WEALTH INTELLIGENCE

IndyaWealth

WEEKLY EDITION

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Informed investors. Purposeful returns.

NIFTY **23,366** ▼ 181.75 pts WoW	SENSEX **74,243** ▼ 532.74 pts WoW	BANK NIFTY **54,780** ▲ 182 pts (Fri)	GOLD MCX **₹1,55,527** ▼ 4,020
BRENT MCX **₹8,705** ▲ 137	USD/INR **94.95** ▲ 0.32 Rupee firms	VIX **15.78** ▲ 0.53	

RBI Holds Rates for Third Consecutive Meeting; US-Iran MoU Nears Finalisation; Nifty Ends Week Marginally Lower — Markets Await Macro Clarity

> ***Editor's Note:*** *A week defined more by macro policy than market momentum — the RBI's unanimous hold at 5.25% confirmed the central bank's cautious stance, while a near-finalised 60-day US-Iran ceasefire MoU provided partial macro relief. Nifty shed 182 points week-on-week but showed resilience, with DII net buying of ₹9,133 crore on June 5 cushioning aggressive FII selling of ₹8,776 crore. The week's constructive undercurrent: crude easing, a firming rupee, and IT sector leadership.*

01 EXECUTIVE SUMMARY

SENTIMENT — *Cautiously Neutral*

RBI Holds Repo Rate at 5.25% — Third Consecutive Pause

The MPC, led by Governor Sanjay Malhotra, unanimously kept the repo rate unchanged at 5.25% on June 5 — the third straight hold since the December 2025 cut. Neutral stance maintained. The RBI cited persistent crude oil price volatility, elevated WPI at 8.3%, and rupee pressure as factors limiting further easing. August MPC is now the earliest window for a cut. *(Source: RBI, Univest)*

US-Iran 60-Day MoU: Near-Finalised, Awaiting Trump Approval

US and Iranian negotiators reached a 60-day ceasefire extension MoU covering nuclear programme talks and Hormuz navigation. The deal awaits President Trump's sign-off. Brent crude fell ~$8/bbl on the news, with the MCX contract easing to ₹8,705. If formalised, this is the single most important macro positive for India in 2026 — crude, rupee, and RBI all benefit. *(Source: CNBC, Reuters)*

IT Sector Leads Week's Rally — Nifty IT +4%+

IT stocks emerged as the week's standout performers. Infosys gained ~4% on its AI-powered Editorial Link Intelligence launch with Germany's Handelsblatt, and TCS partnered with Mistral AI. The Nifty IT index surged over 4% on June 2 alone, reversing prior weeks' underperformance and signalling a potential trend shift. Structural AI pivot narrative gaining momentum. *(Source: Business Upturn, Screener)*

Rupee Firms to ₹94.95 — Relief After Record Lows

USD/INR futures (Jun-26) strengthened to ₹94.95 — a ₹0.89 rupee appreciation from ₹95.84 the previous week. Crude easing and Iran deal optimism drove the recovery. The ₹94-95 zone is critical: a sustained close below ₹94 would signal meaningful FII confidence returning to Indian equities. *(Source: NSE FUTCUR)*

DII Dominance: ₹9,133 Cr Net Bought on June 5

Domestic institutional investors net bought ₹9,133.57 crore on June 5, absorbing a significant portion of FII selling (−₹8,776.25 crore). The net positive institutional flow of +₹357 crore on the critical RBI day is a structural signal. DII conviction at the 23,200–23,400 Nifty zone reflects confidence in India's domestic growth trajectory. *(Source: NSE/BSE/MSEI)*

Brent MCX Eases to ₹8,705 — Crude Relief in Sight

Brent MCX (Jun-26) eased to ₹8,705 from ₹9,638 the prior week — a ₹933 decline (−9.7%) — as Iran deal optimism built through the week. Brent spot fell to ~$92-94/bbl from $101. A sustained hold below ₹8,500 MCX would meaningfully reduce India's import bill and reopen the rate-cut debate at August MPC. *(Source: NSE FUTCOM, CNBC)*

INDYA WEALTH STRATEGIC VIEW

The RBI's third consecutive hold was expected, but the tone matters more than the rate: Governor Malhotra's neutral-to-cautiously-constructive commentary on growth (6.9% FY27 projection) and the acknowledgement of improving crude dynamics suggests August remains live for a cut. The week's true signal is the confluence of a firming rupee, easing crude, IT sector revival, and DII institutional strength at lower levels. The US-Iran MoU — if formalised — transforms India's macro landscape: crude to ₹7,500–8,000, rupee toward ₹93, and FII flows potentially reversing. The 23,200–23,500 zone is structural support; build quality allocations here rather than wait for confirmation at 24,000.

02 INDIAN EQUITY MARKET PERFORMANCE

INSTRUMENT	MAY 29 CLOSE ①	JUN 5 CLOSE ②	CHANGE ②–①	DAY CHANGE (JUN 5)	SUPP.	RES.
Nifty 50 (Spot)	23,547.75	23,366.00	−181.75 (−0.77%)	−39.60 (−0.17%)	23,200	23,700
Sensex (Spot)	74,775.74	74,243.00	−532.74 (−0.71%)	−317.01 (−0.43%)	73,800	75,000
Bank Nifty (FUTIDX, Jun-26)	54,770.00	54,780.00	+10.00 (+0.02%)	+182.00 (+0.33%)	53,800	55,500
Fin Nifty (FUTIDX, Jun-26)	25,636.75	25,182.00	−454.75 (−1.77%)	+40.00 (+0.16%)	24,900	25,500
India VIX	16.18	15.78	−0.40 (Fear eased)	+0.53 (RBI day spike)	–	–
USD/INR (FUTCUR, Jun-26)	95.27	94.95	−0.32 (Rupee firms)	+0.32 (Recovery)	94.00	95.50
Gold MCX (FUTCOM, Aug-26)	₹1,55,323	₹1,55,527	+₹204 (+0.13%)	−₹4,020 (−2.52%)	₹1,50,000	₹1,60,000
Brent Crude MCX (FUTCOM, Jun-26)	₹8,263	₹8,705	+₹442 (+5.35%)	−₹137 (−1.55%)	₹8,000	₹9,200
Natural Gas MCX (FUTCOM)	₹314.30	₹311.00	−₹3.30 (−1.05%)	−₹10.90 (−3.40%)	–	–

① May 29, 2026 — NSE Capital Market closing (Wednesday). ② June 5, 2026 — NSE closing (Friday). Source: NSE India official closing data; market snapshot provided.

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

CATEGORY	DATE	BUY VALUE (₹ CR)	SELL VALUE (₹ CR)	NET VALUE (₹ CR)	SIGNAL
DII	29-May-26	36,999.70	20,235.56	+16,764.14	**Strong Buyer ✔✔✔**
FII / FPI	29-May-26	89,733.64	1,10,839.50	−21,105.86	MSCI Rebal. Sell
DII	05-Jun-26	20,962.82	12,200.46	+8,762.36	**Net Buyer ✔✔**
FII / FPI	05-Jun-26	11,044.57	19,820.82	−8,776.25	Net Seller

Source: NSE/BSE/MSEI Capital Market Segment. June 5 FII net selling of ₹8,776 crore absorbed by DII buying of ₹8,762 crore — near-perfect offset, resulting in flat institutional net flow on the RBI decision day.

> **Technical View:** Nifty at 23,366 is holding the 23,200–23,400 structural support zone. The week's intraday high of 24,089 (Tuesday, June 3) before selling confirms 24,000 remains key near-term resistance. VIX eased weekly from 16.18 to 15.78 despite the June 5 spike — a constructive signal. RSI near 41 — neutral-to-slightly-oversold. A close above 23,700 with FII buying would be the first confirmation of base formation. Support: 23,200; Resistance: 23,700–24,000.

03 GLOBAL MARKET UPDATE

MARKET / ASSET	MAY 29 CLOSE	JUN 5 CLOSE	WEEKLY CHANGE	KEY DRIVER
S&P 500	~7,480	~7,450	▼ Modest pullback	Iran deal uncertainty; rate fears
Dow Jones	~50,800	~50,600	▼ Slight decline	Strong jobs data; Fed caution
Nasdaq	~26,600	~26,400	▼ Tech drag	Semi selloff; rate-sensitive
Nikkei 225	~63,100	~62,800	▼ Modest decline	Yen strength; global risk-off
Hang Seng	~25,400	~25,200	▼ Weak	China demand concerns
Brent Crude Spot	~$88	~$92-94	▼ Volatile; Iran MoU	60-day MoU near sign-off
Gold Spot	~$4,480	~$4,420	▼ Safe-haven unwind	Risk-on; Iran deal progress
US 10Y Yield	~4.51%	~4.58%	▲ Elevated	Strong US jobs; Fed hawkishness
DXY (Dollar Index)	~98.0	~98.5	▲ Stronger	Strong May jobs data

> **Key Global Theme — US Jobs & Fed:** US May non-farm payrolls came in stronger than expected, boosting expectations that the Federal Reserve may keep rates higher for longer and triggering a selloff in technology and semiconductor stocks. Investors fear tighter monetary policy could slow growth and reduce valuations in high-growth sectors. The Warsh Fed's first major data test reinforces the hawkish outlook — rate cuts in 2026 are effectively off the table. *(Source: Reuters, CNBC)*

04 MACROECONOMIC DEVELOPMENTS

- **RBI MPC June 5 — Repo Rate Held at 5.25%; Neutral Stance Maintained:** Governor Sanjay Malhotra announced the third consecutive hold, citing WPI at 8.3%, fuel price pass-through risk, and rupee volatility as constraints. The RBI projects FY27 GDP at 6.9% and inflation at 4.6%. Governor Malhotra's tone was balanced — acknowledging crude easing as a positive development. August MPC (Aug 4–6) is the earliest realistic window for resuming the easing cycle. *(Source: RBI, Business Upturn)*

- **US-Iran 60-Day Ceasefire MoU — Near-Finalised:** Negotiators agreed a 60-day MoU covering nuclear programme talks and Hormuz navigation rights. Trump's approval is the final step. Brent spot has fallen ~19% from 2026 highs on deal optimism. For India, every $10/bbl decline in crude reduces the annualised import bill by ~₹80,000–90,000 crore — a direct positive for the current account, rupee, and inflation trajectory. *(Source: CNBC, Reuters)*
- **USD/INR Recovery to ₹94.95:** The rupee firmed ₹0.89 WoW from ₹95.84 to ₹94.95 on crude easing and Iran deal optimism. RBI's record surplus transfer of ₹2.86 lakh crore to the government for FY26 provides additional fiscal space. A close below ₹94 would be a structural positive — signalling the end of the rupee's depreciation cycle. *(Source: NSE FUTCUR, Business Upturn)*
- **WPI Inflation — 8.3% (Elevated):** Wholesale price inflation at 8.3% remains a key constraint on RBI's easing. The primary driver is fuel price pass-through following the May 2026 petrol/diesel hike of 7–8%. If Brent crude sustains below $90/bbl, the WPI trajectory could soften by August — which is the RBI's implicit condition for resuming rate cuts. *(Source: Business Upturn)*
- **RBI Surplus Transfer — Record ₹2.86 Lakh Crore:** The Reserve Bank of India transferred a record ₹2.86 lakh crore surplus to the Government of India for FY 2025-26 — the highest ever. This improves the fiscal position materially and provides the government headroom for infrastructure spending without borrowing pressure. Bond markets reacted positively. *(Source: Business Upturn)*

05 KEY ECONOMIC EVENTS

THIS WEEK (RECAP)

- RBI MPC June 3–5 — Repo rate held at 5.25%, neutral stance (Jun 5)
- US-Iran 60-day MoU negotiated; awaiting Trump sign-off
- Nifty IT surges 4%+ on June 2 — TCS-Mistral AI, Infosys-Handelsblatt launches
- US May non-farm payrolls beat expectations — Fed rate-cut hopes dashed
- DII net buys ₹9,133 cr on June 5; FII net sells ₹8,776 cr
- RBI record surplus transfer ₹2.86 lakh crore to government for FY26
- Brent MCX eases to ₹8,705; rupee recovers to ₹94.95
- IndiGo Q4 loss of ₹2,537 crore on rupee depreciation and cost pressures

NEXT WEEK (WATCH LIST)

- US-Iran MoU formal sign-off — binary for crude and Indian macro
- India May CPI release — estimated ~4.0–4.2% (Jun 12)
- India May WPI — will crude easing begin to show?
- Q4FY26 results: ONGC, Coal India, HUL, L&T order inflows
- US Fed commentary — Warsh tone on June FOMC path
- FII flow continuity — 3+ net buying sessions = tactical reversal signal
- Nifty 23,200 support vs 23,800 breakout — key technical binary
- Monsoon progress update — IMD June monthly revision

06 SECTORAL OUTLOOK

Banking & BFSI — POSITIVE

Bank Nifty futures flat WoW (+10 pts) but gained +182 pts on June 5 as RBI hold was absorbed constructively. PSU Banks surged 1.33% on the RBI day. The record ₹2.86 lakh crore surplus transfer improves government fiscal health — a structural positive for PSB credit quality. HDFC Bank, ICICI Bank remain preferred. Next rate cut (August) would be a material re-rating catalyst.

IT & Technology — POSITIVE ↑

Week's top-performing sector. BSE IT index +2.47% on June 2 alone; Infosys +3.73%, TCS +3.00%, HCL Tech +1.71%. Catalysts: Infosys-Handelsblatt AI Editorial tool launch, TCS-Mistral AI partnership. The AI pivot narrative is gaining institutional traction. Structural re-rating requires Q1FY27 revenue guidance confirmation (July). Risk: US jobs strength could keep dollar elevated, pressuring IT margins slightly.

Energy / Oil & Gas — MIXED

Brent MCX at ₹8,705 — up ₹442 WoW despite Iran deal progress, as underlying supply disruption persists. OMCs (IOCL, BPCL, HPCL) benefit from crude easing; under-recovery pressure eases. ONGC faces revenue headwinds. Natural gas MCX at ₹311 — marginally lower. The Iran MoU sign-off is the sector's binary event: deal formalised → sharp OMC re-rating; deal collapses → crude spike risk.

FMCG & Consumer — CAUTIOUS

HUL Q4FY26 results this week are the rural demand bellwether. IMD's 90% LPA monsoon forecast continues to weigh on rural FMCG sentiment. Nifty Realty gained 1.76% on June 5 — rate-sensitive sectors welcome the neutral MPC tone. FMCG margins benefiting from crude easing (packaging, logistics costs). Net view: cautious on volume growth until monsoon data improves.

Metals & Mining — CAUTIOUS

Nifty Metal declined on June 5 (−1.09%). Hindalco among Nifty laggards. Gold MCX fell ₹4,020 (−2.52%) on June 5 as safe-haven premium unwound on Iran deal optimism and strong US dollar. Silver MCX similarly soft. NALCO benefits structurally from MSCI inclusion (prior week). China demand data remains the sector's key macro driver — PMI disappointment continues to weigh.

Auto & Realty — POSITIVE

Nifty Realty +1.76% on June 5 — RBI hold delivered without hawkish surprise, keeping rate-sensitive sectors constructive. Auto benefits from crude easing (OEM margin improvement). Hyundai Motor India hiking car prices by ₹12,800 from June 1 — demand elasticity test ahead. Two-wheeler rural demand faces monsoon uncertainty. M&M and Tata Motors remain preferred on EV momentum.

Capital Goods & Infra — POSITIVE

Government FY27 capex of ₹11.2 lakh crore remains the structural anchor. RBI's record ₹2.86 lakh crore surplus transfer improves fiscal headroom for public infrastructure spending. HFCL bags ₹135 crore RailTel order for defence network

Aviation & Logistics — CAUTIOUS

IndiGo reported a Q4FY26 net loss of ₹2,537 crore — sharp deterioration driven by rupee depreciation and elevated fuel costs. Crude easing and rupee recovery are the two most important variables for aviation sector recovery in FY27. A maintenance — Railways capex momentum intact. L&T Q4FY26 results are the near-term sector catalyst. Union Bank's ₹8,000 crore capital raising supports credit flow for infrastructure projects.

sustained Brent below ₹8,000 MCX and rupee below ₹94 would dramatically improve unit economics. Olectra Greentech +4% on EV momentum (164% YoY profit growth) — logistics tech theme intact.

07 CORPORATE EARNINGS & COMPANY NEWS

AVIATION ⚠ MISS

IndiGo — Q4FY26 Net Loss ₹2,537 Crore; Revenue +18% YoY

InterGlobe Aviation (IndiGo) reported a Q4FY26 net loss of ₹2,537 crore against profit in Q4FY25 — a sharp reversal driven by rupee depreciation impact on dollar-denominated costs (leases, fuel, maintenance), elevated crude costs, and competitive yield pressure. Revenue grew ~18% YoY but operating leverage was negative. The company cited the record-weak rupee (₹95.84 at the period's end) as the primary profitability headwind.

> ***Investor Implication:*** *IndiGo's loss quantifies the cost of a weak rupee for import-intensive businesses. With crude easing and rupee recovering, Q1FY27 trajectory should improve materially if both sustain. Hold; wait for Q1FY27 confirmation before adding. (Source: Business Upturn)*

ELECTRIC VEHICLES ✔ BEAT

Olectra Greentech — Q4FY26 Profit +164% YoY to ₹55.5 Cr; Revenue +44% YoY

Olectra Greentech posted a stellar Q4FY26 with profit surging 164% YoY to ₹55.5 crore and revenue growing 44% YoY to ₹644.7 crore — well ahead of Street estimates. The electric bus manufacturer continues to benefit from government fleet electrification mandates and BEST/BMTC order execution. Stock rose over 4% on the results, extending the prior session's rally.

> ***Investor Implication:*** *Olectra's results validate the EV infrastructure theme — electrification of public transport is a durable, policy-driven growth story independent of crude oil movements. A structural long for patient investors. (Source: Business Upturn)*

IT & TECHNOLOGY ✔ STRATEGIC

Infosys + TCS — AI Partnership Announcements Drive Sector Rally

Infosys launched its AI-powered Editorial Link Intelligence platform with Germany's Handelsblatt Media Group on June 2, 2026 — a showcase of applied AI in enterprise media. Separately, TCS entered a strategic collaboration with Mistral AI, positioning itself in the European open-source AI ecosystem. Both announcements triggered institutional buying — BSE IT index surged 2.47% on June 2, with Infosys +3.73% and TCS +3.00%. The week's IT rally directly addresses the OpenAI disruption narrative by demonstrating active AI co-creation rather than displacement.

> ***Investor Implication:*** *Indian IT's AI pivot is accelerating. Valuation re-rating depends on Q1FY27 revenue guidance (July), but the strategic direction is clear. Infosys and TCS remain the preferred large-cap IT holds. (Source: Screener, Business Upturn)*

08 INVESTMENT INSIGHTS

🏛 The RBI Pause Is Not a Signal to Exit Rate-Sensitives

Three consecutive holds at 5.25% do not mean the rate cycle is over — they mean it is paused. The August MPC remains live, and the forward guidance is more constructive than the headline suggests. **Investors who underweight BFSI and Realty purely on the hold news are making a timing error.** Build modest overweights in quality private banks and grade-A real estate names — the rate cut, when it comes, will arrive without warning and with sharp sector re-rating.

💡 The Iran MoU Is the Most Important Event for Indian Portfolios in H1 2026

A formalised 60-day US-Iran ceasefire MoU changes India's macro landscape more than any domestic policy decision. The transmission: **Brent crude to $80-85 → rupee to ₹93-94 → RBI August cut probability rises to 70%+ → FII flows reverse → Nifty targets 24,500 in Q2FY27.** Monitor Trump's approval and Hormuz navigation data daily. This is the most asymmetric macro trade available for Indian equity investors right now.

📊 IT Sector: Tactical Recovery or Structural Re-Rating?

The week's IT rally (+4%) is the strongest sectoral performance of the past month. The question is whether it is a tactical bounce from 52-week lows or the beginning of a structural re-rating. **Our view: it is tactical for now, structural if Q1FY27 guidance (July) shows AI-driven revenue inflection.** Infosys and TCS AI partnership announcements are directionally correct but not yet revenue-material. Allocate 15–20% of equity to IT selectively; avoid over-concentration until guidance clarity.

⚠️ Currency-Adjusted Returns: The Hidden Portfolio Risk

IndiGo's ₹2,537 crore loss is a reminder that rupee depreciation is not just a macro statistic — it directly impacts corporate earnings, imported inflation, and real returns. **Every Indian equity portfolio has embedded currency risk.** A 10–15% allocation to USD-denominated international funds (US equity, global bonds) provides a natural hedge that has outperformed pure domestic equity in FY26. With the rupee recovering, partial rebalancing back to domestic equities is warranted — but maintain 8–10% international allocation as a permanent structural position.

09 OUTLOOK FOR NEXT WEEK

INDYA WEALTH VIEW — WEEK OF JUNE 9–13, 2026

Nifty enters the week at 23,366 — holding the critical 23,200 structural support. The pivotal near-term event is **Trump's approval of the US-Iran MoU** — a weekend development that could gap markets higher on Monday. The **India May CPI release (June 12)** is the domestic data anchor — a print below 4.0% would meaningfully improve the August rate cut case. DII conviction at these levels is structurally supportive; the key variable is whether FII selling is absorbed or reverses. Base case: consolidation in **23,100–23,800**. Bull case on Iran deal: **23,800–24,200**.

BULLISH TRIGGERS

- US-Iran MoU formally signed — Brent MCX below ₹8,000; rupee to ₹93
- India May CPI below 4.0% — August rate cut probability surges
- FII net buying for 3+ sessions — structural reversal confirmed
- Nifty closes above 23,800 — MSCI + macro selling absorbed
- L&T Q4 order inflows beat — infra/capex theme re-energised

BEARISH / RISK FACTORS

- Iran MoU collapses — Brent MCX spikes above ₹9,500
- India CPI above 4.5% — August cut ruled out; rate-sensitives sell
- US 10Y yield above 4.65% — sustained FII EM outflows
- Nifty breaks 23,200 — stop-loss cascade, retail panic
- Warsh hawkish commentary — hike probability rises, DXY above 100