

08 May 2026

Key International events:

According to the US Institute for Supply Management, manufacturing activity in the US expanded for the fourth consecutive month as the **Manufacturing PMI** came in at **52.7** in **April 2026**, unchanged from March 2026. Economists had expected the index to inch up to 53.0.

As per the US Commerce Department, **factory orders for US manufactured goods increased by much more than expected and rose by 1.5% MoM in March 2026**. Factory orders had increased by an upwardly 0.3% MoM in February 2026.

According to the US Commerce Department, the **US trade deficit grew to USD 60.3 bn in March 2026, up from a revised USD 57.8 bn in February 2026**. With imports increasing by modestly more than exports, trade deficit widened roughly in line with the economist estimates.

As per the US Institute for Supply Management, the **US Services PMI slipped to 53.6 in April 2026, after falling to 54.0 in March 2026**. Economists had expected the index to edge down to 53.7 in April 2026.

According to the US Labor Department, **job openings in the US edged down to 6.87 mn in March 2026 from an upwardly revised 6.99 mn in February 2026**.

According to the US payroll processor ADP, **private sector employment in the US rose by 109,000 jobs in April 2026, after climbing by a downwardly revised 61,000 jobs in March 2026**.

According to S&P Global, the **Euro area Composite Purchasing Managers' Index (PMI)** fell to **48.8 in April** from **50.7 in the previous month**. The reading was moderately above the flash estimate of 48.6.

According to S&P Global, the **Euro Area Manufacturing Purchasing Managers' Index (PMI)** rose to a **47-month high of 52.2 in April 2026, up from 51.6 in March 2026**. The factory activity expanded as manufacturers front-loaded their orders due to fears of the war-induced price increases and supply shock.

As per the behavioral research institute Sentix, **Eurozone investor sentiment improved unexpectedly as the Investor Sentiment Index rose to -16.4 in May 2026, up from -19.2 in April 2026**. Economists had expected the investor sentiment to fall to -20.9 in May 2026.

As per data from S&P Global, **China's manufacturing activity expanded at a stronger than expected pace as the RatingDog factory Purchasing Managers' Index (PMI) rose to 52.2 in April 2026**. This was up from 50.8 in March 2026.

According to S&P Global, the **RatingDog China Services Purchasing Managers' Index (PMI)** rose to **52.6 in April 2026 from 52.1 in March 2026**, driven by stronger increases in new business despite declining foreign orders.

Key Domestic events:

As per Government data, **Gross GST collection rose 8.7% YoY to a record of about Rs 2.43 trillion in April 2026**. Gross revenues from domestic transactions were up 4.3% YoY to over Rs 1.85 trillion, and that from imports rose by 25.8% YoY to Rs 575.80 bn in April 2026. Net GST collections stood at Rs 2.11 trillion in April 2026, up 7.3% YoY.

According to the Chief Economic Adviser, V Anantha Nageswaran, the **ongoing West Asia crisis poses a multi-channel macroeconomic challenge for India, potentially widening the Current Account Deficit (CAD) to over 2% of GDP in FY27 from less than 1% in FY26**.

According to data from the National Payments Corporation of India, the **Unified Payments Interface (UPI) transaction value dipped 1.7% MoM in April 2026 to Rs 29.03 trillion, down from the monthly record of Rs 29.53 trillion in March 2026**. Volumes declined 1.3% MoM to 22.35 bn compared to 22.64 bn in March 2026.

According to the Naukri JobSpeak Index report, **India's white-collar hiring grew by 6% YoY in April 2026**. Insurance led the sectoral hiring by registering 21% YoY growth, followed by BPO/ITES (15% YoY), real estate (12% YoY), healthcare (11% YoY), and education (9% YoY).

According to CBDT data, **India's Net Direct Tax collections rose a modest 5.12% YoY to Rs 23.4 trillion in FY26, against the 9% YoY growth assumed in the Revised Estimates (RE) for FY26**. Net corporate tax collections grew 11.4% YoY to Rs 10.99 trillion, indicating improved profitability and compliance among companies. In contrast, non-corporate tax collections remained nearly flat, rising just 0.04% YoY to Rs 11.83 trillion. Thus, it achieved roughly 96.7% of the RE target, falling short by around Rs 810 bn.

As per data from S&P Global, the **HSBC India Manufacturing Purchasing Managers' Index (PMI)** rose to **54.7 in April 2026 on the back of a sharper export rise after plummeting to a four-year low of 53.9 in March 2026**. However, the figure was lower than the Flash India Manufacturing PMI of 55.9 released last month.

As per CRISIL, **brent crude oil prices increased 16% MoM to USD 121 per barrel in April 2026, reflecting elevated risk premiums amid continued constraints on key supply flows. They upwardly revised their Brent crude price assumption to USD 90-95 per barrel for FY27, up from USD 82-87 per barrel**.

According to Moody's Ratings, **India has been the most resilient large emerging market economy since 2020, and its sizeable forex reserves have helped check currency volatility and reinforce confidence during global shocks**. They further said that India is well placed to manage future shocks because monetary policy frameworks are clear and predictable, inflation expectations are well anchored, and exchange rates can adjust when needed.

As per RBI data, **India's outbound Foreign Direct Investment (FDI) climbed to USD 46.8 bn in FY26 from USD 41.6 bn in FY25**. The composition of India's outward FDI is shifting, with financial services' share rising by 12.31% between FY21 and FY26 while manufacturing's share declined by 14.52% during the period.

According to the Finance Ministry, **Scheduled Commercial Banks have recorded a robust credit growth of 15.9% YoY in FY26**. Credit growth to agriculture and allied sector accelerated to 15.7% YoY in FY26, up from 10.4% YoY in FY25. Industrial credit expanded 15% YoY in FY26, up from 8.2% YoY growth in FY25.

S&P Global downwardly revised India's GDP growth forecast for FY27 to 6.6% YoY from their earlier estimate of 7.1% YoY, citing external economic shock from energy supply disruptions, rising oil and gas prices and currency volatility.

According to S&P Global, the **HSBC India Services Purchasing Managers' Index (PMI)** rose to a **5-month high of 58.8 in April 2026, up from a 14-month low of 57.5 in March 2026**. Growth was driven by stronger domestic demand, new orders, competitive pricing, and increased ecommerce activity, even as export growth weakened and cost pressures remained elevated due to the West Asia war.

According to the Steel Ministry, **India's finished steel consumption rose by 8.1% YoY to 12.99 mn tonnes, in April 2026**. The robust demand, driven by construction, infrastructure and manufacturing activity, came alongside a 5.8% YoY increase in crude steel production. Finished steel production was up 3.4% YoY.

According to Knight Frank, **India's real estate sentiment score fell sharply to 49 in Q1 CY26 from 60 in Q4 CY25, slipping into pessimistic territory amid rising global uncertainties**. The moderation is largely driven by global macroeconomic volatility and intensified inflationary pressures, pushing up construction and logistics costs and affecting project viability.

According to ICRA, **India's power demand is projected to rise by 5.0-5.5% YoY in FY27 compared to a tepid 1% YoY growth in FY26**. Power demand growth in FY27 is likely to be supported by agricultural and household sectors given the expectation of sub-par rainfall amidst a potential El Niño, along with demand from industries as well as from emerging sources like EVs and data centres supported by continued momentum in industrial and commercial activity.

As per data from the Department of Public Enterprises, **capital expenditure by Central Public Sector Enterprises (CPSEs) and 4 key government entities including the Railway Board and NHAI rose by 63% YoY to Rs 811.07 bn in April 2026**.

Equity Round up: BSE Sensex opened at 77,257. It made a weekly high of 78,385 and a low of 76,259 before closing 233 points higher at 77,146.

Events to watch out for the next week:**International Events**

1. US CPI for Apr'26 on 12 May'26
2. US Capacity Utilization for Apr'26 on 15 May'26
3. ECB Economic Bulletin on 14 May'26

Domestic Events

1. Forex Reserves for week ended 08 May 2026 on 15 May 2026
2. Bank Credit growth for Apr'26 on 11 May'26
3. Exports data for Apr'26 on 15 May'26
4. Imports for Apr'26 on 15 May'26

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	77,328	0.54
Nifty 50	24,176	0.74
BSE 100	25,696	1.20
BSE 200	11,274	1.51
Nifty Midcap 150*	22,772	3.51
Nifty Smallcap 250*	17,438	4.22
BSE FMCG	18,998	0.57
BSE HC	46,535	4.30
BSE IT	28,585	0.63
BSE Auto	59,963	4.88
BSE BANKEX	62,354	1.05
BSE CG	80,125	3.78
BSE CD	60,554	2.46
BSE Oil & Gas	27,414	-0.97

* BSE Midcap and BSE Small Cap indices data is not available for 08th May'26 so included Nifty Indices.

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.48% 2035)	6.93%	(-) 6 bps
Interbank Call	5.18%	2 bps
INR/USD	94.48	-0.46%
Gold (Rs/10gm)	1,51,078	0.54%

Taken during market hours, 10 Year G-Sec (6.48% 2035) and Interbank Call as on 07 May '26

World Indices	Closing	% Change WoW
Dow Jones*	49,597	1.50
Nasdaq*	25,806	4.59
FTSE	10,257	-0.51
DAX	24,460	1.87
Hang Seng	26,394	2.39
Nikkei	62,714	5.78
Bovespa*	1,83,218	-0.83
Indonesia Jakarta	6,969	0.18

* Data as on 07 May '26

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	640.2	702.2	-62.1
DII	479.5	358.8	120.7

Data for FPI from 04 May 2026 to 07 May 2026. Data for DII from 04 May 2026 to 06 May 2026.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	24,176	24,229	53

*May 2026 Expiry

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