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KEY HIGHLIGHTS

- US tariffs on Indian goods come into force
- Positive Q1'25 GDP figures
- S&P upgraded India's sovereign rating to BBB
- India' CPI inflation lowest @ 2.1% since Jan'19
- Good Monsson across the country
- PM announced GST rate slabs rationalisation
- Weak domestic earnings and heavy foreign fund outflow in July.
- Indian equity market benchmark indices down by 2.9% compares to June'25

1

External uncertainties remained high, led by US's tariff policies, evolving geopolitical scenario and high tariffs imposed on India by US at 50%. Russia –Ukraine and Israel – Hamas conflict continued.

2

India's GDP growth for June quarter surprised positively at 7.8% YoY. The strong growth, despite the nominal growth of only 8.8%, is partly explained by the low deflator on account of lower CPI and WPI inflation. Consumption growth rebounded to 7.1% during the quarter, led by government spending

3

India's Manufacturing Purchasing Managers' Index (PMI) for August rose to a 17-month high of 59.3, up from 59.1 in June, supported by rapid expansion in production and increases in factory orders. Services PMI strengthened to 62.9.

4

The month of July 2025 saw broad based decline for Indian equity markets. While NIFTY 50 / BSE Sensex Index ended the month with 2.9% decline, small and mid-cap indices witnessed a sharper fall. All sectors ended the month with decline except healthcare. On the contrary, all major global equity markets witnessed rally in July.

5

The month of FIIs sold net equities worth USD 2.9 billion in July 2025. DIIs bought net equity worth USD 7.1 billion in July 2025. 10-year benchmark Gsec yield after touching intra month low of 6.29% ended the month ~5bps higher in July at 6.37%. RBI in its latest policy review kept the policy rate and stance unchanged.

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READING THE WAVES



UPS AND DOWNS AREN'T NOISE;
THEY'RE THE RHYTHM OF

Growth

Index	Opening Value*	Closing Value*	%age Change
Nifty 50	25517	24768	-2.93%
Nifty Bank	57312	55961	-2.36%
Nifty Midcap 150	21988	21361	-2.85%
Nifty Smallcap 150	17797	17144	-3.67%
Silver MCX	105720	110005	4.05%
Gold MCX	95608	98068	2.57%
Nasdaq	20369	21122	3.70%
Nifty IT	38950	35301	-9.37%
Nifty Pharma	22038	22771	3.32%

- Market benchmark moved in line with expectation , showing resilience, corrected a bit but supported by SIP inflows and Domestic buying, additional tariff from US did not impact much.
- Global uncertainties and ongoing conflicts continue to push demand for Gold and Silver, as investors are wary of future.
- Though exempted currently but threat of future tariff ,creating uncertainty on spending on Tech pushed Indian IT index down.
- Positive employment data and GDP numbers of US economy keep sentiment positive and Nasdaq higher
- While gold is rising on safe heaven demand, but rising demand of silver as industrial metal, is pushing its prices at higher acceleration than gold

**opening & closing values are closing value of last Trade day of previous & current month respectively*

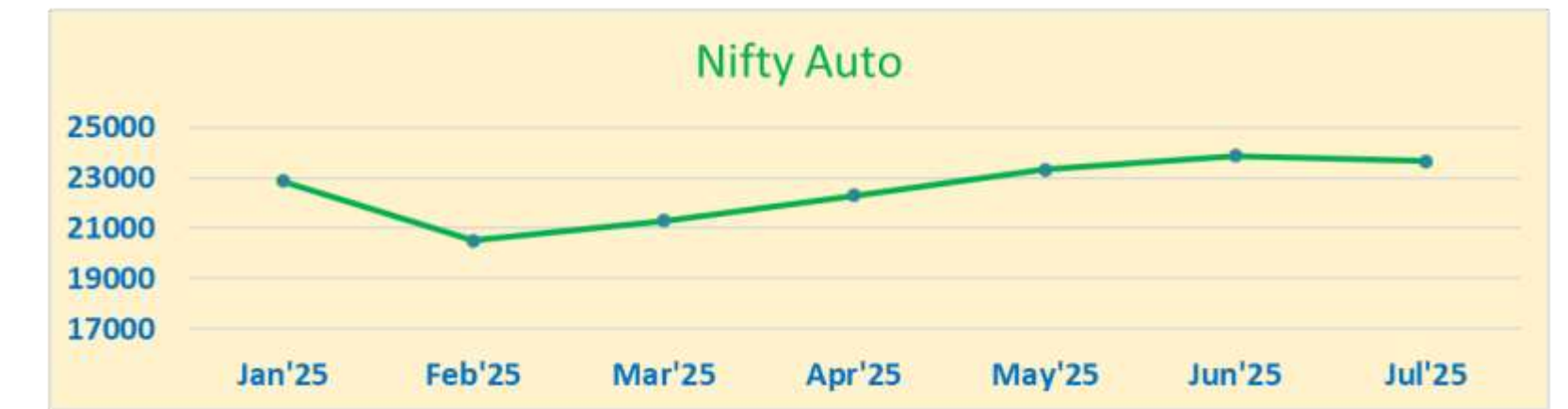
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Movers & Shakers



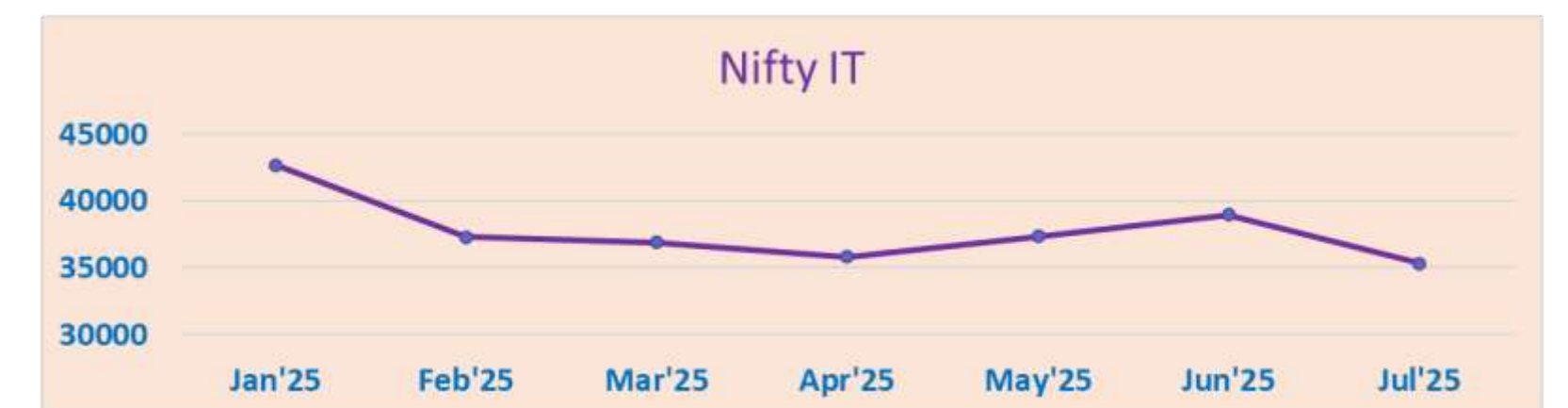
Auto

Auto sector is showing a steady growth since the beginning of this year. Barring a sudden blip in February '25 it has been showing an organic growth.



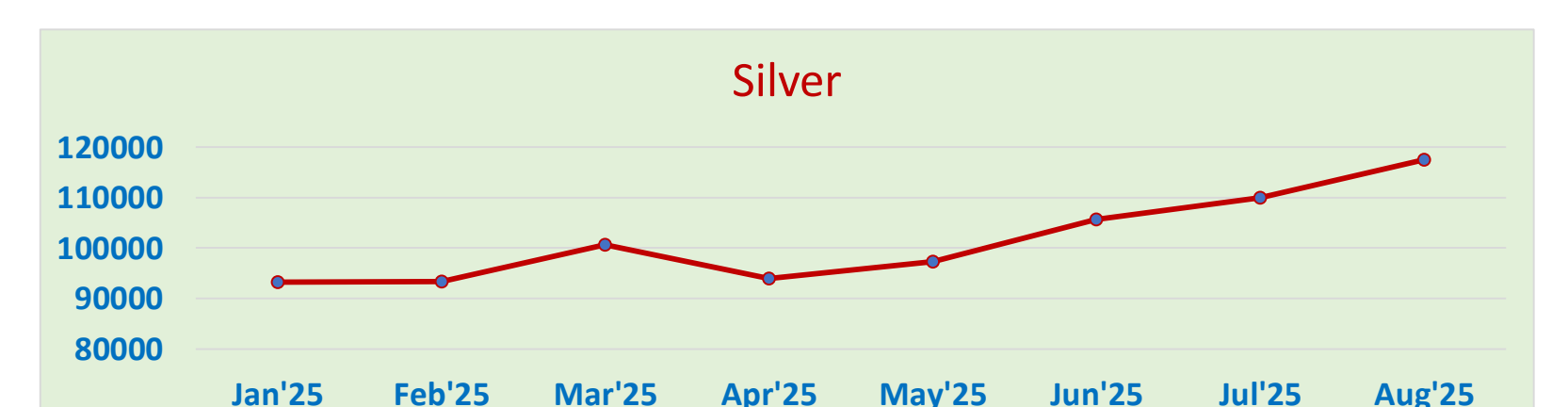
IT

IT has reflected a slightly volatile behaviour over last 7 months. After good start of the year shown a blip in Feb, in line with general benchmark indices of NSE and BSE.



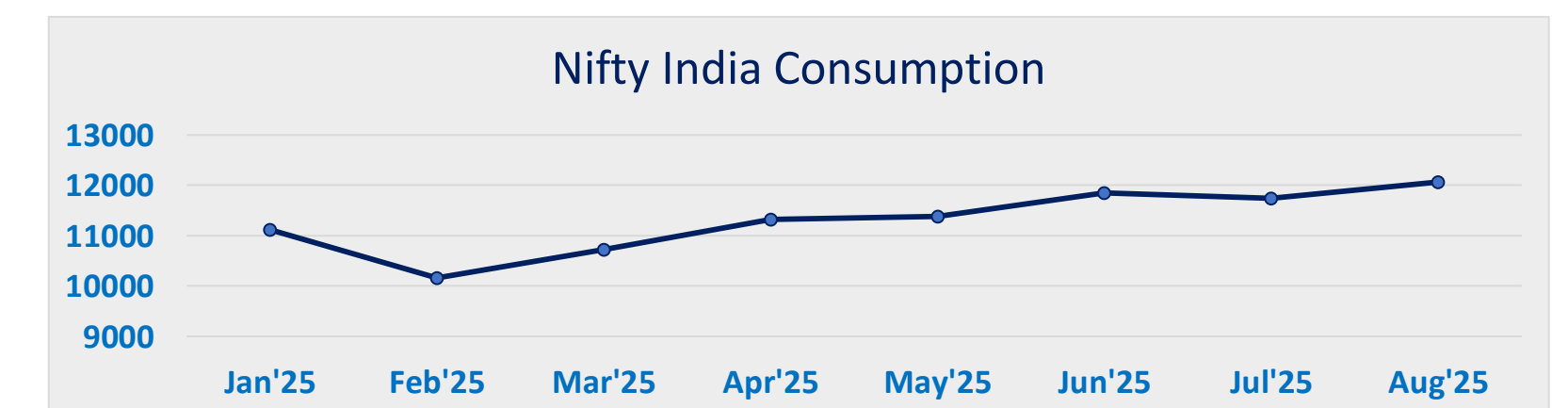
Silver

Silver is the shining star. Since the beginning of this year we have observed only upward movement in Silver.



Consumption

FMCG and other commodities are also steadily moving upward.



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- Merchandise exports likely to be hit in the wake of higher tariff imposition than other countries.
- Going forward urban consumption is likely to get a boost due to income tax relief announced by the Government and monetary easing by the RBI.
- Rural consumption too is likely to remain steady on the back of prospects of above normal monsoon, falling inflation and higher real rural wage growth.
- India's external sector also remains comfortable on the back of low current account deficit and adequate forex reserves. Rise in geopolitical tensions and a tariff related uncertainty are key near-term risks.
- Recent RBI actions like liquidity injection; key policy rate cuts, large dividend to the Govt. are positive for India's business cycle and in-turn may result in India growth and corporate earnings to pick-up.
- Investors with a long-term view can remain invested in equity markets. However, due to high valuations the fresh investments should be done in a prudent manner.
- Looking ahead, the medium-term outlook for India's economy seems optimistic, in our view. This optimism is driven by bi-lateral trade deal with various countries, enhanced infrastructure investments, the potential of pick-up in private sector capex, and the likely boost to private consumption.

Tactical Way

Silver - A Shining Addition to Your Portfolio (still strong conviction to add more)

Consumption -good monsoon, liquidity infusion and lower tax are perfect recipe for this segment

Not to Miss

Don't miss systematic & staggered increment to diversified equity, large & Midcap category with part in Small cap segment.....

The Core

A Smart Allocation across segments with Multi Asset Allocation hybrid category funds..... a must in Core portfolio

Views expressed above are indicative and should not be construed as investment advice or as a substitute for financial planning. Due to the personal nature of investments, investors are advised to seek professional advice before investing.

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August 2025

Quote of Month

"In the middle of every difficulty lies opportunity."

– Albert Einstein

Lighter Note

Markets are a bit like the Indian monsoon—unpredictable showers and bright sunshine in quick succession. Best to keep an umbrella **and** sunglasses handy in your portfolio!