

Indian equity markets closed lower on Friday, June 5, 2026 — capping the week on a cautious note as persistent FII selling and unresolved geopolitical headwinds kept the Nifty below 23,400 through the close, despite Bank Nifty's positive divergence. The Nifty 50 closed at 23,366.70, down 49.85 points (-0.24%) from Thursday's close of 23,416.55, while the Sensex settled at 74,243.34 — down approximately 117 points. Bank Nifty gained 188.40 points (+0.35%), closing at 54,496.25. Persistent FII selling and global headwinds weighed on markets throughout the session — geopolitical uncertainties in West Asia and FPI outflows maintained a cautious approach among participants, even as Bank Nifty's outperformance — gaining 188 points while Nifty lost 50 — suggests oversold banking stocks are absorbing demand ahead of a potentially deal-defining weekend. The week closes with Nifty down 49 points from last Friday's close — a relatively contained weekly loss given the severity of Iran-US military exchanges, the White House-Iran "complete fabrication" confrontation, and US base strikes in Kuwait across the five sessions. The 23,200–23,300 demand zone has now absorbed ten consecutive intraday tests without a single closing breach — a record demand absorption signal for this war cycle that has preceded every major recovery rally.

Nifty 50 Performance

The Nifty 50 opened at 23,478.95, touched a high of 23,516.35, a low of 23,282.65, and closed at 23,366.70 — down 49.85 points (-0.24%) from Thursday's close of 23,416.55. The index opened above Thursday's close, tagged the session high of 23,516 before a 234-point decline to the session low of 23,282 — the tenth consecutive intraday test of the 23,200–23,300 structural floor — before a partial recovery to close at 23,366. The close at 23,366 is the second consecutive week-ending close below 23,400 — a technically concerning pattern. However, the intraday low of 23,282 has held above the critical 23,247 panic floor established Thursday — meaning the structural demand zone's depth is not deepening, a constructive signal. The weekend binary — Trump MoU signature or a new military exchange — is the sole determinant of Monday's open direction.

Technical Analysis

Nifty closed at 23,366.70 — RSI at approximately 41–43 zone, remaining in the oversold-adjacent territory for an eleventh consecutive session. The tenth intraday demand absorption at 23,200–23,300 without a closing breach is the definitive technical signal of this corrective phase — statistically, every prior instance of multi-session demand absorption at a structural floor in this war cycle has preceded a significant recovery rally. MACD bearish crossover active — histogram expanding negatively but the rate of expansion has slowed materially over the past three sessions. A Trump MoU signature over the weekend gaps up above 24,000 on Monday — the market's structural resilience is coiled and ready.

Bank Nifty opened at 54,405.20, hit a high of 54,865.50, a low of 54,140.60, and closed at 54,496.25 — up 188.40 points (+0.35%). The index held the 54,000 structural support throughout the session — the session low of 54,140 never threatened this level — and closed just below the critical 54,500 resistance zone. Bank Nifty has now closed above 54,000 for four consecutive sessions — the most structurally constructive streak since the corrective phase deepened in late May. RSI recovering toward 48–50 zone — approaching the neutral boundary. MACD bearish crossover intact but histogram decelerating.

Nifty Technical Levels

Support: 23,300, 23,200, 23,000

Resistance: 23,500, 23,700, 24,000

Bank Nifty Technical Levels

Support: 54,000, 53,500, 53,000

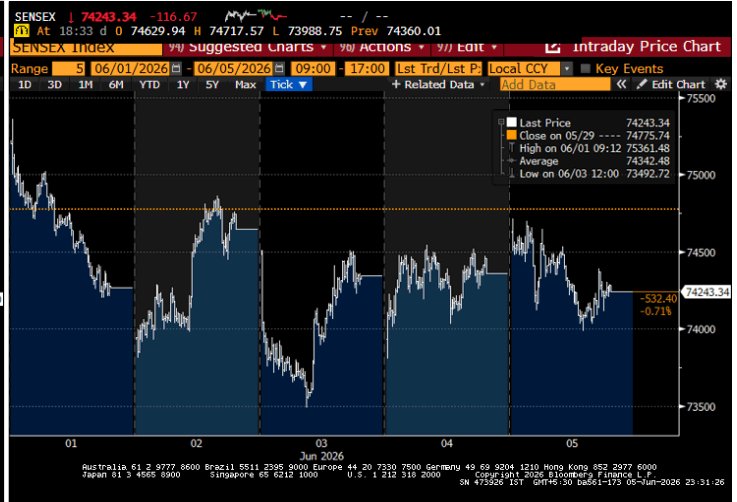
Resistance: 55,000, 55,500, 56,000

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Nifty Weekly Chart



Sensex Weekly Chart



Market in Retrospect

Indian equity benchmarks extended declines for the second consecutive week. The benchmark indices erased weekly gains this morning after the Reserve Bank of India raised its inflation forecast and lower its GDP projections for the ongoing fiscal.

Nifty ended 0.21% lower, ending at 23,367 over the week ended lower by 0.77%. Over the week the broader markets represented by the NIFTY 500 Index ended 0.85% lower, ending at 22,465. Over this week, Nifty Media was the top gainer, gaining by 6.69%, followed by Nifty PSU Bank was gaining by 1.26%. Nifty VIX was the top loser, losing by 2.47%.

Over the week, Titan was the top gainer, gaining by 4.55%, followed by Adani Enterprises and Infosys gained by 3.77% & 4.50% respectively. Max Healthcare was the top loser, losing by 11.55%, followed by ONGC and ITC losing by 10.29% & 6.87% respectively.

Market Turnover (In Crore) 05-06-2026

Name	Last	Previous
NSE Cash	1,28,870.62	1,28,983.62
NSE F&O	1,73,207.61	1,19,930.07
BSE Cash	9,914.16	9,459.72
BSE F&O	14,008.56	71,679.87

FII Derivatives Flow (In Crore) 05-06-2026

Instrument	Purchase	Sale	Net
Index Future	3150.31	3621.00	470.69
Index Option	1334789.59	1332593.52	2196.07
Stock Future	17799.54	17179.41	620.13
Stock Option	24854.77	25390.80	536.03

Institutional Flow (In Crore) 05-06-2026

Institution	Purchase	Sale	Net Last Day	Net Week	Net Month
FII	10473.15	18841.46	8368.31	22338.22	71339.80
DII	20962.82	12200.46	8762.36	24799.48	92823.69

NIFTY Top Gainers (for five trading days)

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
Titan	0.69	4.55	1390200.00	1016740.00
Adani Enterprises	2.54	3.77	5617327.00	2476533.00
Infosys	0.32	3.15	8692290.00	19090900.00
Coal India	1.94	3.14	9592529.00	22718710.00
Eternal	0.85	2.36	34207436.00	29806270.00

NIFTY Top Losers (for five trading days)

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
HDFC Life Insurance	0.27	3.28	3882527.00	3072232.00
Tata Consum Products	1.60	4.03	998276.00	1906191.00
Bajaj Finserv	0.39	4.51	1414054.00	829503.00
Ultratech Cement	0.77	4.96	424664.00	457966.40
NTPC	1.30	6.53	10277061.00	14274330.00

Bulk and Block Deals

<https://www.nseindia.com-products-content-equities-equities-bulk.htm>
<https://www.bseindia.com-markets-equity-EQReports-BulknBlockDeals.asp>

Market in Detailed (Updated after 4:00 PM)

MSCI Indices	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
World	4865.52	0.38	0.02	4.03	9.14	25.09	24.91	20.54	4.17	3.85
ACWI	1131.49	0.13	0.07	4.36	10.05	27.59	24.01	19.22	3.88	3.56
Asia Pacific	278.67	1.63	0.36	6.63	13.98	41.05	20.81	15.32	2.41	2.23
EM	1759.07	1.61	0.39	6.72	17.00	48.74	19.09	13.10	2.58	2.31

US European In	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
Dow Jones	51183.73	0.73	0.30	3.82	6.73	20.95	24.60	22.14	5.93	5.71
NASDAQ	26070.13	2.84	3.35	2.94	14.60	35.09	41.67	29.03	8.02	6.90
S&P500	7451.38	1.75	1.70	2.65	9.09	25.46	27.93	22.24	5.77	5.14
CBOE VIX	18.16	17.92	18.54	4.49	23.54	1.73	NA	NA	NA	NA
FTSE100	10368.05	0.07	0.40	1.46	0.44	17.67	16.79	12.99	2.34	2.18
CAC40	8218.24	0.32	0.43	1.93	2.14	5.49	19.05	15.09	2.04	1.96
DAX	24759.05	0.75	1.38	1.46	3.96	1.79	17.20	15.93	2.02	1.89

Asian Indices	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
Nikkei225	66588.12	1.31	0.39	6.18	19.72	76.43	24.59	23.91	3.10	2.93
Hang Seng	24961.95	1.15	0.88	3.62	1.42	4.41	12.93	11.11	1.30	1.17
STI	5049.96	0.35	1.22	2.60	4.16	28.36	16.99	15.92	1.61	1.62
Taiwan	45070.94	1.33	0.76	8.33	34.14	108.08	30.11	22.40	4.34	4.58
KOSPI	8160.59	5.54	0.30	8.84	46.12	190.20	22.31	9.20	2.33	2.19

BRIC Indices	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
IBOVESPA	169350.70	0.58	3.26	9.32	6.16	24.31	11.35	8.46	1.56	1.35
SHANGHAI Com	4027.74	0.74	1.00	2.05	1.97	19.02	20.01	14.22	1.56	1.41
SENSEX	74243.34	0.16	0.71	3.99	5.92	9.67	20.90	18.80	2.97	2.72
NIFTY	23366.70	0.21	0.77	3.35	4.43	6.54	21.58	19.10	2.93	2.72
NSE VIX	15.79	0.61	2.46	11.84	11.59	4.67				

LME	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Copper	13932.00	0.77	1.68	7.20	6.70	44.80
Aluminium	3666.00	1.01	0.18	4.09	9.68	47.64
Zinc	3588.00	0.62	1.04	7.28	7.89	32.82
Lead	2017.00	0.32	0.05	3.49	2.78	1.33
Nickel	18689.00	0.96	2.16	3.49	6.85	21.40

Polymer Mkt	Index	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
HDPE	1470.00	0.00	6.96	56.38	59.78
LDPE	1630.00	2.40	5.23	49.54	42.98
Injection Grade	1350.00	1.46	4.93	43.62	43.62
General purpose	1380.00	1.43	4.83	42.27	40.82
Polystyrene HIPS	1620.00	3.57	4.71	33.88	30.65
Polystyrene GPPS	1580.00	1.25	3.07	39.82	35.04

Shipping Ind	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Baltic Dry	3037.00	2.78	5.80	7.24	42.05	86.78
BWIRON	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A

Bond Yld 10Y	Yield	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
US	4.54	1.55	2.41	2.67	9.81	3.45
UK	4.90	0.10	1.89	3.12	7.95	6.22
Brazil	6.00	0.35	0.58	1.61	0.27	10.01
Japan	2.67	0.08	0.19	6.12	23.53	82.14
Aus	4.91	0.19	1.59	1.26	2.30	15.54
India	6.98	0.20	0.39	0.58	5.06	11.70

Money Mkt	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
ICE LIBOR USD	4.85	0.03	1.54	8.04	13.11	14.20
MIBOR	2.31	0.52	3.59	5.05	12.40	17.91
INCALL	4.85	0.00	1.04	1.02	5.43	12.61

Agro Cmnty	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Coffee	246.50	0.26	7.19	14.93	13.19	25.54
Cotton	77.65	1.07	2.44	8.94	12.98	12.90
Sugar	14.14	0.91	0.57	8.00	2.54	16.08
Wheat	578.75	0.52	5.20	7.81	2.40	6.20
Soybean	1119.00	0.93	5.71	7.64	6.16	4.07

Forex	Rate	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
USD Index	100.09	0.68	1.16	1.68	0.78	1.37
EUR	1.15	0.74	1.15	1.44	0.72	0.70
GBP	0.75	0.62	0.85	1.49	0.11	1.71
BRL	5.14	1.51	2.07	4.49	2.37	8.67
JPY	160.32	0.19	0.65	1.52	1.70	10.47
INR	94.94	0.89	0.06	0.37	3.52	9.63
CNY	6.79	0.19	0.32	0.59	1.82	5.74
KRW	1559.55	1.79	3.57	5.49	4.91	13.07

Energy	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
NYMEX Crude	90.23	3.02	3.29	11.77	11.38	42.39
Natural Gas	3.23	3.27	1.91	5.05	7.40	24.71

Precious Metals	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Gold(\$-Oz)	4342.04	2.97	4.37	4.72	14.57	29.51
Silver(\$-Oz)	68.92	6.72	8.48	5.40	16.21	93.31

India Power Giant May Revive Small Coal Plants to Aid Solar

India's largest power producer NTPC Ltd. is looking to bring back sub-critical coal generators able to run at low capacity, to accommodate more renewables in the grid. The New-Delhi based firm is seeking vendors who could build plants of maximum 250 megawatts capacity, that could operate at as low as 25% of their potential, it said in an emailed statement on Friday. Sub-critical technologies are widely seen as more polluting than their high-performing, but less resilient, counterparts. NTPC said it's looking for new-generation sub-critical units that could help in grid stability. Inadequate hydropower, gas power and battery storage capacity have put the burden on the country's coal-fired fleet to operate flexibly, requiring it to reduce its output when clean energy is abundant. But state of the art ultra-supercritical plants deteriorate faster when they don't work at full capacity, and many operators are hesitant to run them below potential. That has led to the curtailment of solar power in times of low demand. State-run NTPC's "entire thermal fleet is already operating at a technical minimum load of 55% during low demand periods," also participating in ancillary services to accommodate renewables, particularly during solar hours, according to the statement.

Gold Erases 2026 Gains as Jobs Report Fuels Fed Rate-Hike Bets

Gold erased this year's gains as robust US jobs data fueled bets that the Federal Reserve will likely raise interest rates in 2026, a headwind for the precious metal. Bullion declined as much as 3.6% to \$4,315.04 an ounce on Friday, giving up this year's advance, as bond yields and the dollar climbed after the US job growth topped all forecasts in May. The strength in the labor market keeps the door open for Fed officials to hike rates as Middle East tensions fuel higher energy prices. Higher rates are typically negative for non-yielding bullion.

Emerging-Market Currencies Plunge on Blowout US Jobs Report

Currencies in the developing world sank after a blowout US jobs report provided the clearest sign yet that the labor market is breaking out of a prolonged period of lackluster hiring, undercutting the case for rate cuts from the Federal Reserve. MSCI's emerging-market currency index dropped as much as 0.6% after the report, and by the end of the day had recorded its fourth consecutive session of declines. Nonfarm US payrolls increased 172,000 last month, topping all forecasts, while the unemployment rate held steady at 4.3%. The figures boosted bets that the Federal Reserve will consider an interest-rate increase this year in order to contain inflation.

India Growth Beats Estimates on Strong Domestic Demand

India's economy grew faster than expected in the three months through March, on sustained private and government spending before higher energy costs began weighing on the outlook. Gross domestic product expanded 7.8% in the quarter, the Ministry of Statistics and Programme Implementation said Friday, exceeding the median estimate of 7.3% in a Bloomberg survey of economists. The economy grew at a revised 8% in the previous quarter. For the full fiscal year, growth accelerated to 7.7%. The economy has come under pressure due to a series of external shocks recently, including higher US tariffs and the fallout of the Iran war. India is among the economies most exposed to the Middle East conflict because of its reliance on imported energy and trade flows through the Strait of Hormuz. The Reserve Bank of India on Friday kept interest rates unchanged while announcing measures to attract foreign capital, including expanding their access to government bonds to attract flows and ease pressure on the rupee. Separately, the government scrapped capital gains tax on bond investments by foreign investors to attract dollar inflows. The rupee rose as much as 0.9% to 94.8887 to the dollar. Yield on the 10-year benchmark bond ended 1 basis point lower at 6.98%.

India Pilots Ethanol-Heavy Fuel to Cut Oil Imports

India has launched a new high-ethanol fuel blend in the market, its latest effort to diversify supplies and reduce the country's reliance on imported oil. Oil Minister Hardeep Puri introduced the fuel Friday at an Indian Oil Corp.'s outlet in New Delhi. It will initially be sold at 50 fuel stations across the country. The South Asian nation currently sells 20% ethanol-blended gasoline, or E20, across its retail fuel network. The new blend, called E85, will contain about 85% ethanol and pollute less than its conventional counterparts. The E85 fuel will be priced 20 rupees lower than E20 gasoline. India currently has ethanol production capacity of 19 billion liters, Puri said. The current blending program uses 11.5 billion liters. E85 fuel will help boost demand for ethanol. India's transition to electric mobility has so far been slow due to the high cost of vehicles and limited charging infrastructure. Policymakers view ethanol-compatible vehicles as a complementary pathway to cutting oil consumption, requiring less infrastructure investment than a nationwide electric-vehicle charging network. Ethanol is derived from agricultural feed stocks such as sugarcane, rice and corn, and is used to produce alcoholic beverages, pharmaceuticals and chemicals. Still, its single biggest usage in India is fuel blends, which in higher concentrations could boost demand for farming byproducts and support rural incomes. India's consumption of gasoline, mostly used for two-wheelers, has risen by an annual average of 9% over the last five financial years, lifting oil imports. Earlier this week, Puri presented new E85-compatible variants of Hero MotoCorp Ltd.'s motorcycles and Maruti Suzuki India Ltd.'s Wagon R hatchback, indicating the government's intent to help build a transport ecosystem to support higher ethanol use. The government is mulling policy measures to accelerate the adoption of hybrid-fuel vehicles, according to Puri. The fuel will be available at as many as 500 pumps by the end of the year. The new fuel enters the market amid lingering concerns over the impact of ethanol blends on mileage and engine durability. The oil ministry said last year that E20 gasoline offers better acceleration, improved ride quality and lower carbon emissions compared with conventional fuel, benefits the ministry says could be amplified with higher ethanol blends.

India Government Said to Consider Hindustan Zinc Share Sale

- India is considering selling as much as a 2% stake in Hindustan Zinc Ltd. in a transaction that could raise up to 50 billion rupees.
- The Department of Investment and Public Asset Management aims to launch the process this month or in July, with ICICI Securities Ltd., Axis Capital Ltd., IIFL Capital Services Ltd. and HDFC Securities Ltd. advising on the transaction.
- The government has stepped up efforts to boost revenue from selling stakes in state-owned assets, having recently raised funds from the sale of stakes in Coal India Ltd. and NHPC Ltd.

Rupee May Get a \$50 Billion Boost as India Woos Foreign Capital

India's battered rupee is set for relief as authorities rolled out a slew of steps to attract foreign capital, with analysts forecasting inflows of up to \$50 billion. The Reserve Bank of India on Friday announced fresh measures, including concessional foreign-exchange swaps and making more bonds eligible for foreign investment, to arrest the local currency's slide. The government also cut capital gains taxes on debt investments by global funds. The measures may result in \$30 billion to \$50 billion of inflows this year, according to estimates by Emkay Global Financial Services and Motilal Oswal Financial Services. DBS Bank sees \$30-\$40 billion flowing in just from the central bank's concessional swap for state firms' overseas borrowing and a similar facility for banks' deposits abroad. The rupee gained as much as 0.8% to 94.9975 per dollar after the steps were announced, even as the monetary authority left its policy rate unchanged. Traders see the currency strengthening toward the 93 mark as dollar inflows hit the local market. That's in contrast to earlier worries that it could weaken to the unprecedented 100 per dollar mark as elevated oil prices strain India's import bill.

Indian Households Expect Inflation to Spike, Confidence Wanes

Indian households expect inflation to accelerate through the year, Reserve Bank of India surveys showed, highlighting concerns over the US-Iran war and below-normal monsoon predictions. Households' current inflation perception rose 60 basis points in a survey conducted from May 2 to 11 in 19 major cities. Expectations for inflation three months ahead climbed 80 basis points, while the one-year outlook increased 50 basis points, the RBI said in the survey released Friday. In such surveys, the direction of change is more important than the absolute reading. Earlier in the day, the RBI kept the benchmark rate unchanged at 5.25%, opting to wait out to see if the current inflationary pressures become more entrenched and spread out into the broader economy. The central bank and the government, however, announced multiple measures to shore up the rupee. In separate surveys, the RBI found that consumer confidence in both urban and rural areas deteriorated. In urban areas, "households' sentiment significantly weakened on spending," primarily driven by "ebbed sentiment on discretionary expenditure," the RBI said. Consumer confidence for the current period declined for the third successive time, while confidence for the year ahead retreated from the previous round. Rural consumer confidence for the current period also softened "due to worsening conditions across all parameters except price," according to the RBI. A deficient monsoon could hurt farm output and weaken consumption in rural areas, RBI Governor Sanjay Malhotra said at the post-policy press conference on Friday.

India Cuts Bond Tax, Eases Access for Global Funds to Lift Rupee

- The Reserve Bank of India outlined steps to make it easier for overseas investors to buy government bonds and stocks, and the government announced a reduction in capital gains taxes on debt investments by global funds.
- The RBI kept its benchmark repurchase rate unchanged at 5.25%, and the synchronized action reflects India's determination to bolster the rupee and shield the economy from the energy shock triggered by the US-Iran war.
- The measures announced include a reduction in taxes on government security, broadened foreign access to government bonds, and enhanced tax incentives for foreign investors in government securities.

Trump Says Deal Will 'Work Out Well' Even as US, Iran Clash

- US President Donald Trump said talks with Iran over an interim peace deal will "work out well," despite clashes between the countries' forces near the Strait of Hormuz.
- Iran accused Washington of sending conflicting signals and dragging out negotiations, with Tehran continuing to engage with the US with "distrust".
- Tensions remain high, with the US striking Iranian radar and command-and-control sites over the weekend, and Iran retaliating by targeting an air base, amid ongoing talks between Washington and Tehran.

Axis Bank hikes stake in Axis Max Life Insurance to 19.9%

Private lender Axis Bank has raised its stake in Axis Max Life Insurance Company to 19.9 per cent. Based on approval granted by the Acquisitions, Divestments and Merger Committee of the board of directors, Axis Bank has additionally invested in equity shares of Axis Max Life Insurance Company for an amount of up to Rs 380 crore. None of the promoters or promoter group of the bank has any interest in Axis Max Life Insurance Company, the lender informed the stock exchanges. The investment is being made post receipt of necessary approval from the RBI dated March 13, 2026. The gross written premium of the insurer stood at Rs 38,877 crore at the end of FY26.

India Considers Spending Curbs to Protect Fiscal Deficit Target

India's government is weighing spending cuts across parts of the budget as higher oil prices inflate subsidy bills and threaten to derail its fiscal consolidation plans, according to officials familiar with the matter. The options have been reviewed in meetings with Finance Minister Nirmala Sitharaman over the past month, although no decision has yet been made, the officials said, asking not to be identified because the discussions are private. There's little appetite to reduce the budget on capital expenditure or defense, they said. Officials are instead reviewing other areas where spending could be trimmed, such as allocations for water resources and loans to states. A spokesperson for India's Finance Ministry didn't respond to a request for comment. Prime Minister Narendra Modi's government is facing mounting economic challenges as the Middle East conflict drags on. Oil import bills have surged, the currency has plunged to a record low, and inflation threatens to exceed the central bank's 4% target. Data last week showed the fiscal deficit nearly doubled from a year earlier to 3.6 trillion rupees (\$37.8 billion) in April, the first month of the financial year, as spending far outpaced revenue receipts. A widening budget deficit would require the government to raise revenue elsewhere or borrow more. The government is wary of increasing borrowing beyond budgeted levels because additional debt issuance could push bond yields higher. India has budgeted 1.71 trillion rupees for fertilizer subsidies this fiscal year, but officials estimate the bill could almost double if global energy prices remain elevated. At the same time, a smaller-than-expected dividend payout from the central bank has left the government with limited fiscal buffers to absorb the additional costs.

Kyle Refuses to Set India Deal Timeline Amid Spat Over Steel

- Business Secretary Peter Kyle declined to set a timeline to bring into force Britain's free trade agreement with India after the Asian nation warned UK steel safeguards could prompt a rethink of tariff concessions.
- Kyle said he had held constructive talks with Indian Minister of Commerce and Industry Piyush Goyal, and that the UK's relationship with China had evolved into "a much more conventional diplomatic engagement" over the last decade.
- Kyle warned Labour colleagues against pursuing redistribution of wealth without first prioritizing economic growth, saying "redistribution without wealth creation is a zero-sum game that results in greater poverty of ambition, poverty of opportunity and poverty of outcome".

India Seeks Deeper Venezuela Oil Ties After Rodríguez, Modi Meet

India signaled interest in deeper energy ties with Venezuela, including sourcing crude supplies and investments in the country's oil sector, after acting Venezuelan President Delcy Rodríguez held talks with Prime Minister Narendra Modi in New Delhi. Rodríguez's June 3-7 visit coincides with India's renewed effort to broaden its sources of crude after the Iran conflict blocked the Strait of Hormuz, a chokepoint through which almost 40% of the country's oil supplies flowed before the war. The nation imports about 90% of the crude it consumes. Venezuela has emerged as an increasingly attractive source of energy for the world's third-largest oil consumer. India received a parcel of Venezuelan oil in April after a yearlong hiatus as Washington eased sanctions on the OPEC producer. The shipments climbed to about 283,000 barrels a day in April, the highest since March 2020, according to data compiled by Kpler. The data analytics firm estimates June arrivals could increase to about 380,000 barrels a day in a sign of Venezuela's growing importance in India's energy mix.

Sugar Futures Climb as Brazilian Mills Seen Making More Ethanol

Raw sugar futures in New York advanced for the first time three days on expectations that Brazilian mills may allocate more cane to ethanol production, reducing sugar output during the current crushing season. Ethanol is now priced at about 62% of gasoline at the pump in Brazil, down from 70% to 75% previously, according to Claudiu Covrig, lead analyst at Covrig Analytics. The wider discount is expected to boost ethanol consumption and improve the economics of production of the biofuel.

India Owner of Swiss Gold Refiner Probed for Inflating Sales

India's markets regulator has alleged that the owner of Swiss gold refiner Valcambi SA overstated revenue, according to an interim order issued Wednesday. Mumbai-listed Rajesh Exports Ltd. misrepresented about 15.2 trillion rupees (\$159 billion) — equaling 99.80% of its revenues from subsidiaries over the five fiscal years through March 2025, the Securities and Exchange Board of India said in its order and asked the company to make “true and fair” disclosures in its financial statements and other filings. Shares of the company, valued at about \$321 million, hit their 5% daily lower limit on Thursday and have lost more than 40% this year. The regulator also barred Rajesh Mehta, the company's majority shareholder and chairman from trading in the company's stock until further notice, saying the revenue figures allowed the company to present an “inflated and misleading picture of its scale, financial position and health.”

Indian Wind Turbine Maker Pivots to Round-the-Clock Clean Energy

Indian wind turbine maker Suzlon Energy Ltd. is widening its portfolio to build round-the-clock clean energy parks that combine solar, wind and batteries, addressing the growing need for dependable supplies through renewables and storage integration. The firm will help customers set up and run complex renewable energy systems, assisting with project design, construction and maintenance through their entire life cycle, Suzlon's Vice Chairman Girish Tanti said in an interview. The pivot comes at a crucial time for the industry, according to Tanti. The ongoing conflict in the Middle East is adding financial pressure on India, a large importer of fuels whose circulation depends on the region. Strengthening energy security while decarbonizing the economy requires clean electricity to be available when needed, not just when the weather allows, and storage is considered key to the task. The Pune-headquartered firm aims to scale the portfolio of managed energy assets fourfold to 70 gigawatts in five years, it said in a statement on Wednesday. The company added it will move toward a full-stack solutions provider and establish a battery energy storage manufacturing facility by next year. Suzlon has its own wind turbine manufacturing plants and it plans to source solar equipment in the country, Tanti said. Most wind sites can accommodate solar and battery systems and the company is negotiating with their operators to re-purpose them.

Reliance Traders Said to Game Plan in Case RBI Raises Rates

- Traders in Reliance Industries Ltd.'s treasury department are strategizing over where to park the company's cash in case the Reserve Bank of India starts raising interest rates.
- One proposal involves moving Reliance's cash holdings from liquid mutual funds into short-dated money market instruments, which may pay off due to the yield spread between money-market papers and the benchmark rate.
- Reliance's traders expect the rupee to strengthen if a Middle East peace deal is reached and if the RBI takes measures to attract capital inflows, and have proposed partly hedging its long-term forward contract positions.

Iran Says No Progress in US Talks as Lebanon Sees More Clashes

- Iran said there had been no recent progress in talks with the US over an interim peace deal, while fighting persisted in Lebanon despite Washington's declaration of a ceasefire between Israel and the country.
- The US and Iran are struggling to finalize the details of a deal that is meant to see the sides extend their truce by two months and Iran reopen the Strait of Hormuz to commercial ships.
- Clashes continued in southern Lebanon overnight, with no reports of Hezbollah attacks into northern Israel since the ceasefire announcement, and no immediate indication whether Hezbollah had accepted the agreement.

India Said to Ready Tax Cut Plans to Attract Foreign Bond Buyers

India is poised to announce steps to draw more foreign investments by reducing taxes and removing caps on the ownership of some bonds as soon as this week, according to people with knowledge of the matter. The cabinet on Wednesday is expected to consider a significant cut in the taxes paid by global funds on the nation's bonds, the people said, asking not to be identified as the details are private. The cabinet will also consider whether it should eliminate the 20% levy on interest earned from bonds, or reduce it to a bare minimum. Separately, the Reserve Bank of India is likely to designate some long-tenor sovereign notes as fully accessible, allowing overseas investors to buy them without limits, they said. The previous tweak to the list of government securities available under this route was in 2024, when the central bank removed 14- and 30-year bonds. The Finance Ministry and the Reserve Bank of India didn't respond to emails seeking comment. Bloomberg News reported last month that India is considering the tax cuts following a recommendation by the central bank. The rupee's slide to record lows has prompted authorities to step up efforts to stem its decline, with Prime Minister Narendra Modi calling on citizens to conserve foreign exchange amid a surge in oil import costs. The currency has been hurt by several factors, including US trade tariffs, record foreign fund outflows, and the oil shock caused by the Iran war, all of which have strained the country's finances. The rupee hit an all-time low of 96.9650 on May 20, but has since rebounded as the central bank stepped up support and oil prices eased after renewed US-Iran peace efforts. The currency is the second-worst performer in Asia this year, down more than 6% versus the dollar. The currency closed 0.5% lower to 95.71 per dollar on Wednesday, while the 10-year yield rose 1 basis point to 7.02%. The government is also likely to notify its plan to permit individual persons resident outside India, or PROIs, to invest in shares of listed Indian companies through the portfolio investment scheme, according to the people.

India Sets Aside \$1 Billion to Shield Airlines From Fuel Shocks

India will provide 100 billion rupees (\$1 billion) to support oil retailers for capping jet fuel prices and shield local airlines from mounting cost pressures. The government has capped jet fuel price at 75.6 rupees a liter for domestic airlines. That's lower than the 104.9 rupees per liter charged at New Delhi airport currently. The price limit will provide relief to airlines but could have aggravated refiners' losses. The fund will be used to reimburse state-owned refiners for losses from the sale of jet fuel below market rates, which will help stabilize prices for carriers, prevent disruptions in operations and shield passengers from fare hikes, Information Minister Ashwini Vaishnaw said at a briefing on Wednesday. Fuel accounts for around 40% of airlines' costs in India. The industry recently warned of potential flight suspensions without government intervention on prices. Airlines are also grappling with a weakened rupee, which makes it costlier for them to pay in dollars for aircraft leases and overseas airport charges.

Vedanta Unit Targets IPO in New York to Fund Zambia Copper Mines

A Vedanta Resources Ltd. unit has applied to sell its shares in New York as part of efforts to raise money for the Zambian copper mining complex it owns. CopperTech Metals Inc. was established last year as Vedanta pivoted to the US to mobilize funds for the group's Konkola Copper Mines business. Vedanta – owned by Indian billionaire Anil Agarwal – regained control of its 80% stake in KCM during 2024 after resolving a long-running dispute with the Zambian government, partly by agreeing to loan \$1 billion to the mining company over five years. About a third of that amount has already been funded and CopperTech will allocate \$670 million from the proceeds of the New York Stock Exchange offering to cover the outstanding balance, according to a prospectus published on June 2. The document didn't disclose how many shares will be made available, or how much CopperTech hopes to raise. The share sale comes after President Donald Trump's administration prioritized shoring up access to critical minerals, encouraging both greater domestic production and overseas supply deals.

Trump Says He Swore at Netanyahu Over Lebanon Attacks

- Donald Trump said he swore at Israeli Prime Minister Benjamin Netanyahu in a call as the US president tried to deescalate fighting in Lebanon and keep peace talks with Iran on track.
- Trump said he was "a little bit perturbed" at Netanyahu for constantly fighting with Lebanon and told him "we have to stop this".
- Netanyahu said his relationship with Trump had not shifted, calling Trump "the greatest friend that Israel has ever had in the White House".

US and Iran in Deadly Clashes, Putting Fresh Strain on Truce

- The US and Iran clashed overnight, with Kuwait and Bahrain caught in the crossfire, following days of rising tension that threatens to derail US-Iran talks about an interim peace deal.
- Iran targeted the US's main naval base in Bahrain and the Ali Al-Salem airbase in Kuwait, and the US struck a communications tower on the Iranian island of Qeshm in response.
- The US military said its strikes on Iran were all in self-defense and no American personnel or assets were harmed, while Iran's foreign ministry "strongly condemned" the US attack and warned that disrupting security in the Strait of Hormuz will carry a heavy cost.

India Stays 'Engaged' With US as Trump Proposes New Tariffs

India said it remains in talks with the US after Washington proposed fresh tariffs on imports from major trading partners, adding that negotiations on a broader trade framework agreement announced earlier this year are continuing. The statement followed the US's proposal to impose tariffs of at least 10% on goods from 60 trading partners, the Trump administration's biggest move to revive a protectionist trade agenda after earlier levies were struck down by the US Supreme Court. Under the proposal, imports from Canada, Mexico, the European Union, Taiwan and the UK would face a 10% tariff following a Section 301 investigation into goods allegedly produced with forced labor. Products from China, India, Japan, South Korea, Brazil and Switzerland would be subject to a 12.5% levy, according to the Office of the US Trade Representative. The move comes as a US trade delegation led by chief negotiator Brendan Lynch is in New Delhi to advance negotiations and finalize details of an interim trade deal.

Emerging Currencies Extend Declines as Crude Oil and Dollar Rise

- Emerging-market currencies fell for a second day and stocks retreated from a record as fresh Middle East tensions pushed oil prices higher.
- The dollar rose 0.1%, while yields on 10-year Treasuries climbed the most in more than two weeks, and Brent extended gains for a third day to trade above \$98 a barrel.
- The US is proposing new tariffs of at least 10% on imports from 60 trading partners, including a 12.5% levy on goods from China, India, Japan, South Korea, Brazil and Switzerland.

US Tries to Stop Israel's Lebanon Push Derailing Iran Deal

President Donald Trump is still optimistic the US can reach an interim peace deal with Iran soon, after the Islamic Republic threatened to suspend talks because of Israel's escalating attacks in Lebanon. Officials in Tehran are discussing their "final text" to send to the US, Iran's Mehr news agency reported on Tuesday, citing a person close to the Iranian negotiating team but without giving a timeline. The developments capped a frantic few hours in which oil prices and government bond yields jumped after Iran took umbrage at Israel's deepening invasion of Lebanon — where the Jewish state is fighting Tehran-backed Hezbollah militants — and its threats to bomb parts of Beirut. Iran said it might increase restrictions on maritime traffic through the Strait of Hormuz, as well as close the Bab el-Mandeb strait at the southern end of the Red Sea and strike Israel.

Venezuela's Rodríguez to Visit India as War Reshapes Oil Trade

Venezuela's acting President Delcy Rodríguez will meet Prime Minister Narendra Modi this week, with energy security expected to dominate discussions as India seeks to diversify crude supplies disrupted by the Iran war. Bilateral discussions with Modi "will involve the full spectrum of India-Venezuela relations and explore avenues for further cooperation in the areas of energy, trade, investment, pharmaceuticals and health care," Ministry of External Affairs spokesperson Randhir Jaiswal said on Tuesday. Rodríguez's June 3-7 visit coincides with India's renewed effort to broaden its sources of crude after the Iran conflict blocked the Strait of Hormuz, a chokepoint through which almost 40% of the country's oil supplies flowed before the war. The nation imports about 90% of the crude it consumes. India received a parcel of Venezuelan oil in April after a yearlong hiatus as Washington eased sanctions on the OPEC producer. The shipments climbed to about 283,000 barrels a day in April, the highest since March 2020, according to data compiled by Kpler. The data analytics firm estimates June arrivals could increase to about 380,000 barrels a day in a sign of Venezuela's growing importance in India's energy mix. Reliance Industries Ltd. has been among the largest buyers of Venezuelan crude after it signed a term agreement in 2012 to source as much as 400,000 barrels a day from Petroleos de Venezuela SA. The billionaire Mukesh Ambani-controlled company is among the few Indian refiners capable of processing the South American country's heavy, sulfur-rich crude. State-run ONGC Videsh Ltd. is also seeking to expand its presence in Venezuela. The overseas arm of Oil and Natural Gas Corp. holds stakes in the San Cristobal field and the Carabobo-1 block. ONGC Chairman Arun Kumar Singh said last month the company expects to receive a license under Venezuela's new regime and is hopeful of increasing production from the assets. For Caracas, deeper engagement with one of the world's fastest-growing oil consumers offers an opportunity to rebuild its economy after years of isolation. This will be Rodríguez's sixth visit to India and her first since becoming acting president after the US captured and ousted Nicolás Maduro in January. She will be accompanied by several cabinet ministers, including those in charge of foreign affairs, economy and finance, science and technology, communications, and transportation.

India Unveils Broader Gauge for Inflation in Data Revamp

- India unveiled a Producer Price Index to align with most advanced economies, giving policymakers a broader measure of inflation.
- The new index will capture prices received by producers of both goods and services, and will be released on June 15, alongside the Wholesale Price Index.
- The introduction of the PPI could make India's growth data more accurate and provide policymakers with a stronger warning signal for inflation pressures.

Venezuela Oil Exports Eased in May to 1.08 Million Barrels a Day

Exports of Venezuelan crude oil eased in May, marking the first slowdown in growth since the ouster of strongman Nicolas Maduro, as oil prices swung amid volatility triggered by the Iran war. Shipments fell to 1.077 million barrels a day in May, down from a seven-year high in April, according to shipping reports and vessel movements tracked by Bloomberg. Heavy naphtha imports, essential for keeping oil wells flowing, dropped 30%. Production is showing the first signs of fatigue five months after Maduro's ouster earlier this year. Companies including Chevron Corp and ConocoPhillips remain hesitant to make fresh investments. A proposed energy contract laying out terms to operate in the country seems to favor Venezuela's state oil company on matters such as arbitration and taxes. Ultimately, a massive infusion of cash is needed to nurse oil production back to peak levels from 50 years ago, after decades of mismanagement and a dearth of new investments. American fuelmakers including Valero Energy Corp and Phillips 66 were among the largest buyers of Venezuelan oil in May, the data show. Venezuelan oil has an edge over Canadian supplies during the spring and summer, when wildfire risks can disrupt production in Canada and maintenance at oil sands upgraders increases the flow of diluent-rich grades, raising quality concerns for some refiners.

Russia Ships Most Oil Since 2022 as Drones Strike Refineries

- Russia is exporting the most crude since its invasion of Ukraine in 2022 as Kyiv's record attacks on its neighbor's oil refineries force more barrels into the global market.
- Moscow's year-to-date shipments are running at 3.46 million barrels a day, about 120,000 barrels a day higher than 2025, and exceed the annual averages for each year since Moscow's troops marched into Ukraine.
- The value of Moscow's shipments in recent weeks has exceeded even the levels seen in the first months of the Ukraine invasion, with global oil prices boosted by the war in Iran and the effective closure of the Strait of Hormuz.

RBI May Have Sold Gold to Save FX Reserves, BE Analysis Shows

- India's central bank may have sold a portion of its gold holdings to shield its foreign-currency assets from the fallout of the war in the Middle East.
- The Reserve Bank of India likely sold gold reserves while buying foreign-currency assets, prioritizing reserves of liquid foreign currency as a wider current-account deficit weighs on the rupee.
- The RBI is weighing options to stabilize the rupee, including an interest-rate hike and raising dollars from investors overseas, as India faces pressure from sustained capital outflows and higher oil prices.

India Holds Jet Fuel Prices Steady After Airline Plea

India's state-owned oil refiners have kept jet fuel prices steady for local flights following a plea from airlines to hold off on further hikes as they grapple with the fallout from the Iran war. The fuel price for domestic flights will remain unchanged at 104,927 rupees (\$1,104.25) a kiloliter in New Delhi for June, according to spokespeople from the state oil processors. In April, the cost of so-called aviation turbine fuel was raised by 8.6%, with the government requiring they stay constant in May. Refiners also provided additional relief to Indian airlines by reducing jet fuel prices for international flights, although the spokespeople didn't immediately provide details on the size of the cut.

India's Zee Clinches Rights to Broadcast FIFA Football World Cup

India's Zee Entertainment Enterprises Ltd. won the rights to broadcast the FIFA World Cup 2026 in the country, ending suspense over the telecast of the sporting event in one of the world's largest media markets. The broadcaster acquired FIFA rights for 38 other global football tournaments and to also create documentaries and behind-the-scenes content linked to these events for Indian audiences. Matches will be aired on Zee's four newly launched sports channels and streamed on its OTT platform ZEE5. The company did not disclose the financial terms of the agreement. FIFA had struggled to find a broadcaster in India after negotiations with major media companies stalled over pricing. Reuters previously reported that JioStar, the partnership between Reliance Industries Ltd. and the Walt Disney Co., offered about \$20 million, while Sony Group Corp. refrained from bidding. The deal will bring the tournament to one of the last major markets where media rights had remained unsold. The football world cup, jointly hosted by the US, Canada and Mexico, kicks off on June 11. While cricket remains India's dominant sport, football has steadily gained popularity over the past decade, helped by growing viewership of international competitions and increased interest in domestic events such as the Indian Super League.

FDA approval puts Wockhardt's Zaynich in \$9 billion antibiotics market

Wockhardt's new antibiotic, Zaynich, has received US FDA approval. This drug uses a novel mechanism to fight drug-resistant bacteria. It targets superbugs that resist current treatments. Zaynich offers a powerful synergy to overcome resistance. The drug has a significant market opportunity. Wockhardt anticipates market exclusivity until around 2038.

Jan de Nul Group Wins 25-Year Contract to Dig Argentina Waterway

Belgian dredger Jan de Nul NV and local partner Servimagnum SA won a 25-year contract from the government of President Javier Milei to upgrade Argentina's chief trade route, the Parana River. Jan de Nul, which has dredged the Parana shipping lane since the 1990s, beat a bid from fellow Belgian company DEME Group NV. The waterway runs from the River Plate estuary at Buenos Aires to the crop-export hub of Rosario and beyond. Rosario was the world's largest single supplier of oilseeds and grains last year.

Oil Steadies After First Drop This Week on Peace Talk Optimism

Oil steadied after its first decline this week, as optimism over US-Iran peace talks weighed against uncertainty surrounding a ceasefire deal between Israel and Lebanon. Brent traded around \$95 a barrel after falling 2.8% on Thursday, while West Texas Intermediate was below \$93. President Donald Trump said that talks with Iran were going well, despite Tehran-backed Hezbollah rejecting a US-brokered ceasefire deal between Israel and Lebanon. WTI has gained more than 6% this week after uncertainty over the progress of the negotiations eroded some of the earlier optimism for a deal that would lead to a resumption of oil flows through the strait — which carries about a fifth of the world's crude and liquefied natural gas in peacetime. Futures are still down about a fifth since early April — when the US and Tehran agreed to a ceasefire that ended more than five weeks of fighting.

Ukraine's Zelenskyy Proposes Peace Talks in Letter to Putin

- Ukrainian President Volodymyr Zelenskyy proposed peace talks to Russian leader Vladimir Putin in an open letter, saying "Ukraine is ready for a full ceasefire for the duration of the negotiations".
- Officials from Germany, France, and the UK have been discussing the possibility of holding talks involving Russia and Ukraine, and see an opportunity to bring Putin to the negotiating table.
- Zelenskyy's letter aims to increase public pressure on Putin, and he suggested that any meeting should take place in a third country, such as Switzerland, Turkey, or Arab countries, rather than Moscow.

Israel, Lebanon Reach Ceasefire as US Seeks to Revive Iran Talks

The US said Israel and Lebanon agreed to a ceasefire if Hezbollah also stops fighting, the latest attempt by the Trump administration to keep peace talks with Iran on track as political opposition to the war intensifies. The White House said the agreement between Israel and Lebanon was contingent on "a complete cessation" of attacks by Hezbollah, a militia backed by Iran, adding in a statement that the group must evacuate all operatives from Lebanese territory south of the Litani River near the border with Israel.

Deadly Screwworm Parasite Found in US Threatens Cattle Herd

- A deadly cattle parasite, the new world screwworm, was confirmed in the US for the first time in nearly a decade, posing a threat to a US herd already at its lowest level in 75 years.
- The US Department of Agriculture is implementing quarantines, movement controls and surveillance in a 20-kilometer zone around the detection, and has expedited the release of sterile flies to prevent the pest's spread.

The USDA said the food supply is safe as screwworm does not infest meat or other food sources, and Agriculture Secretary Brooke Rollins said there is "no reason to believe" that this will result in an establishment of the pest in the US.

Republican-Led House Votes to Stop Iran War, Rebuking Trump

The Republican-led House voted to halt the US war with Iran, breaking with President Donald Trump on an unpopular foreign conflict that is taking an escalating economic toll on Americans. The 215-208 vote Wednesday showed worries over the war spreading in the president's own party five months before congressional elections. Last month, a Senate resolution to end the war also advanced past a procedural hurdle for the first time, though that legislation hasn't yet come to a formal vote. The House vote won't end US military attacks on Iran. The Senate would still have to pass the resolution and provisions in the 1973 War Powers Act that the House invoked are legally controversial anyway.

US and Iran in Deadly Clashes, Putting Fresh Strain on Truce

The US and Iran clashed again overnight, with Kuwait and Bahrain caught in the crossfire of the most serious flare-up since a ceasefire went into effect in early April. The strikes follow days of rising tension, including over Israeli operations against Tehran-backed Hezbollah militants in Lebanon, that threaten to derail US-Iran talks about an interim peace deal. The sides have agreed on a rough framework to extend their truce by two months and reopen the Strait of Hormuz, though negotiations over the final details are dragging on.

India's GDP grew 7.8% in Q4 FY26

The Indian real gross domestic product (GDP) expanded by 7.8% from the previous year in the March quarter of 2026, slowing slightly from the upwardly revised 8% growth from the earlier period, but still well ahead of market expectations of 7.2%. The data reflected India's momentary resilience to higher energy prices and a weak rupee following efforts to source oil outside Russia and the outbreak war in the Middle East. Output was higher for manufacturing (7.3%), trade, hotels, transportation, and communication (12.5%), financial and real estate services (10.4%), and construction (8.4%), offsetting slower growth in mining and quarrying (5.4%) and agriculture and feedstock (3.6%). For the whole FY2026, the Indian GDP expanded by 7.7%, the most since the rebound from the Covid pandemic recession in FY22.

RBI kept its key repo rate unchanged at 5.25%

The Reserve Bank of India (RBI) kept its key repo rate unchanged at 5.25% for the third consecutive meeting in June and maintained a neutral stance amid a weakening rupee. The decision was in line with market expectations, as the conflict in the Middle East threatened GDP growth and fueled inflationary pressures. On the economic outlook, the RBI lowered its GDP growth forecast for FY27 to 6.6% from its earlier estimate of 6.9%. GDP is projected to grow by 6.6% in the first quarter of the fiscal year, followed by 6.3% in the second quarter and 6.5% and 6.8% in Q3 and Q4, respectively. Meanwhile, inflation is projected to average 5.1%, up from the earlier estimate of 4.6%, mainly driven by higher LPG, base metal, plastic, and rubber prices. Inflation is forecast at 4.2% in Q1, 5.1% in Q2, and 5.9% in both Q3 and Q4. Core inflation is projected at 4.7%. The central bank also kept the SDF rate at 5.0% and the MSF rate at 5.50%.

India's HSBC Manufacturing PMI rose to three-month high in May 2026

India's HSBC Manufacturing PMI rose to 55.0 in May 2026, a three-month high, from 54.7 in April, and was revised higher from the flash estimate of 54.3. Growth was driven by faster gains in new orders, output and purchasing, led by domestic demand as exports softened. Sales were supported by intermediate and capital goods amid infrastructure spending and new business wins. Manufacturers increased input buying on stockpiling needs, while pre-production inventories rose as supply conditions improved and delivery times shortened. Finished goods stocks also rose to an 11-year high as supply outpaced demand. Employment rose more slowly, while backlogs edged higher. On prices, input costs climbed sharply on higher energy, fuel, materials and transport costs linked to geopolitical tensions. Output price inflation remained more moderate as firms limited pass-through. Business confidence stayed positive, supported by strong order pipelines and easing cost expectations.

HSBC India Services PMI revised higher to 59.8 in May 2026

The HSBC India Services PMI was revised higher to 59.8 in May 2026 from the preliminary estimate of 58.9 and a final reading of 58.8 in April. Still, the latest reading marked the strongest growth since last November, as output continued to expand while new orders rose at the fastest pace in three months. Output growth was supported by healthy demand conditions, new client wins, and ongoing improvements in new business intakes. New export business also rose, albeit at a slower pace than total sales and the average recorded during the 2025 calendar year. Meanwhile, employment increased, with job creation remaining solid and the second-fastest in just under a year. On prices, both input and output inflation recorded their strongest increases in four months, driven by higher food, fuel, gas, labor, and material costs. Lastly, sentiment weakened to a three-month low and remained below the historical trend, though firms stayed optimistic due to expectations of favorable demand conditions.

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