

15 May 2026

Key International events:

According to data from the US Labor Department, **import prices in the US shot up by 1.9% MoM in April 2026 after climbing by an upwardly revised 0.9% MoM in March 2026**. Economists had expected import prices to jump by 1.0% MoM.

According to data from the US Energy Information Administration, **crude oil inventories in the US fell by 4.3 mn barrels in the week ended May 8, 2026, after falling by 2.3 mn barrels in the previous week**. Economists had expected crude oil inventories to drop by 2.1 mn barrels.

According to the US Labor Department, **the US Producer Price Index for final demand jumped by 1.4% MoM in April 2026 after climbing by an upwardly revised 0.7% MoM in March 2026**.

According to the US Labor Department, **US Consumer Price Index (CPI) rose 3.8% YoY, up from 3.3% YoY in March 2026**. The US Federal Reserve has a long-term 2% YoY target for inflation and several policymakers at the central bank have indicated the possible need for interest rate hikes to address rising prices.

As per data released by the University of Michigan, **the US Consumer Sentiment index fell to 48.2 in May 2026 from 49.8 in April 2026**. Economists had expected the index to edge down to 49.3 in May 2026.

As per Eurostat data, **the Euro area Gross Domestic Product (GDP) expanded by 0.8% YoY in Q1 CY26**, down from the 1.3% YoY growth registered in Q4 CY25.

As per Eurostat data, **the Eurozone Industrial Production grew by 0.2% MoM in March 2026**, matching the growth rate seen in February 2026. Economists had expected industrial production to grow by 0.3% MoM.

According to UK's Office for National Statistics, **UK's Gross Domestic Product (GDP) rose 0.6% QoQ in Q1 CY26, following the 0.2% QoQ expansion in Q4 CY25**. The rate of growth was in line with economists' expectations.

According to China's National Bureau of Statistics, **China's Producer Price Index (PPI) increased 2.8% YoY in April 2026, a 45-month high**, largely due to higher input costs, especially those of petrochemicals and fuel.

According to China's National Bureau of Statistics, **China's Consumer Price Index (CPI) rose 1.2% YoY in April 2026**, up from 1% YoY in the previous month.

According to data from Bank of Japan, **producer prices in Japan were up 2.3% MoM in April 2026**, far higher than forecasts for an increase of 0.7% MoM and sharply up from the upwardly revised 1.0% MoM gain in March 2026.

As per Japan's Ministry of Finance, **Japan posted a Current Account Surplus of JPY 4.68 trillion in March 2026**. That beat expectations for a surplus of JPY 3.88 trillion and was up from JPY 3.93 trillion in February 2026.

Key Domestic events:

According to data from the Ministry of Commerce and Industry, **India's factory-gate inflation, measured by the Wholesale Price Index (WPI), more than doubled to a 42-month high of 8.3% YoY in April 2026 from 3.88% YoY in March 2026**. Inflation in the fuel segment surged to 24.71% YoY, compared to 1.05% YoY in the previous month.

As per RBI data, **foreign borrowing filings with the RBI by Indian companies, including NBFCs, fell to USD 5.43 bn in March 2026 from USD 11.04 bn in March 2025**, amid high interest rates, a pronounced rupee weakness and increasing hedging costs following the West Asia conflict.

RBI Governor Sanjay Malhotra said that the central bank will consider incoming data for policy actions and will be ready to look through the spike in oil prices, if they are transitory. However, he warned that policy action will be needed if the shock from the West Asia conflict becomes entrenched.

According to RBI Governor, Sanjay Malhotra, **India may need to increase retail fuel prices if the conflict in the West Asia drags on**. His remarks came after PM Modi urged voluntary austerity, including cutting down on petrol and diesel use and putting off gold purchases, to preserve foreign exchange reserves.

According to GTRI, **the significant increase in the import duty on gold from 6% to 15% may lead to an increase in imports from Dubai through the FTA route**. India had allowed imports of gold from Dubai at tariffs 100 bps below the normal MFN rate through a Tariff Rate Quota system. The quota began at 120 tonnes annually in CY22 and is set to rise to 200 tonnes by CY27, nearly 25% of India's yearly gold imports.

The government has raised the Minimum Support Price (MSP) for 14 kharif crops, with oilseeds, pulses and cotton witnessing the highest increase to incentivise farmers to grow these crops. The MSP for paddy (rice), the main kharif crop, has been increased by Rs 72 per quintal.

Moody's Ratings downwardly revised India's GDP growth forecast for CY26 by 80 bps to 6% YoY on subdued private consumption, capital formation, and industrial activity amid higher energy costs. They said that India is "particularly vulnerable" to high oil prices given its heavy reliance on imported crude and LNG. For CY27, GDP growth estimates were slashed by 50 bps to 6% YoY, reflecting lingering headwinds.

According to MoSPI data, **India's retail inflation rose marginally to 3.48% YoY in April 2026, up from 3.40% YoY in March 2026, driven mainly by higher food prices**. Rural inflation stood at 3.74% YoY, while urban inflation came in lower at 3.16% YoY during the month.

According to a government order, **India has raised import tariffs on gold and silver to 15% from 6% earlier, as part of efforts to curb overseas purchases of the metals and ease pressure on the country's foreign exchange reserves**. The government has imposed a 10% basic customs duty and a 5% Agriculture Infrastructure and Development Cess (AIDC) on gold and silver.

According to Nomura, **Prime Minister Modi's appeal to citizens to cut discretionary spending and conserve energy amid the ongoing West Asia conflict signals that pressure on India's fiscal position may be reaching a "tipping point"**, and that the government may increasingly look to households to share the burden of the fiscal strain.

According to the Periodic Labour Force Survey (PLFS) released by NSO, **unemployment rate in cities declined marginally to 6.6% in Q4 FY26 from 6.7% in Q3 FY26. While in rural areas, it edged up marginally to 4.3% in Q4 FY26 from 4.0% in Q3 FY26**. On an average, 574 mn persons were employed in the country during Q4 FY26, of which 402 mn were male and 172 mn were female.

CRISIL downwardly revised India's real GDP growth projection to 6.6% YoY in FY27 from 7.6% YoY in FY26, on account of higher crude oil and other commodity prices, softer global growth, and forecasts of a below-normal monsoon. They have also revised the forecast for Brent crude oil prices to USD 90-95 per barrel from USD 82-87 previously, 32% higher compared to FY26, and projected the Current Account Deficit at 2.2% of GDP in FY27, up from 0.8% in FY26.

According to BMI, a Fitch Group company, **India's economic growth is likely to decelerate to 6.7% YoY in FY27, from 7.7% in FY26**, due to waning momentum and oil price shock from Iran war. The prospect of the Iran-US conflict escalating in scope presents further downside risk to India's growth outlook.

According to AMFI data, **equity-oriented mutual fund schemes garnered a net inflow of Rs 384.40 bn in April 2026, declining 5% MoM**. Monthly contributions through SIPs (Systematic Investment Plans) declined to Rs 311.15 bn in April 2026 from Rs 320.87 bn in March 2026.

As per RBI data, **bank credit grew by 16% YoY in the fortnight ended April 30, 2026, higher than the 15% YoY growth recorded in the previous fortnight**. Deposit growth was 12.3% YoY in the fortnight compared to 12.2% YoY growth recorded in the previous fortnight. On an absolute basis, banking credit in the system stood at Rs 212.12 trillion, while deposits stood at Rs 258.64 trillion as on April 30, 2026.

According to data released by the Goods and Services Tax Network (GSTN), **e-way bill generation under the GST regime grew 12% YoY in April 2026 to 133.37 mn**, indicating sustained momentum in goods movement and economic activity. However, e-way bill generation fell 5.1% MoM from the monthly record 140.6 mn levels of March 2026.

Equity Round up: BSE Sensex opened at 76,638. It made a weekly high of 77,647 and a low of 74,134 before closing 2,090 points lower at 75,238.

Events to watch out for the next week:

International Events

1. US FOMC Meeting Minutes on 20 May'26
2. HCOB Eurozone Composite PMI for May'26 on 21 May'26
3. China 1 & 5-Year Loan Prime Rate on 20 May'26

Domestic Events

1. Forex Reserves for week ended 15 May 2026 on 22 May 2026
2. Exports for Apr'26 on 15 May'26
3. Imports for Apr'26 on 15 May'26
4. Trade Balance for Apr'26 on 15 May'26

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	75,238	-2.70
Nifty 50	23,644	-2.20
BSE 100	25,051	-2.51
BSE 200	10,986	-2.55
Nifty Midcap 150*	22,258	-2.26
Nifty Smallcap 250*	16,723	-4.10
BSE FMCG	18,826	-0.91
BSE HC	47,193	1.41
BSE IT	26,964	-5.67
BSE Auto	57,425	-4.23
BSE BANKEX	60,489	-2.99
BSE CG	76,826	-4.12
BSE CD	58,163	-3.95
BSE Oil & Gas	26,834	-2.12

* BSE Midcap and BSE Small Cap indices data is not available for 15th May'26 so included Nifty indices.

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.48% 2035)	7.02%	9 bps
Interbank Call	5.21%	3 bps
INR/USD	95.97	1.57%
Gold (Rs/10gm)	1,58,210	4.72%

Taken during market hours, 10 Year G-Sec (6.48% 2035) and Interbank Call as on 14 May '26

World Indices	Closing	% Change WoW
Dow Jones*	50,063	0.94
Nasdaq*	26,635	3.21
FTSE	10,242	-0.15
DAX	24,158	-1.23
Hang Seng	25,963	-1.63
Nikkei	61,409	-2.08
Bovespa*	1,78,366	-2.65
Indonesia Jakarta^	6,723	-3.53

* Data as on 14 May '26

^ Data as on 13 May '26

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIS	767.5	895.7	-128.2
DIIIs	345.0	243.6	101.4

Data for FPI from 08 May 2026 to 14 May 2026. Data for DII from 08 May 2026 to 11 May 2026.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	23,644	23,673	30

*May 2026 Expiry

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