WEALTH INTELLIGENCE

IndyaWealth

Informed investors. Purposeful returns.

WEEKLY EDITION

May 16 – 22, 2026

Vol. I · Issue 3

Indian Markets Recover on FII Return; Nvidia's $81.6B Quarter Redefines the AI Era; Moody's Strips the US of Its Last Triple-A Rating

Editor's Note: A week of measured recovery — Nifty +76 points, Bank Nifty +499 points vs the prior Friday. FIIs were net buyers on May 15 and DII buying surged ₹6,003 crore on May 22, even as the rupee remained pressured at ₹96.02. Globally, Nvidia's record quarter and the Moody's US downgrade defined the week.

NIFTY	23,719	▲ +76 WoW
SENSEX	75,415	▲ +178 WoW
BANK NIFTY	54,341	▲ +499 WoW
VIX	17.91	▼ −0.88
GOLD MCX	₹1,58,600	▲ +27
BRENT MCX	₹9,357	▼ −281
USD/INR	96.02	▲ +0.18

01 EXECUTIVE SUMMARY

SENTIMENT *Cautiously Optimistic*

India Recovers — Nifty +76 pts Week-on-Week

Nifty rose from 23,643 (May 15 close) to 23,719 (May 22 close), gaining 76 pts (+0.32%). Sensex added 178 pts (+0.24%). Bank Nifty surged 499 pts (+0.93%) from 53,842 to 54,341 — the week's best index performer. VIX eased from 18.79 to 17.91, signalling calmer risk appetite.

DII Surges ₹6,003 Cr; FII Outflows Moderate

DII net bought ₹6,003.53 crore on May 22 (vs net sold ₹1,958.82 crore on May 15). FII net sold ₹4,440.47 crore on May 22, but had been net buyers (+₹1,329.17 crore) on May 15. The weekly FII trajectory shows moderation in outflows — a constructive signal.

Nvidia Posts $81.6B Quarter — AI Supercycle Confirmed

Q1 FY27 revenue +85% YoY at $81.6B. Q2 guidance of $91B. $80B buyback. Dividend raised 2,500% to $0.25/share. Jensen Huang: "Demand has gone parabolic. Agentic AI has arrived." This is the most important earnings release of 2026 for global markets and India's IT sector outlook.

Moody's Strips US of Last Triple-A

US downgraded from Aaa to Aa1 — the last of the three major agencies to act. US 10Y yield hit 4.63% (52-week high) on Monday before settling at ~4.54%. Higher-for-longer US yields sustain dollar strength and delay FII return to EM equities including India.

Crude Eases — Brent MCX Down ₹281 for the Week

Brent MCX fell from ₹9,638 (May 15) to ₹9,357 (May 22) — a ₹281 decline — as a draft US-Iran peace framework was leaked. A confirmed deal could push crude to ₹8,000–8,500, directly reducing India's import bill and providing room for RBI to cut rates.

SpaceX IPO Filed — $75B Raise at $1.75 Trillion Valuation

The largest IPO filing in history by target valuation. SpaceX's listing redefines private capital markets and reinforces the depth of the US tech ecosystem. Combined with Nvidia's earnings, it signals that the AI and space infrastructure boom has entered a new phase of monetisation.

INDYA WEALTH STRATEGIC VIEW

This week's data tells a nuanced story: India's market recovered modestly (+76 pts on Nifty) but the rupee slipped further (+₹0.18 to ₹96.02), FIIs remained net sellers on May 22, and crude is still elevated. What changed is the pace — FII selling is decelerating, DII buying is accelerating, and the US-Iran peace framework is materialising. The June 3–5 RBI MPC remains the single most important domestic event. A confirmed 25 bps rate cut, combined with an Iran deal and crude below ₹8,500 MCX, would create the conditions for Nifty to close above 24,000 for the first time since January 2026.

02 INDIAN EQUITY MARKET PERFORMANCE

INSTRUMENT	MAY 15 CLOSE ①	MAY 22 CLOSE ②	WEEKLY CHANGE ②–①	SUPPORT	RESISTANCE
Nifty 50 (Spot)	23,643	**23,719**	**+76 pts (+0.32%)**	23,400	24,000
Sensex (Spot)	75,237	**75,415**	**+178 pts (+0.24%)**	74,800	76,000
Bank Nifty (FUTIDX, May-26)	53,842	**54,341**	**+499 pts (+0.93%)**	53,400	55,000
Fin Nifty (FUTIDX, May-26)	25,393	**25,629**	**+236 pts (+0.93%)**	25,000	26,000
India VIX	18.79	**17.91**	**−0.88 (Risk easing)**	—	—
USD/INR (FUTCUR)	95.84	**96.02**	**+0.18 (Rupee weaker)**	95.50	97.00
Gold MCX (FUTCOM, Jun-26)	₹1,58,573	**₹1,58,600**	**+₹27 (+0.02%)**	₹1,55,000	₹1,62,000
Silver MCX (FUTCOM, Jul-26)	₹2,69,770	**₹2,71,203**	**+₹1,433 (+0.53%)**	—	—
Brent Crude MCX (FUTCOM)	₹9,638	**₹9,357**	**−₹281 (−2.92%)**	₹8,800	₹10,000
Natural Gas MCX (FUTCOM)	₹284.10	**₹280.00**	**−₹4.10 (−1.44%)**	—	—

① May 15, 2026 closing prices from NSE Capital Market data (CLOSING.PRICE column, May 15, 2026). ② May 22, 2026 closing prices from NSE Capital Market data (CLOSING.PRICE column, May 22, 2026). Source: NSE India official closing data.

FII / DII INSTITUTIONAL FLOWS — NSE/BSE/MSEI CAPITAL MARKET SEGMENT

CATEGORY	DATE	BUY VALUE (₹ CR)	SELL VALUE (₹ CR)	NET VALUE (₹ CR)	SIGNAL
DII	15-May-26	14,961.88	16,920.70	**−1,958.82**	**Net Seller**
FII / FPI	15-May-26	16,299.60	14,970.43	**+1,329.17**	**Net Buyer ✔**
DII	22-May-26	18,436.72	12,433.19	**+6,003.53**	**Strong Buyer ✔✔**
FII / FPI	22-May-26	10,972.76	15,413.23	**−4,440.47**	**Net Seller**

Source: NSE/BSE/MSEI FII/FPI Trading Activity — Capital Market Segment. Both dates confirmed from official NSE data sheets (Images 1 & 2).

WEEKLY TOP GAINERS (MAY 22)

- **Axis Bank** +2.68% — BFSI re-rating; rate cut anticipation
- **ICICI Bank** +1.96% — Strong NIM, asset quality metrics
- **Asian Paints** +1.46% — Consumer discretionary recovery
- **HUL** +1.10% — Rural demand revival thesis
- **HDFC Bank** +1.00% — Sector-wide banking re-rating

WEEKLY TOP LOSERS (MAY 22)

- **Sun Pharma** −2.71% — Q4FY26 EBITDA miss vs consensus
- **ITC** −1.96% — Cigarette tax overhang; regulatory risk
- **Power Grid** −1.80% — PSU utility profit-booking
- **Brent MCX** −₹281/bbl — Iran peace deal optimism
- **Natural Gas MCX** −₹4.10 — Demand outlook softened

Technical Outlook: Nifty posted its first positive weekly close in three weeks, recovering from 23,643 to 23,719. The 24,000 level remains the key overhead resistance with significant option writing observed. VIX eased from 18.79 to 17.91 — a constructive signal. Bank Nifty's 499-point weekly gain (53,842→54,341) leads the recovery. A weekly close above 24,000 with sustained FII buying would confirm a technical trend reversal.

03 GLOBAL MARKET UPDATE

MARKET / ASSET	MAY 15 (APPROX.)	MAY 22 CLOSE	WEEKLY	KEY DRIVER
S&P 500	~7,403	7,465+	▲ 8th consecutive weekly gain	Nvidia beat; Middle East peace hopes
Dow Jones	~49,761	50,700	▲ Intraday record above 50,800	Merck +5.64%, Salesforce +2.23%
Nasdaq	~26,176	26,406	▲ 7th weekly gain in 8 weeks	AI / semiconductor rally
Nikkei 225	~61,409	63,339	▲ +2.68% strong week	Weak yen; export earnings
Hang Seng	~24,800	25,606	▲ +0.86%	China stimulus optimism
FTSE 100	~10,307	10,466	▲ Positive	Energy & mining stocks
DAX (Germany)	~24,108	24,889	▲ +1.15%	EU macro stabilisation
Gold Spot	~$4,583	~$4,520	▼ Safe-haven demand eased	Iran peace deal hopes
Brent Crude Spot	~$108.80	~$101.26	▼ Eased on deal hopes	US-Iran draft deal leaked
US 10Y Yield	~4.43%	~4.54%	▲ Hit 52-week high 4.63% Mon	Moody's US downgrade

04 MACROECONOMIC DEVELOPMENTS

- **RBI Repo Rate — 5.25%:** Current rate following a cumulative 100 bps of cuts through FY26. The June 3–5 MPC is the pivotal near-term event. April CPI at 3.48% (well below the 4% target) and crude easing from ₹9,638 to ₹9,357 MCX support a 25 bps cut probability of ~55–60%. *(Source: RBI, Trading Economics)*
- **USD/INR — ₹96.02 (May 22 FUTCUR close):** Rupee slipped further from ₹95.84 (May 15) to ₹96.02 (May 22), a weekly depreciation of ₹0.18. The structural driver — FII equity outflows and crude above $100 — remains. DII buying and Iran deal optimism provide partial floor support. *(Source: NSE FUTCUR data, Image 2)*
- **Brent Crude MCX — ₹9,357 (May 22):** Crude eased ₹281 (−2.92%) from ₹9,638 to ₹9,357 on Iran peace framework hopes. Every ₹500/bbl MCX decline in crude reduces India's annualised crude import bill by approximately ₹40,000 crore. A deal-driven fall to ₹8,000–8,500 would be transformative for India's current account. *(Source: NSE FUTCOM data, Image 2)*
- **Moody's US Downgrade (Aaa → Aa1):** US 10Y yield hit 4.63% on Monday — the highest in a year — before settling at 4.54%. The downgrade structurally reinforces higher-for-longer US yields, keeping the dollar firm and delaying FII return to EM markets. *(Source: Moody's, Bloomberg)*
- **US-Iran Peace Framework Draft:** A comprehensive draft leaked via Al-Arabiya includes immediate ceasefire, Hormuz freedom of navigation, and gradual sanctions lifting. Trump said he is "not satisfied" with Iran's current offer, but both sides are negotiating actively. A signed deal would be the most positive macro event for India in 2026. *(Source: The Week, CNBC)*

05 KEY ECONOMIC EVENTS

THIS WEEK (RECAP)

- Moody's downgrades US to Aa1 from Aaa — May 19
- US 10Y yield hits 4.63% — 52-week high — May 19
- Nvidia Q1 FY27: Revenue $81.6B (+85% YoY), EPS $1.87 — May 20
- SpaceX IPO filing: ~$75B raise, $1.75T valuation — May 20
- US-Iran draft peace framework leaked via Al-Arabiya — May 22
- Dow Jones hits intraday record above 50,800 — May 22
- S&P 500: 8th consecutive weekly gain (longest since Dec 2023)
- DII net buys ₹6,003.53 crore — May 22 (NSE official data)
- Sun Pharma Q4FY26 EBITDA miss; stock −2.71%

NEXT WEEK (WATCH LIST)

- **RBI MPC June 3-5** — rate decision, most critical domestic event
- India May CPI release (~June 12) — key for RBI FY27 trajectory
- US April PCE data — Fed's preferred inflation gauge
- US-Iran deal confirmation — binary crude/rupee catalyst
- FII flows — 3+ consecutive net buying sessions = inflection signal
- India April IIP (industrial production)
- Nifty 24,000 breakout watch — needs FII confirmation
- Q4FY26 residuals: ONGC, Bajaj Finance, Coal India

06 SECTORAL OUTLOOK

Banking & BFSI — POSITIVE

Best sector this week. Bank Nifty +499 pts (53,842→54,341); Fin Nifty +236 pts. Axis Bank +2.68%, ICICI Bank +1.96%, HDFC Bank +1.0% led Friday. A June MPC 25 bps cut would directly expand NIMs and accelerate credit growth — the sector's strongest near-term catalyst.

IT & Technology — NEUTRAL

Nifty IT down 7.84% in the past month. Wipro at 52-week low (₹186.50), PE 15.87. Nvidia's $81.6B quarter validates the AI infrastructure boom but Indian IT's pivot to AI services is still early-stage. Structural long-term buy; near-term recovery requires management AI-revenue guidance clarity.

Pharma & Healthcare — CAUTIOUS

Sun Pharma's EBITDA miss (−2.71%) dampened post-Cipla optimism. Sector remains structurally sound — US generics pipeline and India formulations provide resilience — but Q4FY26 shows near-term margin variability. Hold positions; no aggressive fresh entry until May results season clears.

FMCG & Consumer — POSITIVE

HUL +1.10%, Asian Paints +1.46% on May 22. Rural volume improvement driven by easing fuel and food prices. A June rate cut would further reduce household EMI burden and support discretionary spending. ITC remains the exception — cigarette tax and regulatory risk still weigh.

Energy / Oil & Gas — MIXED

Brent MCX eased ₹281 to ₹9,357. Natural Gas MCX fell ₹4.10 to ₹280. A confirmed Iran deal could push Brent to ₹8,000–8,500 — very positive for OMCs (IOCL, BPCL, HPCL) but reduces upstream (ONGC, Oil India) revenue. The Iran deal remains binary — monitor weekly for confirmation.

Capital Goods & Infra — POSITIVE

Government FY27 capex of ₹11.2 lakh crore intact. A June rate cut reduces project financing costs — direct positive for long-gestation capex. L&T, Afcons, and KEC International continue to win large domestic and international orders. Maintain overweight; the sector has the strongest earnings visibility of FY27.

Auto & EV — POSITIVE

Easing crude and a marginally stabilising rupee reduce OEM input costs. Tata Motors and M&M EV pipelines remain on track. A June rate cut would lower vehicle financing rates — positive for two-wheeler rural demand and passenger vehicle aspirational buyers.

Realty — NEUTRAL

Rate-sensitive; in holding pattern ahead of June MPC. Premium residential demand remains resilient (₹1–3 crore segment). A confirmed 25 bps cut would provide the near-term catalyst needed to re-energise residential launches and pre-sales. DLF, Godrej Properties, Prestige remain preferred institutional plays.

07 CORPORATE EARNINGS & COMPANY NEWS

Nvidia Corporation (NVDA) — Q1 FY27

RECORD BEAT

Revenue **$81.62B** vs Est. **$79.19B** YoY Growth **+85%** Adj. EPS **$1.87 vs $1.77** Q2 Guidance **$91.0B ± 2%**

Buyback **$80B new**

Net income $58.3B (vs $42.9B est.). Operating cash flow $50.3B. Dividend raised from $0.01 to $0.25/share (+2,500%). CEO Jensen Huang: "Demand has gone parabolic. Agentic AI has arrived." China revenue excluded from Q2 guidance amid post-summit regulatory uncertainty. Despite the record quarter, shares fell −1.86% on Friday as investors locked in gains. For Indian IT firms, Nvidia's results validate sustained demand for AI infrastructure services — but only those pivoting aggressively toward AI delivery will benefit. *(Source: Nvidia Press Release May 20, 2026; Fortune; CNBC)*

Sun Pharmaceutical Industries — Q4FY26

MISS

Issue **EBITDA Below Consensus** Stock Reaction **−2.71% (May 22)** Context **Top Sensex Loser**

Operational disappointment — EBITDA margins fell short of analyst consensus driven by higher R&D and US litigation costs. Revenue growth was broadly in line. Long-term thesis (US specialty generics, India formulations, CDMO pipeline) remains intact. The miss reinforces the sector-wide message: Q4FY26 pharma earnings show margin variability that investors must price in. Fresh entry sub-₹1,600 may offer a better risk-reward. *(Source: BSE Exchange Filings; Trading Economics)*

Wipro Limited — Q4FY26

IN-LINE / WEAK

Net Income **₹35.0B (+12.3% QoQ)** IT Margin **17.3% (−0.3% QoQ)** CC Revenue **−0.2% YoY**

Large Deal TCV **$1,440M (+65.1% QoQ)**

Wipro at 52-week low (₹186.50), down 21.6% in 12 months. The large deal win acceleration (+65.1% QoQ to $1,440M TCV) is the single constructive data point — it signals that deal pipeline conversion is improving even as revenue growth remains subdued. PE at 15.87 — the lowest in a decade. Structural recovery thesis rests on AI-services contract wins. Q1FY27 guidance (due next quarter) will be the market's test. *(Source: Wipro Investor Relations, April 16 2026; Tickertape)*

---

08 INVESTMENT INSIGHTS

🏦 **June MPC — Position for a Cut; the Data Supports It**

April CPI at 3.48% (vs 4% target), Brent MCX down ₹281 this week, rupee stabilising near ₹96, and GDP on track at 6.9% — every key input the RBI monitors points toward a June 25 bps cut. Portfolios should carry overweights in BFSI, Auto, and Realty heading into June 3. These three sectors have the highest earnings sensitivity to lower rates.

📊 **The DII Backstop: ₹6,003 Crore in One Session — Why This Changes the Floor**

On May 22, DIIs bought ₹6,003.53 crore net — more than FIIs sold (₹4,440.47 crore). The DII backstop is not passive. India's largest mutual funds, insurance companies, and EPF are actively deploying capital at every FII-driven dip. This structurally raises Nifty's floor and means corrections are now buying opportunities, not warning signals. Use volatility to build quality positions, not reduce them.

💡 **US Moody's Downgrade — What It Means for Your Portfolio**

The US Aa1 rating is not a default risk — it is a long-term fiscal sustainability message. The practical impact for Indian investors: US 10Y yields stay elevated (4.4–4.7%), dollar remains firm, and FII EM inflows are delayed. Size international allocations accordingly. USD-denominated international equity funds remain a valid hedge against rupee depreciation — but do not expect the rupee to weaken beyond ₹98 without RBI intervention.

The Iran Deal — How to Position if It Happens

A confirmed US-Iran ceasefire with Hormuz reopening would cause: (1) Brent MCX to fall toward ₹8,000–8,500; (2) Rupee to recover to ₹93–95; (3) RBI to cut rates at June MPC with high confidence; (4) FII inflows to reverse materially. The playbook: Overweight BFSI, Realty, Auto, and OMCs. Underweight upstream E&P (ONGC, Oil India) which benefits from elevated crude. If a deal is announced next week, add exposure ahead of the June MPC.

09 OUTLOOK FOR NEXT WEEK

INDYA WEALTH VIEW — WEEK OF MAY 25–29, 2026

Nifty at 23,719 enters next week with positive momentum — the first back-to-back positive daily close in three weeks. The base case is a range of **23,500–24,200** with a bullish bias if crude holds below ₹9,500 MCX and FII flows continue to moderate. The June 3–5 RBI MPC is the fulcrum event — all portfolio decisions between now and June 3 should be made with a clear view of both outcomes. A 25 bps cut + Iran deal in the same week would be the most powerful combination of catalysts India's equity market has seen in 2026.

BULLISH TRIGGERS

- US-Iran deal confirmed — Brent MCX toward ₹8,000–8,500
- FII net buying sustains 3+ consecutive sessions
- June MPC: 25 bps cut to 5.00% — BFSI, Realty, Auto surge
- Nifty weekly close above 24,000 with strong volumes
- US PCE eases — Fed cut probability for 2026 revives

BEARISH / RISK FACTORS

- Iran talks collapse — Brent MCX spikes above ₹10,500
- US 10Y back above 4.63% — dollar strengthens, FIIs sell
- June MPC holds — rate-sensitive rally fades
- May CPI prints above 4.2% — cuts deferred to August
- Rupee weakens past ₹97 — macro stress resumes

⚖ REGULATORY DISCLAIMER

This newsletter is produced by Indya Wealth for informational and educational purposes only. It does not constitute investment advice, a solicitation, or an offer to buy or sell any securities or financial instruments. All NSE closing data for May 15, 2026 and May 22, 2026 are sourced directly from official NSE Capital Market closing price sheets as provided. FII/DII flow data sourced from NSE/BSE/MSEI Capital Market Segment official publications. Additional sources: Nvidia Investor Relations (May 20 2026), Moody's, Reuters, Bloomberg, TheStreet, Trading Economics, CNBC, Wipro Investor Relations, BSE Exchange Filings.

Past performance of any index, sector, or security is not indicative of future results. All investments carry market risk including possible loss of principal. Views are subject to change without notice. Readers must consult their SEBI-registered investment adviser before making any investment decision. Full disclosures: indyawealth.com/disclaimer