

The Week that was

December 12, 2025

“Indian Markets End Flat Amid RBI Rate Cut Impact and Global Volatility”

Indian Developments

Indian equity markets closed the week on a **mixed note**, as optimism from the RBI's 25 bps rate cut was offset by global risk-off sentiment and profit booking. The **repo rate now stands at 5.25%**, while inflation projections for FY26 were revised slightly lower to **4.8%**, and GDP growth forecast held at **7.2%**.

Broader markets were range bound with **Nifty 50 and Nifty Midcap 150** ended on a flat note rose **0.05% and 0.14%** respectively, while **Nifty Small cap 250** slipped **1.12%** compared to previous week. The India VIX have been declined by 6.56%.

The **Indian Rupee weakened to ₹90.42 against the US dollar** running at its lowest, amid persistent dollar strength and crude volatility.

FIIIs turned net sellers, with outflows of **₹2,450 crore**, while DIIs absorbed selling with **₹1,980 crore inflows**.

Sectoral Developments

Market performances were mixed this week. **Metals led gains**, up **~2.58%**, on strong global commodity cues supported by global tech optimism. Nifty Infrastructure (0.53%) showed resilience driven by strong government capex push. Nifty Financials, Consumer Durables and Banks were mildly positive post RBI rate cut. Nifty Auto recorded robust sales. Nifty Energy traded flat.

Nifty Defence was the hardest hit lost 3.66% compared to previous month followed by Nifty India Tourism (2.71%) amid global economic concerns. Nifty FMCG, pharma, IT declined by 1.30%, 0.65% and 0.22% respectively. Weak rural consumption led the loss.

Nifty PSU bank was ended with mild negative performance.

Global Developments

Global equities were volatile as markets digested mixed economic signals:

- **Dow Jones fell 0.4%, S&P 500 lost 0.3%**, while **Nasdaq gained 0.6%** on tech resilience.
- **European indices ended lower**, with **FTSE down 0.5%** and **DAX losing 0.7%**, amid weak PMI data.
- **Asian markets were mixed**: Hang Seng rebounded 1.2%, Nikkei slipped 0.3%.

Other Markets:

Source: www.nseindices.com; MCX Gold Prices; Economic times, Bloomberg.

Data for week ended on December 12, 2025.

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- Brent Crude: **\$61.25 per barrel**
- Rupee ended the week at **₹90.42 against the US dollar**
- 10-Year Benchmark Yield: **6.59%**
- Gold prices closed at Rs 1,30,490 per 10 grams.

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