

Weekly Capsule (Oct 21 – Oct 25) and Impact Analysis

News Announcement	Impact Analysis
<ul style="list-style-type: none"> ➤ FPIs sell \$962 Million in week to Oct-25, selling \$10.22 Billion in October month 	<ul style="list-style-type: none"> ➤ The FPI selling continued on Q2FY25 results pressure, rupee weakness, long-China trade, and valuation concerns ➤ The FPI selling figure could have been a lot steeper in the week, but for the Hyundai IPO QIB inflows of over \$1 billion
<ul style="list-style-type: none"> ➤ MPC minutes show that the committee broadly pleased with rate trajectory 	<ul style="list-style-type: none"> ➤ It now looks like the RBI will not consider rate cuts even in December and we may to wait till February 2025 for rate cuts ➤ However, inflation concerns continued to be the major concern among MPC members, especially food inflation
<ul style="list-style-type: none"> ➤ Israel bombs Iran as the geopolitical situation in West Asia worsens 	<ul style="list-style-type: none"> ➤ The attacks on Iran came early on Saturday morning as Israel reportedly targeted key military installations in Iran ➤ While there was no confirmation from Iran or any talk of casualties, Israel announced that it had concluded its attacks
<ul style="list-style-type: none"> ➤ Diplomatic relations between India and Canada almost reach freezing point 	<ul style="list-style-type: none"> ➤ With both countries expelling diplomats, it is hard to say if it could have an impact on Canadian investments into India ➤ The standoff followed Canada alleging that India had carried out a clinical assassination of a Khalistan extremist in Canada
<ul style="list-style-type: none"> ➤ US opinion polls indicate a neck-and-neck race between Trump and Harris 	<ul style="list-style-type: none"> ➤ While Kamala Harris represents the Democrats, Trump is vying for Presidential office second time after losing in 2020 ➤ It looks like a close race, although psephologists believe that swing states could lean towards Donald Trump on voting day
<ul style="list-style-type: none"> ➤ Waaree Energies IPO gets subscribed over 80 times at close of subscription 	<ul style="list-style-type: none"> ➤ While the QIB portion was subscribed 215 times, HNI portion got subscribed 65.25 times and retail saw 11.27X response ➤ The stock is slated to list on Monday, but the grey market is already indicating a 100% premium on listing for the stock
<ul style="list-style-type: none"> ➤ After delivering profits each quarter for 2 years, Indigo Airlines dips into loss 	<ul style="list-style-type: none"> ➤ The loss in Q2FY25 was triggered by peak groundings of the mid-70s as well as rising fuel costs amidst steady ATF prices ➤ Indigo net loss in Q2 of Rs987 crore was also triggered by a sharp spike in the lease rentals and narrowing RASK spread
<ul style="list-style-type: none"> ➤ Renew EXIM (Adani group), buys 46.6% in ITD cementation for Rs2,553 crore 	<ul style="list-style-type: none"> ➤ With the open offer that Adani will make to shareholders, the acquisition price could be closer to the range of Rs5,750 crore ➤ The deal priced at Rs400 per share is likely to help Adani group sharply improve civil engineering skills for key projects
<ul style="list-style-type: none"> ➤ DLF Ltd reports 121% spike in the net profits in Q2FY25 to Rs1,387 crore 	<ul style="list-style-type: none"> ➤ Amidst rising housing demand, DLF also reported 48% growth in top line sales at Rs2,181 crore for the September quarter ➤ New sales bookings for the first half of FY25 stood at Rs7,094 crore, while DLF sits on net cash of Rs2,831 crore in its books

<ul style="list-style-type: none"> ➤ In the last one year, silver has beaten gold with 30% returns on the asset 	<ul style="list-style-type: none"> ➤ Silver has been attracting a lot of attention on the back of its precious metal demand and its strong industrial applications ➤ However, analysts are suggesting caution as the silver prices generally tend to adhere to the popular Gold / Silver ratio
<ul style="list-style-type: none"> ➤ The 10 most valuable listed plays lose Rs2,117 crore during the week 	<ul style="list-style-type: none"> ➤ While RIL, SBI, Bharti Airtel, and HDFC Bank were the big losers; big gainers were seen in ITC, ICICI Bank, HUL and TCS ➤ The markets may have been under pressure, but there was sufficient diversify in the Nifty to nullify the negative effects
<ul style="list-style-type: none"> ➤ SEBI comes down heavily on F&O markets to limit retail speculation 	<ul style="list-style-type: none"> ➤ Among key measures, SBI hiked minimum lot value, limited the weekly indices, and enhanced margins for F&O trades ➤ However, what really spooked the markets was the higher STT on futures & options as well as true to label exchange charges
<ul style="list-style-type: none"> ➤ Brent Crude prices spike by 4% in the week amidst rising geopolitical risks 	<ul style="list-style-type: none"> ➤ The situation took a turn for the worse with Israel launching a series of attacks on key Iranian facilities on Saturday morning ➤ While oil has been flat in the last few weeks due to tepid oil demand from China, geopolitics continues to be an issue
<ul style="list-style-type: none"> ➤ FMCG distributors complain to CCI about current Q-Commerce practices 	<ul style="list-style-type: none"> ➤ According to the complaint, most Quick Commerce outfits flout the retail inventory norms by using dark stores ➤ In recent months, FMCG last mile has been taken over by the likes of Blinkit, Instamart and Zepto, at the cost of distributors
<ul style="list-style-type: none"> ➤ BFSI stocks dominate FPI selling in the first half of October 2024 month 	<ul style="list-style-type: none"> ➤ This is based on NSDL fortnightly data, which shows that out of the Rs71,507 crore of selling, nearly one-third was BFSI ➤ However, with most FPIs scaling down their exposure to India, the selling appears to be more based on macro considerations
<ul style="list-style-type: none"> ➤ Putin displays BRICS currency as an alternative to global payment system 	<ul style="list-style-type: none"> ➤ Russia and China have, in the past, faced challenges in accessing the payment system due to sanctions by the US ➤ Putin wants to offer the world an alternative to the Bretton Woods model and shift to a competitive payment system
<ul style="list-style-type: none"> ➤ Cement acquisitions happening at 25% higher valuation of cost per tonne 	<ul style="list-style-type: none"> ➤ Recent Ultratech deals to acquire India Cements and Kesoram Industries cement unit, were done 25% above regular rates ➤ This also applies to big recent acquisitions made by Adani Cement, including the acquisition of Orient Cement in South
<ul style="list-style-type: none"> ➤ Nestle India admits to falling market share from shrinking middle class 	<ul style="list-style-type: none"> ➤ Nestle sees the new trend of robust demand for luxury products but weak demand for traditional value products ➤ Nestle is seeing this trend in chocolates business as premium chocolates are still seeing a sharp surge in consumer demand
<ul style="list-style-type: none"> ➤ Allianz may look to exit its insurance joint venture with Bajaj Group of India 	<ul style="list-style-type: none"> ➤ Even in the past Allianz had tried to either increase its stake from 26% or take an exit route from the insurance JV ➤ In the life and non-life business; Bajaj refused to sell its stake and even the buyout saw a disagreement in valuations

<ul style="list-style-type: none"> ➤ GMR Infrastructure secures Rs6,300 crore funding from ADIA (Abu Dhabi) 	<ul style="list-style-type: none"> ➤ These funds will be largely used to release the promoter pledge of shares, which is normally a cause of stock volatility ➤ GMR is one of the leading airport developers and sees frenetic growth in demand for aviation services in India
<ul style="list-style-type: none"> ➤ India automobile exports grow by 14% in the first half of the fiscal – H1FY25 	<ul style="list-style-type: none"> ➤ The growth in H1 was largely driven by passenger vehicles (PV) and two wheelers; across markets in Africa, Latin America ➤ The first half of FY25 saw exports of automobiles to the tune of 25.28 lakh vehicles; with 2-wheeler exports up 16% yoy

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