WEEKLY WEALTH WRAP-UP

Your Guide to India's Markets and Economy

Celebrating the 50th Edition of Weekly Wealth Wrap Up

50 Weeks

Thank you for being a part of this journey

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Indian Markets Lag Global Rally Amid Volatility; Stock-Specific Action Dominates

Indian equity markets underperformed global peers during the week amid a volatile and shortened trading session due to the Thursday holiday. Benchmark indices ended the week on a negative note, with the Nifty 50 declining 0.72% to close at 23,547.75, while the Sensex fell 0.85% to settle at 74,775.74.

However, Bank Nifty showed relative resilience and outperformed the broader benchmarks, gaining 0.34% to close at 54,239.20. Mid-cap and small-cap indices also outperformed the frontline indices, reflecting continued stock-specific participation in the broader market. On the sectoral front, PSU Banks, Mid & Small IT, Telecom, and Energy sectors closed positively this week Meanwhile, Railway, Healthcare, and FMCG sectors closed on the negative side.

Global markets remained significantly stronger compared to Indian equities. US markets touched fresh highs during the week, while Japan emerged as one of the top-performing Asian markets. The rally in international markets was primarily supported by easing geopolitical tensions, strong earnings momentum from AI and semiconductor companies, and positive developments related to the US-Iran conflict. Reports indicating an extension of the ceasefire for 60 days helped cool crude oil prices, with Brent crude easing sharply from its recent highs toward the $91 per barrel mark. Lower crude prices provided relief to global investors and improved overall risk appetite.

The Q4FY26 earnings season in India is now largely complete, with corporate earnings remaining broadly in line with expectations. While earnings growth has been steady, markets are currently looking for fresh triggers that can drive the next directional move.

From a technical perspective, Nifty is expected to trade within a broad range in the near term. On the downside, key support is placed between 23,450–23,200, while on the upside, resistance is likely in the range of 24,000-24300. These levels will remain crucial for determining the market's short-term direction.

THE WEEK'S BIG STORIES

- US-Iran Ceasefire Deal Near Final Stage
- US To Refund $20.6 Billion in Tariffs to Importers
- Government May Launch LIC Stake Sale in June-July
- Paytm Arm to Invest €9 Million in Europe Unit
- RBI's New Credit Rating Rules May Impact MSMEs
- US Trade Team to Visit India for Interim Deal Talks
- Moody's Flags Indian Banks' Exposure to West Asia Risks
- IRDAI Tightens Rules on Executive Compensation
- Payment Companies Raise Concerns Over RBI Draft PPI Rules

Looking ahead, several important domestic and global events are expected to influence market sentiment. Any further developments related to the US-Iran situation will remain a key monitorable factor for global markets and crude oil prices. In Indian market Domestically, investors will closely watch any potential government policy changes related to the STT or capital gains tax structure. Any reduction in taxation could improve investor sentiment and potentially attract stronger foreign institutional investment flows into Indian equities.

INDIAN ECONOMY & MARKET

Taiwan Overtakes India in Global Stock Market Ranking

Taiwan has overtaken India to become the world's fifth-largest stock market. Taiwan's market capitalisation reached around $4.95 trillion, slightly above India's $4.92 trillion. The rally was mainly driven by strong gains in TSMC shares due to rising global AI demand. Meanwhile, India faced pressure from higher energy costs and slower earnings growth.

US Trade Team to Visit India for Interim Deal Talks

A US delegation will visit India from June 1-4 to continue discussions on a proposed interim trade agreement. Both countries are trying to finalise the initial pact before broader trade negotiations. The discussions are expected to focus on tariff-related issues and market access, with both sides aiming to strengthen economic cooperation and improve bilateral trade relations.

RBI Transfers Record ₹2.86 Lakh Crore Dividend to Government

The RBI has approved a record surplus transfer of ₹2.86 lakh crore to the central government for FY26. The higher dividend was supported by strong foreign exchange earnings and gains from dollar sales. This transfer is expected to support the government's fiscal position and provide additional room for spending, especially amid global economic uncertainty and rising geopolitical risks.

Moody's Flags Indian Banks' Exposure to West Asia Risks

Moody's said Indian banks have relatively higher exposure to West Asia-related risks among Asia-Pacific economies. The report highlighted that rising geopolitical tensions in the region could impact oil prices, inflation and economic stability. Since India imports a large portion of its crude oil, prolonged disruption in West Asia may indirectly affect asset quality, liquidity conditions and overall banking sector performance in the country.

GLOBAL AFFAIRS

US-Iran Ceasefire Deal Near Final Stage

The US and Iran have reportedly reached a tentative 60-day ceasefire extension agreement and plan to begin formal talks on Iran’s nuclear programme. However, the final approval from US President Donald Trump is still pending. Reports also suggest the deal may help restore smoother shipping movement through the Strait of Hormuz, which remains important for global oil supply and energy markets.

US May Exit Persian Gulf Blockade under Draft Agreement

Iranian state media reported that a draft memorandum of understanding proposes the US may withdraw from the Persian Gulf blockade as part of a broader peace arrangement. The proposal is linked to ongoing discussions aimed at reducing tensions between the US and Iran. Reports suggest the agreement may also help improve regional stability and support smoother global energy trade flows.

US To Refund $20.6 Billion in Tariffs to Importers

The US government said around $20.6 billion in tariff refunds will be returned to importers following legal and administrative reviews. The refunds are linked to previously collected duties under trade measures introduced in earlier years. The move is expected to provide relief to businesses affected by higher import costs and may improve cash flows for companies involved in global trade activities

Iran Wants Enriched Uranium Shifted To China

Reports suggest Iran has demanded that its enriched uranium stockpile be transferred to China under a proposed peace agreement with the US. The proposal is part of ongoing negotiations related to Iran’s nuclear programme and regional stability. The discussions aim to reduce geopolitical tensions, while the uranium transfer proposal is being viewed as a key condition in the broader diplomatic framework.

CORPORATE CORNER

NCLAT Gives Relief to Piramal Finance in Merger Case

NCLAT has allowed Piramal Finance's plea related to the merger of four group companies and removed the requirement of holding a separate equity shareholders' meeting. The merger involves Piramal Corporate Tower, Piramal Agastya Offices, DFHCL and Piramal Finance. This decision is expected to reduce procedural hurdles and help the merger process move ahead faster.

Government May Launch LIC Stake Sale in June-July

The government is preparing to sell around a 2% stake in Life Insurance Corporation of India and may begin formal marketing in June or July. The proposed stake sale could raise nearly ₹10,000 crore. Reports suggest the government is working with multiple investment banks for the transaction, while the final timing and size may still change depending on market conditions.

Byju Raveendran Rejects Singapore Court Narrative

Byju's founder Byju Raveendran has rejected allegations linked to the Singapore court case where he was given a six-month jail term for contempt. He said the narrative around the matter is misleading and denied any wrongdoing. Raveendran also claimed that the legal proceedings are being misrepresented and maintained that he has always acted in the company's best interests during the ongoing financial and legal challenges.

Paytm Arm to Invest €9 Million in Europe Unit

Paytm's subsidiary will invest around €9 million in its European arm as part of its international expansion strategy. The investment aims to strengthen the company's technology and digital payments business in Europe. Paytm said the funding will support operational growth and help expand its presence in international markets as the company continues to diversify beyond the Indian payments ecosystem.

REGULATORY & POLICY UPDATES

SEBI Proposes Dynamic Option Strike Price Framework

SEBI has proposed a new framework for option strike prices to improve trading continuity during sharp market volatility. Under the proposal, exchanges may introduce new strike prices in real time when markets move sharply intraday. The aim is to ensure traders always get option contracts closer to current market prices and improve ease of trading in derivatives markets.

IRDAI Tightens Rules on Executive Compensation

IRDAI has introduced stricter guidelines linking executive pay in insurance companies with customer service and claims performance. Under the new framework, insurers must consider claim settlement efficiency, grievance handling and customer-related metrics while deciding incentives for senior management. The regulator aims to improve accountability and strengthen policyholder protection by ensuring executive compensation is aligned with customer outcomes instead of only financial performance.

RBI's New Credit Rating Rules May Impact MSMEs

RBI's proposed credit rating framework may create challenges for MSMEs and smaller rating agencies. The new rules could increase compliance requirements and make it harder for smaller businesses to access formal credit ratings. Industry participants believe the framework may favour larger agencies due to higher operational requirements, while MSMEs could face higher costs and reduced flexibility in raising funds.

Payment Companies Raise Concerns Over RBI Draft PPI Rules

Payment companies have raised concerns over RBI's draft rules for prepaid payment instruments (PPIs), especially regarding peer-to-peer transactions. Industry players are seeking equal treatment with banks and want interoperability norms to remain balanced. Companies believe stricter rules may impact innovation and customer convenience in digital payments. The industry has requested the RBI to review the proposals before finalising the framework.

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