

The Week that was

February 14th, 2025

Market Whirlwind: Indian Stocks Slide as Tariffs Loom, While Global Indices Hold Steady Amid Economic Uncertainty!

Indian Developments

The Indian stock markets experienced significant decline after Donald Trump's announcement of reciprocal tariffs against countries including India. Secondly, The Indian Rupee continues to be under pressure as the DXY strengthens and also due the selling activity from FIIs. Due to the ongoing geopolitical tensions, crude oil prices have been highly volatile.

The Nifty 50 saw significant volatility during the week, ultimately closing down by 2.68% , the Nifty Midcap 150 and Nifty Small cap 250 indices, fared even worse, falling 7.43% and 9.57% respectively compared to the previous week.

Sectoral Developments

All the major sectors closed lower, with Nifty Auto(5.93%), healthcare(5.73%), consumer durables(7.71%), bank(2.11%), FMCG(3.6%), IT(3.75%) , capital goods (4.64%), Realty(9.40%) among the hardest hit. Broader market Indices also reflected the downturn. Tariff concerns, FII selling, weak corporate earnings, economic growth concerns, high valuations attributing to the declines.

Global Developments

Global stock markets displayed a blend of gains and losses across different regions. European indices and US stocks showed resilience, with many markets poised for their eighth consecutive weekly gain. The S&P 500, Dow Jones and Nasdaq 100 finished higher by 1.04% , 0.77 and 1.43%. Heng Seng Index was the best performing market and closed with an increase of 4.11% While Nikkei and FTSE Index declined by 0.79% and 0.19% respectively. Kospi and the Shanghai Index were marginally up by 0.31% and 0.43% respectively.

Other Markets:

- Brent crude prices increased marginally to around \$ 75.3 per barrel.
- The rupee depreciated to 86.8 levels against the US dollar on the back of RBI intervention.
- The Gold spot price stood at -Rs 85,762 per 10 grams.
- The 10 Year Benchmark G-Sec yield closed at 6.820% this week.

Disclaimers:

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 Feb 14th, 2025

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