

# The Week that was

May 23<sup>rd</sup>, 2025

## " Markets in Flux: Indian Equities Navigate Global Headwinds "

### Indian Developments

The Indian stock market's performance for the week ending **23 May 2025** was influenced by a mix of domestic factors, rise in bond yields globally, sharp reversal in the FII sentiment, and reports of escalating geopolitical tensions in the Middle East in the week gone by.

Despite the gains made on Friday, Nifty 50 closed the week lower at 24,853 (-0.67%), while midcap (-0.39%) and smallcap (0.78%) indices outperformed during the period. The recent volatility has been driven by global uncertainties including developments in the US-India trade relations, currency fluctuations, and rising US bond yields amid concerns over mounting US debt.

The rupee recorded its sharpest single-day gain since November 11, 2022, driven by a weaker U.S. dollar and strong domestic equity market performance.

Gold prices rose by 4.6% this week on the back off softer dollar and rising US fiscal concerns.

### Sectoral Developments

Sectoral indices exhibited mixed performance for the week: **Nifty Realty** lead the gains at 2.66%, followed by **Nifty Defense** (1.74%), and **Nifty Metal** (0.80%). Nifty Bank and Nifty Financial Services registered a weekly positive performance for the period at 0.08% and 0.04%.

On the other end of the spectrum, Nifty Auto (-1.77%), Nifty IT (-1.46%), Nifty FMCG (-0.98%) and Nifty Pharma (-0.92%) suffered losses.

### Global Developments

Ongoing geopolitical tensions in the Middle East and Eastern Europe introduced some volatility. Markets remained cautious amid **Moody's downgrade of the U.S. credit outlook**, rising fiscal concerns in major economies and **mixed economic signals from China**.

US indices, namely **S&P 500 index**, **Dow Jones** and **Nasdaq 100** declined by **-1.23%**, **-1%**, and **-1.02%** respectively. European Markets FTSE 100 and DAX increased by **1.26%** and **1.28%** respectively. Asian Market **Hang Seng** and **Shanghai** ended the week on a weakly positive note at 0.69% and 0.02% gains respectively while Kospi declined by -1.06%.

### Other Markets:

- Brent crude prices closed at around \$ 63.4 per barrel.
- The rupee was depreciated to 85.22 levels against the US dollar.
- The 10 Year Benchmark G-Sec yield closed at 6.25% this week.

Source: [www.nseindices.com](http://www.nseindices.com); google finance, MCX Gold Prices; [www.rbi.org.in](http://www.rbi.org.in); Morningstar and tradingeconomics.com, ccilindia.com, Economic times

Data for week ended on May 23 , 2025.

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Source: [www.nseindices.com](http://www.nseindices.com); google finance, MCX Gold Prices; [www.rbi.org.in](http://www.rbi.org.in); Morningstar and tradingeconomics.com, ccilindia.com, Economic times

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