

Weekly Market Report

Kerdoss Trade India, (SEBI Registered Research Analyst)

Week of October 20 – October 24, 2025

Markets Navigate Global Uncertainty with Cautious Optimism

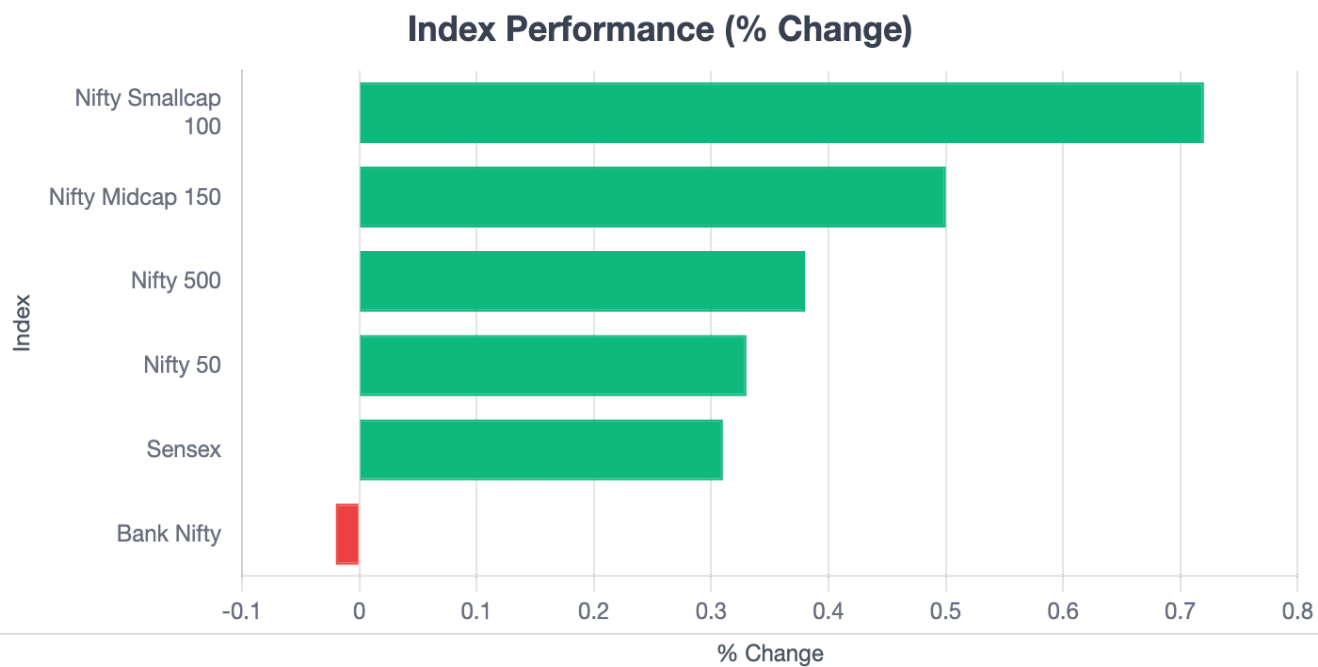
The Indian equity markets concluded the week in a state of consolidation. Benchmark indices registered modest gains, finding support in a strengthening domestic macroeconomic narrative, including an upgraded IMF growth forecast. However, the upside was significantly capped by investor apprehension ahead of critical US and European central bank meetings.

A pronounced sectoral rotation saw global-facing sectors like IT and Metals rally on expectations of a dovish Fed pivot, while domestic consumption sectors like FMCG and Auto lagged. The market appears to be in a "holding pattern," awaiting clearer signals from global central banks before fully pricing in India's robust domestic fundamentals.

Key Index Performance (Week-on-Week Analysis)

INDEX	PREVIOUS WEEK CLOSE	24 OCT CLOSE	ABSOLUTE CHANGE	% CHANGE	DIRECTION
Nifty 50	25709.85	25795.15	+85.30	+0.33%	Up
Nifty Midcap 150	21782.80	21890.90	+108.10	+0.50%	Up
Nifty Smallcap 100	18122.40	18253.35	+130.95	+0.72%	Up
Bank Nifty	57713.35	57699.60	-13.75	-0.02%	Down
BSE Sensex	83952.19	84211.88	+259.69	+0.31%	Up

Index Performance (% Change)



Key Economic & Policy Drivers

IMF Upgrades India's Growth Forecast

The IMF raised India's FY26 GDP growth forecast to 6.6%, citing strong domestic demand. This cements India's status as the fastest-growing major economy, providing a resilient base despite global headwinds.

Corporate Capex & M&A Signals Confidence

Aggressive capex announcements (UltraTech, India Cements), strategic M&A (Marico, ICRA), and robust order inflows (Sterling & Wilson, RVNL, IRCON) signaled strong corporate confidence in the domestic economy.

Fed Meeting Anticipation

Market sentiment was dominated by anticipation of the US FOMC meeting. A 25 bps rate cut is fully priced in; focus is now solely on Fed Chair Powell's forward guidance regarding the future path of easing.

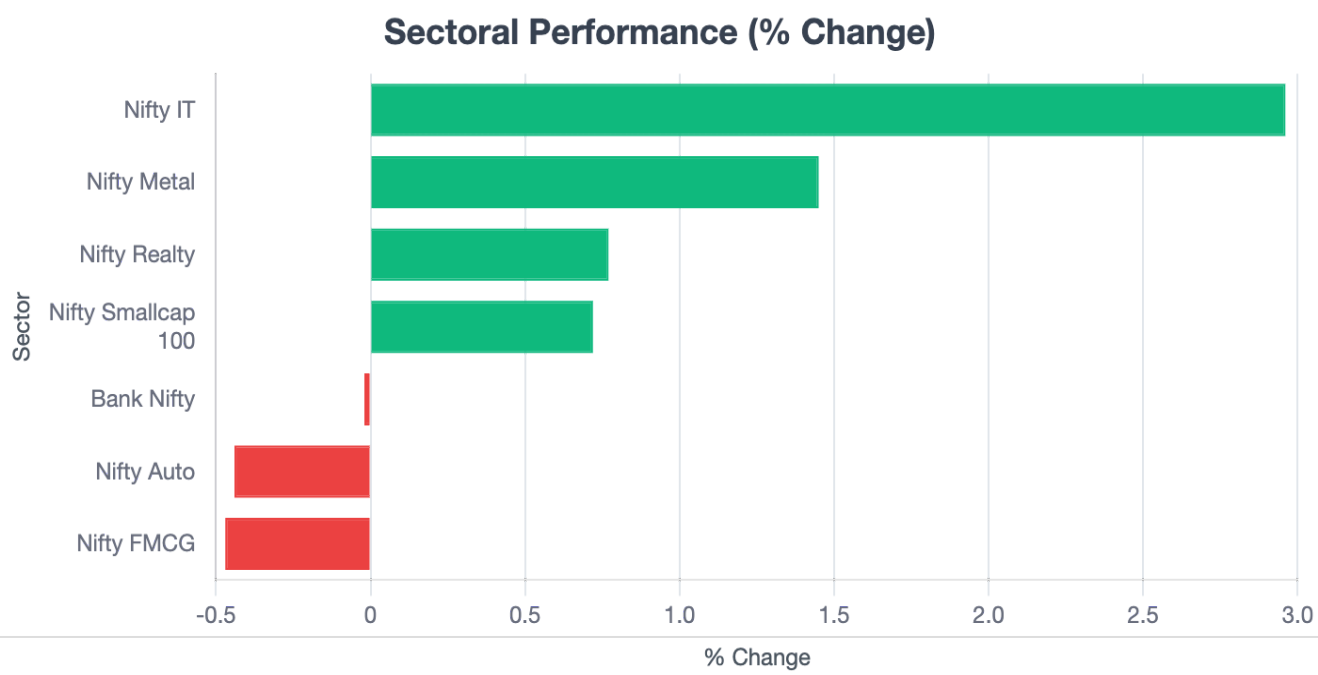
Cooling US Inflation

Softer-than-expected US CPI data provided the Federal Reserve with flexibility to proceed with the anticipated rate cut, reinforcing the case for a dovish policy stance.

Sectoral Performance Review

SECTOR	WEEKLY % CHANGE	KEY DRIVER
Nifty IT	+2.96%	The undisputed leader, rallying on rising expectations of a US Fed rate cut, perceived as positive for tech spending.
Nifty Metal	+1.45%	Gained on potential Fed easing (weakening dollar) and reports of supply disruptions at major global mines.
Nifty Realty	+0.77%	Continued modest gains, supported by positive domestic sentiment and stable interest rate expectations.
Nifty Smallcap 100	+0.72%	Outperformed large caps, suggesting continued optimism among domestic retail investors.
Bank Nifty	-0.02%	Remained flat as positive earnings were offset by caution ahead of the Fed meeting and FII volatility.
Nifty Auto	-0.44%	Declined on broader market caution and FII selling, as investors await festive season sales data.
Nifty FMCG	-0.47%	Remained under pressure due to concerns over premium valuations, slowing urban demand, and GST-related trade disruptions.

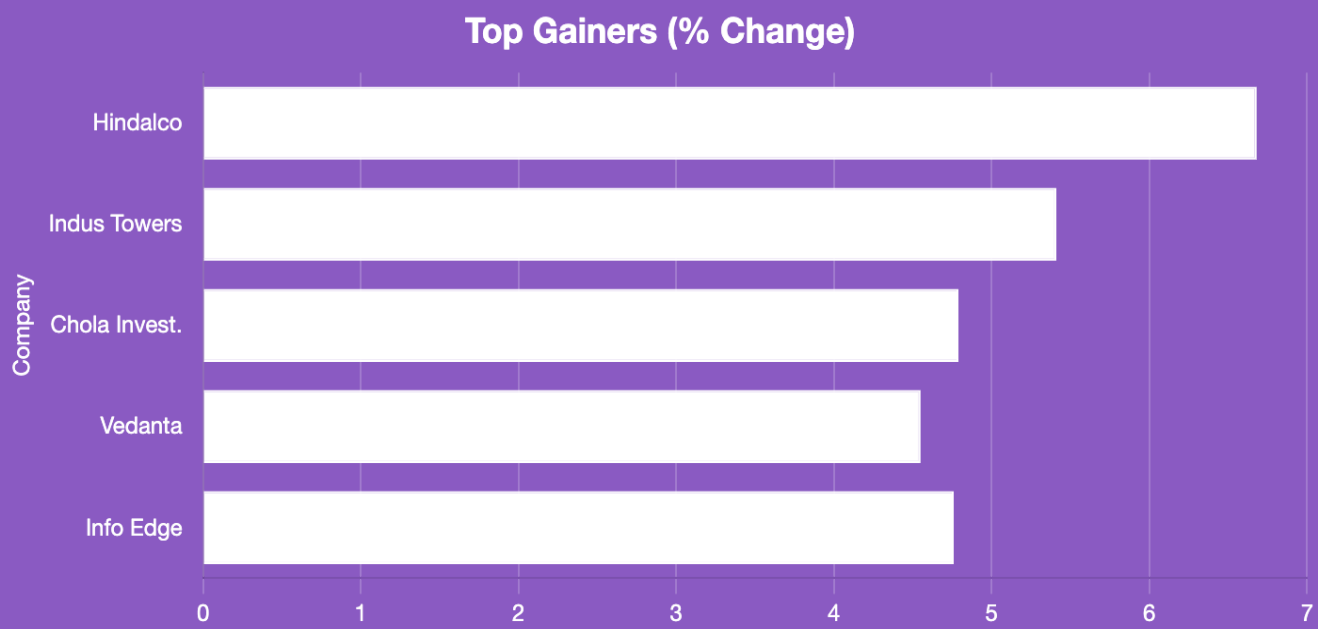
Sectoral Performance (% Change)



Weekly Top Gainers (Large Cap)

COMPANY
Hindalco Industries
Indus Towers
Cholamandalam Investment
Vedanta
Info Edge (India)

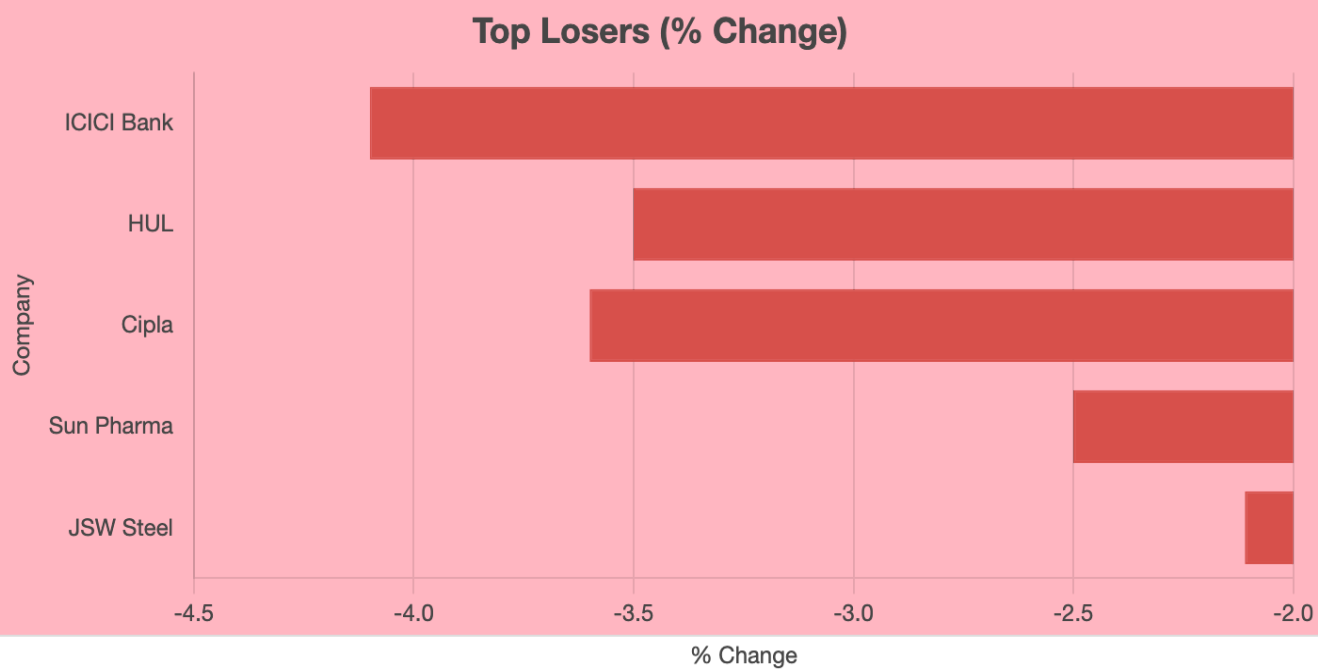
Top Gainers (% Change)



Weekly Top Losers (Large Cap)

COMPANY
ICICI Bank
Hindustan Unilever
Cipla
Sun Pharmaceutical
JSW Steel

Top Losers (% Change)



Outlook for the Coming Week (October 27 - 31, 2025)

The upcoming week is poised to be eventful, with market direction likely dictated by major global policy decisions and an acceleration in the domestic corporate earnings season. Increased volatility is expected.

- **Global Central Bank Commentary:** The US FOMC meeting (Oct 28-29) is the key event. While a 25 bps cut is expected, the Fed's forward guidance will determine the market reaction. The ECB meeting (Oct 30) commentary will also be watched.
- **Domestic Q2 Earnings Accelerate:** The earnings calendar is packed with bellwethers like L&T, Coal India, Cipla, Dabur, ITC, Union Bank, and Adani Power releasing results, providing crucial insights into corporate health.
- **Key Economic Data:** India's IIP data (Oct 28) will indicate manufacturing health. Global Flash PMI data will offer real-time checks on economic activity.
- **Strategic View:** A cautious approach is warranted ahead of global events. The market's reaction to the Fed's commentary will set the near-term trend. Focus remains on domestic growth stories, but short-term moves will depend on global liquidity.

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