustner is not a SEBI-registered Investment Adviser. Mutual fund investments are subject to market risks; read all scheme-related documents carefully before investing. Grievances: wecare@trustner.in; SEBI SCORES at scores.gov.in.

Trustner Asset Services Pvt. Ltd., Sethi Trust Building, Unit 2, 4th Floor, G S Road, Bhangagarh, Guwahati 781005, Assam · merasip.com