

The Week that was

July 18th 2025

"Dalal Street Dips as Large Caps Drag, But Small Caps Shine Amid Global Optimism"

Indian Developments

The benchmark **Nifty 50** closed the week lower at **24,968**, registering a decline of approximately **0.72%** primarily driven by weak quarterly earnings of Financial and IT sectors, uncertainty surrounding a potential US-India trade deal and mixed signals from US Fed Reserve on interest rate cuts.

In July, **Foreign Institutional Investors (FIIs)** remained the persistent net sellers offloading over **₹3,694 crore** worth of equities amid global uncertainties and elevated valuations.

The rupee weakened for the fifth consecutive month, influenced by foreign outflows and global currency trends. Brent crude hovered around **\$70.03 per barrel**, following geopolitical tensions and supply concerns.

Small-cap and mid-cap indices bucked the trend, gaining **1.5%** and **1.03%** respectively.

Global cues remained supportive, with strong US retail data. **India's GDP growth** slowed from **8.6% in Q3 2024** to **6.2% in Q3 2025**, reflecting a broader economic moderation. The recent correction in Indian equities is seen as a response to elevated valuations and macroeconomic headwinds.

The **Nifty 50** ended the week **lower at 24,968**, marking approximately **0.72% decline**.

Sectoral Developments

During the week ending **July 18, 2025**, **Nifty Media** outperformed all other sectoral indices, closing with a robust gain of **3.92%**. The rally was fueled by **strong stock-specific performances** and revised stock evaluation. **Nifty Realty** and **Nifty PSU Bank** posted **modest gains of 1.95% and 1.75%**, respectively, supported by improving fundamentals.

On the downside, **Nifty IT**, **Nifty private Bank** and **Nifty India Defence** weighed down by **1.46%, 1.93% and 4.10% respectively**, driven by subdued quarterly earnings, weak results from leading banks and valuation concerns.

Global Developments

Major **U.S. stock indices**—including the **S&P 500**, **Dow Jones Industrial Average**,—experienced notable gains of **0.54%, 0.52%** respectively driven by strong US retail data.

In Europe, the **FTSE 100** marginally gained by **0.09%** and Germany's **DAX** declined by **0.12%** amid the sluggish retail sales, mixed signals from the Eurozone economy.

Asian indices posted modest gains, following the global rally. **South Korea's KOSPI** declined by **0.13%**, **Hong Kong's Hang Seng** and **Shanghai Composite** up surged by **1.51%** and **0.50% respectively**. **China's inflation data** showed persistent deflation.

Source: www.nseindices.com; google finance, MCX Gold Prices; www.rbi.org.in; Morningstar and tradingeconomics.com, ccilindia.com, Economic times

Data for week ended on July 18th, 2025.

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Other Markets:

- Brent Crude oil prices ended at \$70.03 per barrel.
- The rupee was depreciated to 86.16 levels against the US dollar.
- The 10 Year Benchmark G-Sec yield closed at 6.31% this week.
- Gold prices closed at Rs 97,800 per 10 grams.

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Source: www.nseindices.com; google finance, MCX Gold Prices; www.rbi.org.in; Morningstar and tradingeconomics.com, ccilindia.com, Economic times

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