

The Week that was

August 1st, 2025

" Export Tariffs, Rupee Slide Trigger Fifth Straight Weekly Loss for Indian Equities"

Indian Developments

During the week ending August 1st, 2025, Indian equity markets recorded their fifth consecutive weekly decline, primarily driven by sustained foreign investor withdrawals, imposition of 25% duty on Indian exports by US, Depreciation of the Indian Rupee, which weakened by 1.2% against the U.S. Dollar Index (DXY).

The week reflected the external trade pressures, currency volatility, concerns over trade competitiveness, Export and GDP growth.

Foreign Institutional Investors (FIIs) remained the persistent net sellers offloading over ₹12000 crore worth of equities during the week. On contrast, **Domestic Institutional Investors (DIIs)** continued to provide support through sustained capital inflows.

The rupee weakened to ₹86.39/USD due to global uncertainty and strength in the dollar index.

The **Nifty 50**, **Nifty Midcap 150** and **Nifty Small Cap 250** significantly dropped by **1.09%**, **1.92%** and **2.97%** respectively.

Sectoral Developments

During the week ending July 25, 2025, **Nifty FMCG** rallied up by **2.9%** reflecting the strong Q1 FY25 results with the signs of recovery in both urban and rural markets and stable demand.

On the Downside, Major laggards were- **Nifty Realty** that sharply declined by **5.73%** vis-a-vis previous week, followed by Nifty defence (4.76%), Nifty Metal (3.42%), Nifty Capital Markets(3.29%) Nifty Pharma (2.87%), and Nifty IT (2.73%).

Global Developments

Tariffs and rate uncertainty dominated headlines globally. Major Indices downsurged from previous week.

U.S. stock indices—Dow Jones Industrial Average, S&P 500 —experienced notable declines of **0.74%**, and **0.37%** respectively driven by Mixed Fed signals on rate cuts.

In Europe, the **FTSE 100** and Germany's **DAX slipped by 0.50% and 1.80% respectively** amid concerns over slowing economic growth and lingering trade uncertainties across the Eurozone.

Asian indices, **South Korea's KOSPI experienced a major setback of 3.88%**, **Hong Kong's Hang Seng and Shanghai Composite slipped by 0.88% and 0.37% respectively** amid tariff tensions between US and China, concerns over slowing economic growth

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 August 1st, 2025.

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Other Markets:

- Brent Crude oil prices ended at \$71.03 per barrel.
- The rupee was depreciated to 87.53 levels against the US dollar.
- The 10 Year Benchmark G-Sec yield closed at 6.37% this week.
- Gold prices closed at Rs 97,511 per 10 grams.

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The word 'more' does not imply more returns or assurance of scheme performance. It refers to the additional value provided by the joint venture, as compared to Baroda AMC and BNP Paribas AMC individually.

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