

Current Market Scenario

12th April 2025

Global Markets Fall on Tariff Worries **CAPSTOCKS**

- Trump announces Reciprocal Tariffs and pauses
- Fear of global slowdown
- Commodities fall sharply
- Geopolitical realignment to happen

INDEX WATCH

INDEX	12th Apr	8th Mar	% Change
Nifty	22,828	22,552	+ 1.2
Sensex	75,157	74,332	+ 1.1
Nifty Midcap	50,501	49,190	+ 2.6
BSE Small Cap	45,798	45,606	+ 0.4

Nifty50 Financial Year Returns (%)

FY2004-05 to FY2024-25

CKS

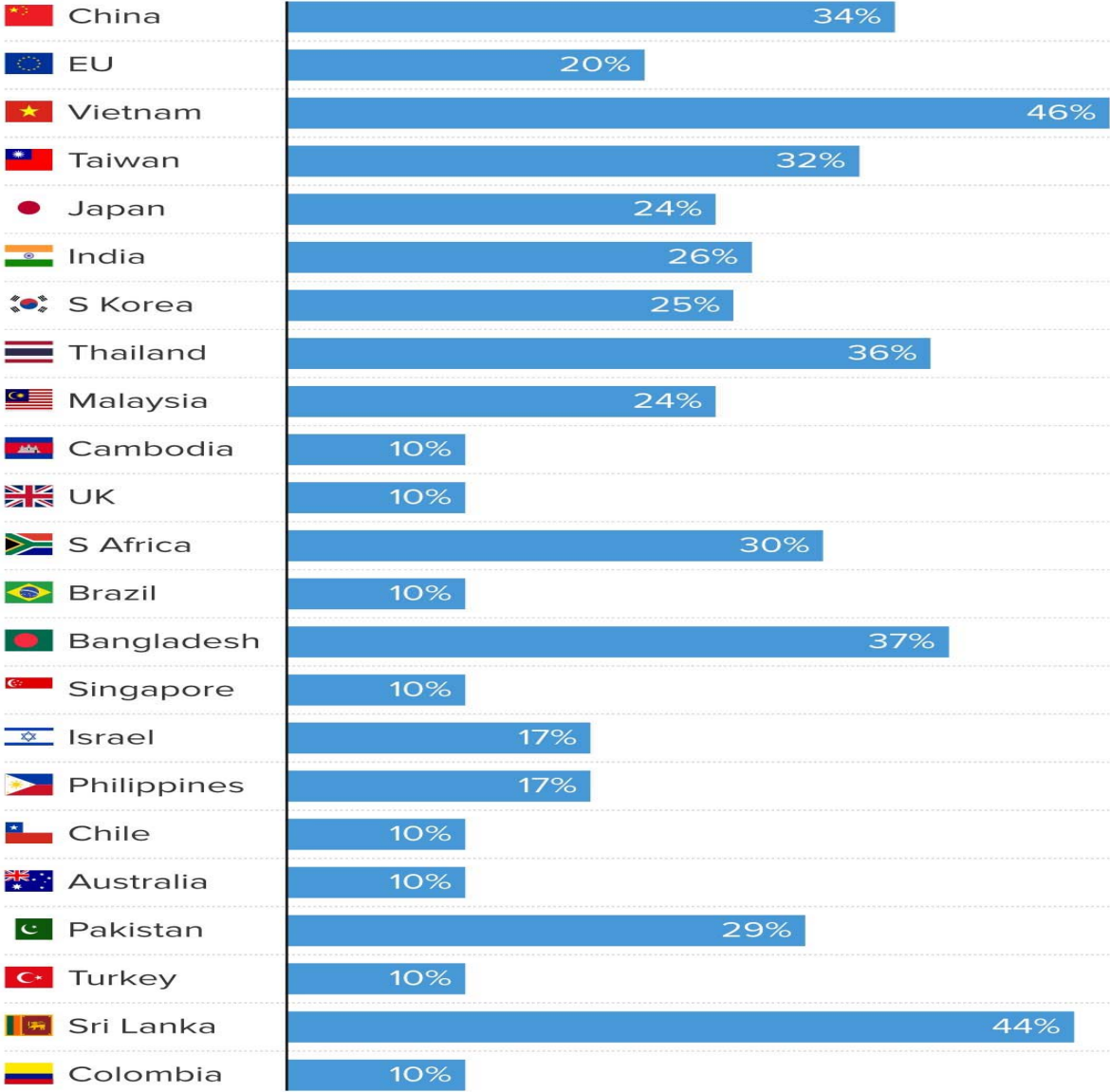
FY	FY Returns (%)		Date	Nifty50
<i>Website - Stable Investor .com</i>			<i>Twitter/X - @Stable Investor</i>	
FY 2004-05	14.89%		31-Mar-05	2035.65
FY 2005-06	67.15%		31-Mar-06	3402.55
FY 2006-07	12.31%		30-Mar-07	3821.55
FY 2007-08	23.89%		31-Mar-08	4734.5
FY 2008-09	-36.19%		31-Mar-09	3020.95
FY 2009-10	73.76%		31-Mar-10	5249.1
FY 2010-11	11.14%		31-Mar-11	5833.75
FY 2011-12	-9.23%		30-Mar-12	5295.55
FY 2012-13	7.31%		28-Mar-13	5682.55
FY 2013-14	17.98%		31-Mar-14	6704.2
FY 2014-15	26.65%		31-Mar-15	8491
FY 2015-16	-8.86%		31-Mar-16	7738.4
FY 2016-17	18.55%		31-Mar-17	9173.75
FY 2017-18	10.25%		28-Mar-18	10113.7
FY 2018-19	14.93%		29-Mar-19	11623.9
FY 2019-20	-26.03%		31-Mar-20	8597.75
FY 2020-21	70.87%		31-Mar-21	14690.7
FY 2021-22	18.88%		31-Mar-22	17464.75
FY 2022-23	-0.60%		31-Mar-23	17359.75
FY 2023-24	28.61%		28-Mar-24	22326.9
FY 2024-25	5.34%		28-Mar-25	23519.35

Reciprocal Tariff Announced and Paused **CAPSTOCKS**

- Reciprocal tariffs larger than expected
- 10% minimum tariffs for all countries
- Weighted average Tariff increases to 29%, highest in 100+ years
- Tariff will lead to higher inflation and Recession in US, global economy slowdown and uncertainty
- Tariffs paused for 90 days except China , with 10% universal tariff for all during this period

Reciprocal Tariffs

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Note: This initial set of countries is not the comprehensive list.
Source: The White House



Reciprocal Tariffs

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Reciprocal Tariffs

Country	Tariffs Charged to the U.S.A. Including Country's Most-Favored-Nation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
China	67%	34%
European Union	39%	20%
Vietnam	90%	46%
Taiwan	64%	32%
Japan	46%	24%
India	52%	26%
South Korea	50%	25%
Thailand	72%	36%
Switzerland	61%	31%
Indonesia	64%	32%
Malaysia	47%	24%
Cambodia	97%	49%
United Kingdom	10%	10%
South Africa	60%	30%
Brazil	10%	10%
Bangladesh	74%	37%
Singapore	10%	10%
Israel	33%	17%
Philippines	34%	17%
Chile	10%	10%
Australia	10%	10%
Pakistan	58%	29%
Turkey	10%	10%
Sri Lanka	88%	44%
Colombia	10%	10%



Reciprocal Tariffs

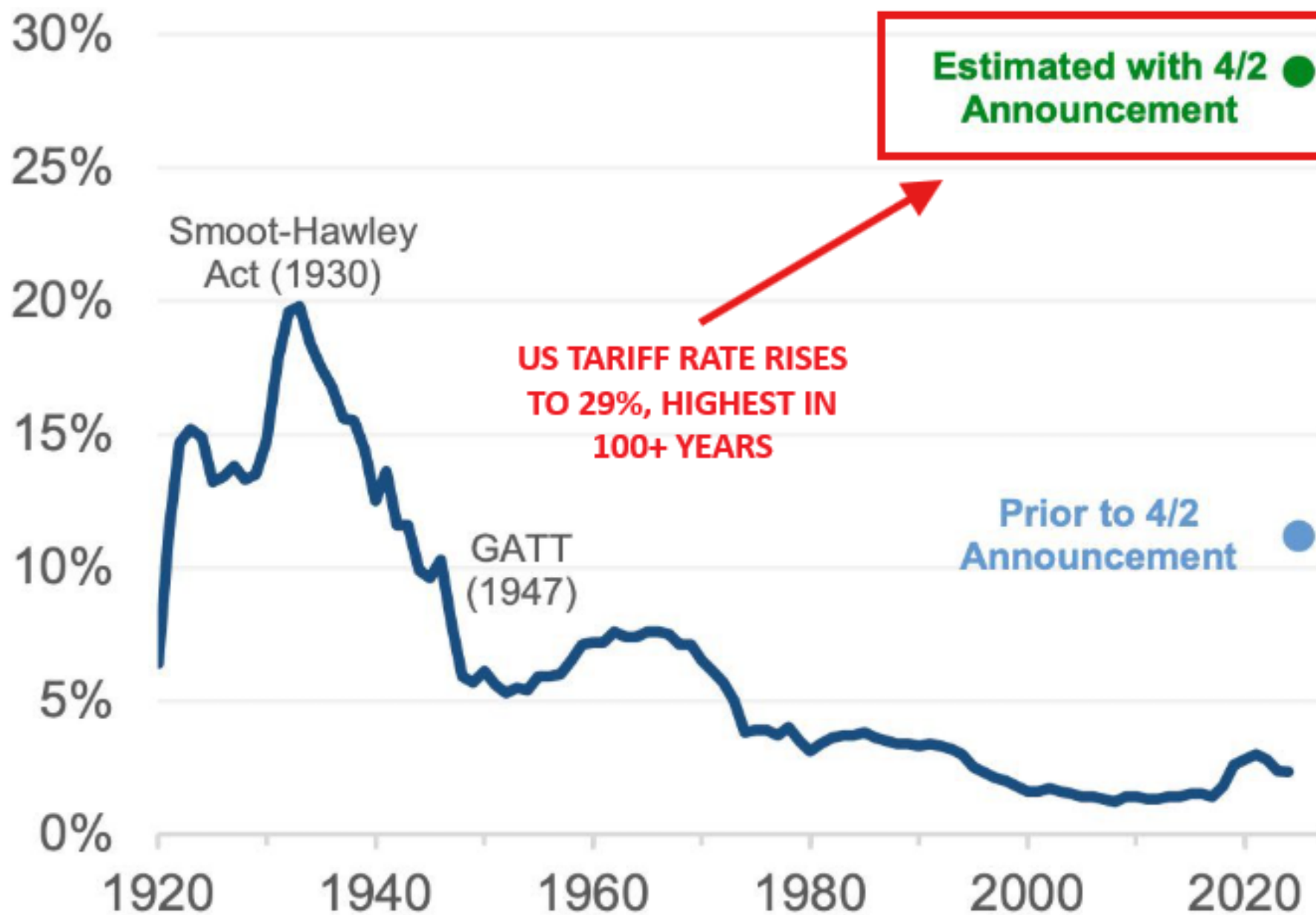
Country	Tariffs Charged to the U.S.A. Including Country's Most-Favored-Nation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
Peru	10%	10%
Nicaragua	36%	18%
Norway	30%	15%
Costa Rica	17%	10%
Jordan	40%	20%
Dominican Republic	10%	10%
United Arab Emirates	10%	10%
New Zealand	20%	10%
Argentina	10%	10%
Ecuador	12%	10%
Guatemala	10%	10%
Honduras	10%	10%
Madagascar	93%	47%
Myanmar (Burma)	88%	44%
Tunisia	55%	28%
Kazakhstan	54%	27%
Serbia	74%	37%
Egypt	10%	10%
Saudi Arabia	10%	10%
El Salvador	10%	10%
Côte d'Ivoire	41%	21%
Laos	95%	48%
Botswana	74%	37%
Trinidad and Tobago	12%	10%
Morocco	10%	10%

Reciprocal Tariff Calculations Baffles

- Initially it was told US will impose tariff on countries equal to they charge to the US products
- When reciprocal tariffs announced, huge difference between what initially said and actual figures
- It is found that US came with a formula of Trade deficit divided by exports to US and divided by 2
- Indonesia trade deficit is \$17.9 Bn and exports to US is \$28 Billion.

Reciprocal tariff is $(17.9/28)/2 = 32\%$

U.S. Weighted-Average Tariff Rate



Source: Census Bureau, U.S. International Trade Commission, Evercore ISI calculations

US Vs China Trade War **CAPSTOCKS**

- In 2024, US imported \$438 Bn from China and exported \$143 Bn to China leaving a trade deficit of \$295 Bn
- China slapped with highest tariff by Trump currently totaling 145%
- On retaliation China levied 125 % tariff on US imports
- China owns \$759 Bn worth of US Treasury Securities
- Trade War impact started reflecting in US Bond Market

US Bond Yields

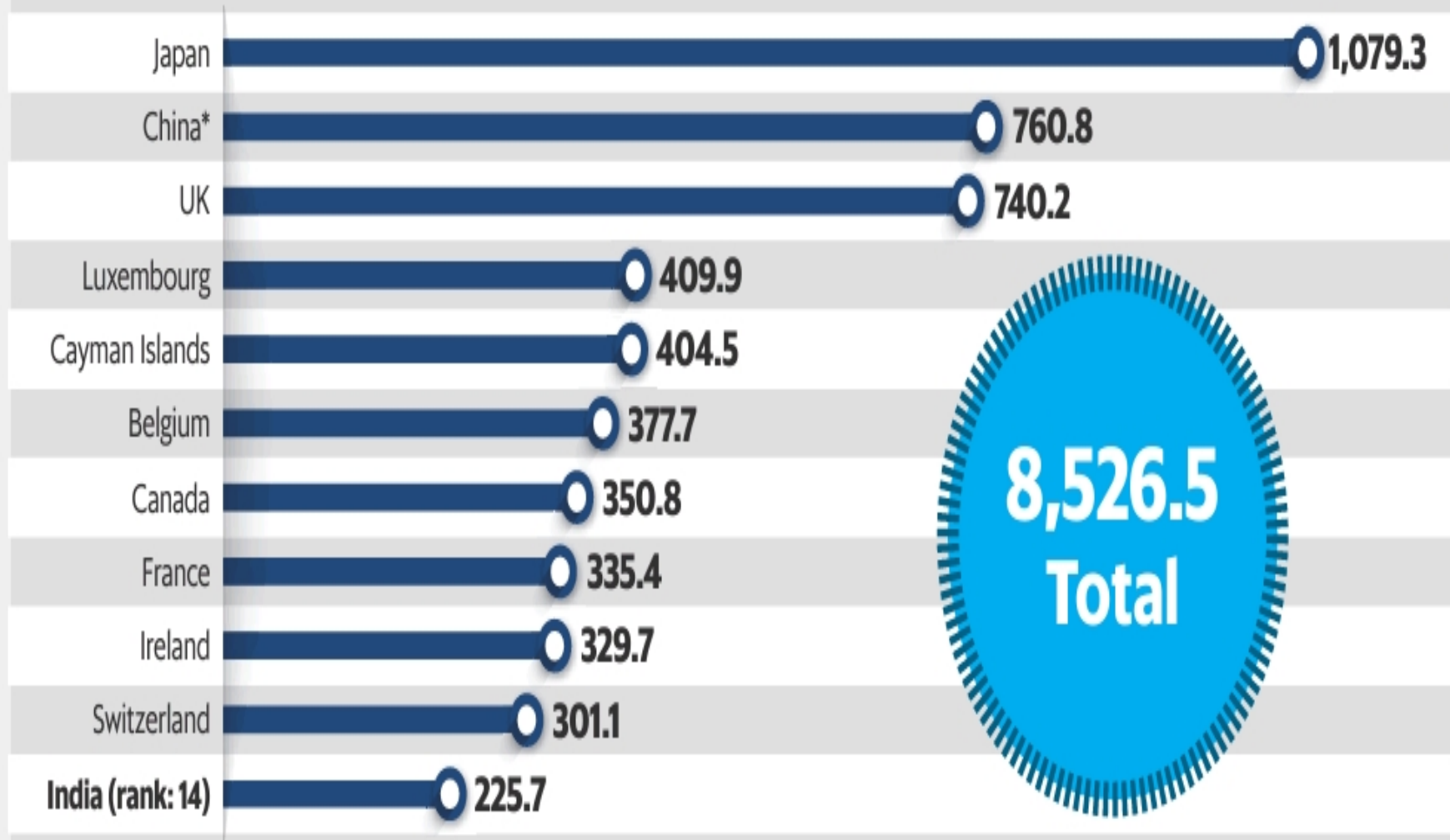
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US 10 Year Note Bond Yield 4.446 0.455 (+0.455%)



Large US Bond Holders CAPSTOCKS

US Treasury holdings, by country, as of 31 Jan 2025 (in \$ billion)



*Mainland; excludes Hong Kong and Macau

Data: Tanay Sukumar, design: Satish Kumar

Source: US Department of the Treasury

Crude Oil Prices Dips

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Brent Crude Oil (USD/Bbl) 63.045 -2.535 (-3.87%)



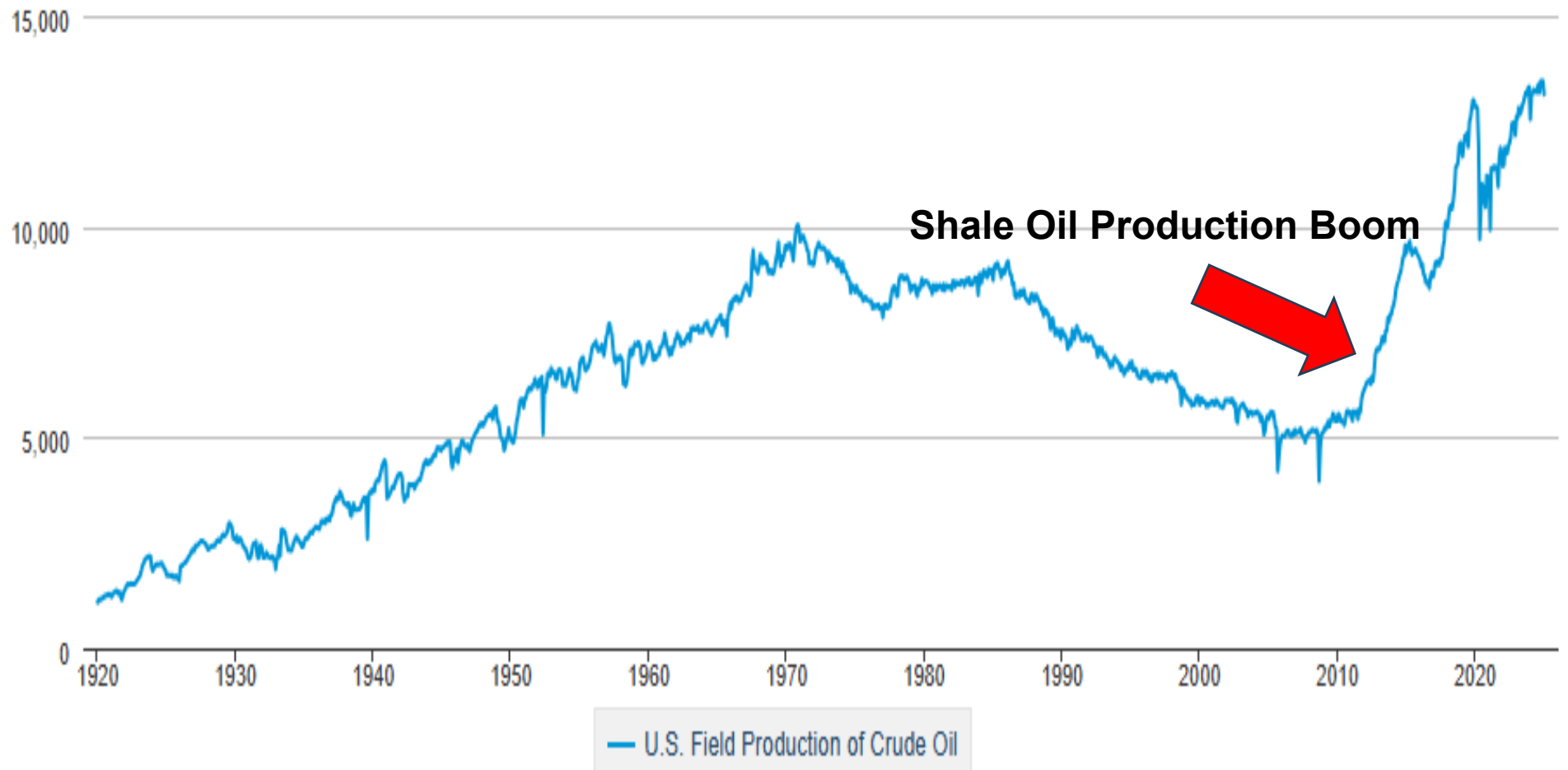
US Oil Production

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U.S. Field Production of Crude Oil

↓ DOWNLOAD

Thousand Barrels per Day



Gold Prices – All Time High **CAPSTOCKS**

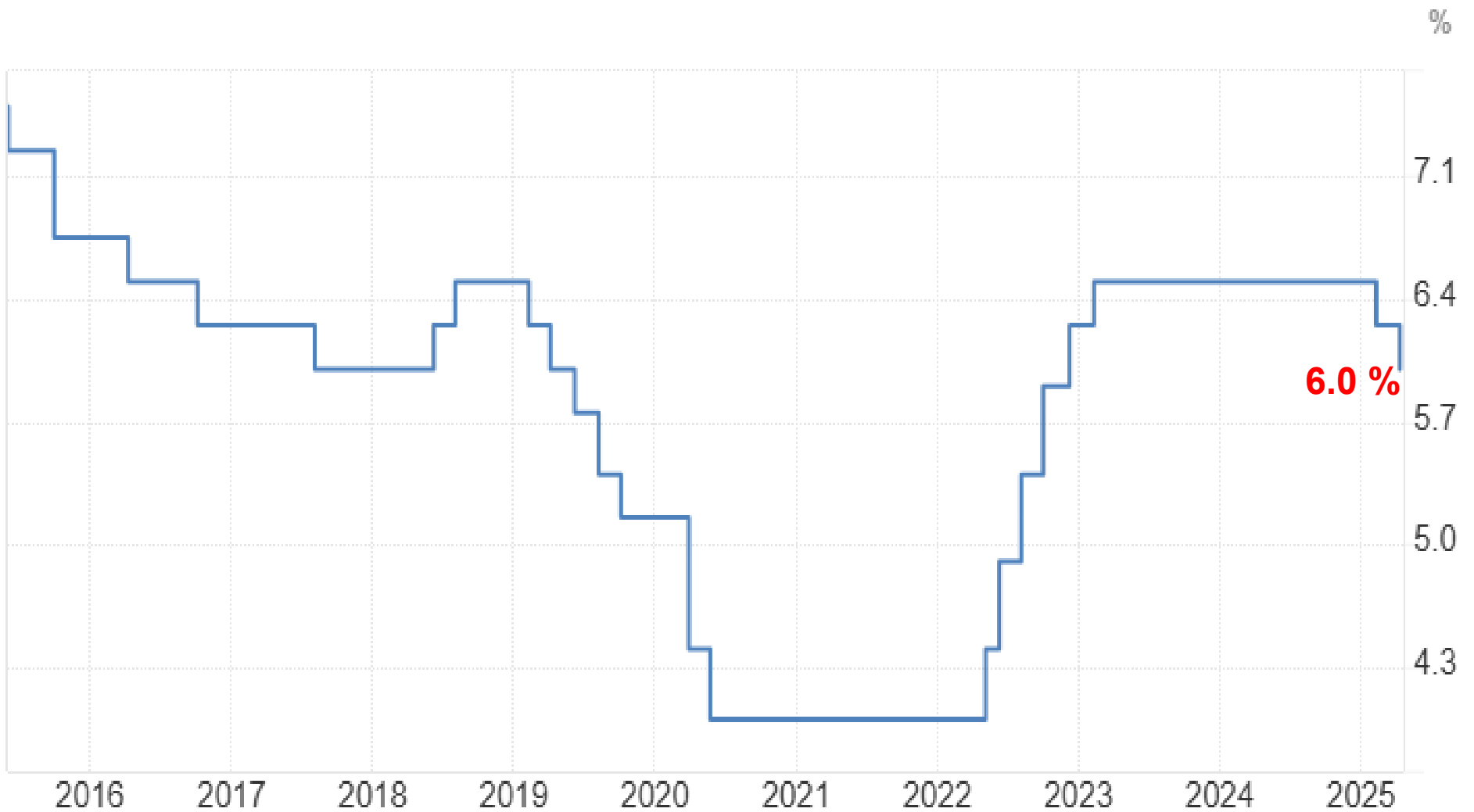
Gold (USD/t.oz) 3216.9 179.8 (+5.92%)



What Investors Should Do

- Currently valuations are reasonable , but not at throw away
- Should make proper due diligence
- As multiple events are unfolding, long term gainers and losers will be known in coming days
- Reasonable valuations and future growth are two important criteria to make long term money

RBI Cuts Repo Rate further **CAPSTOCKS**



Reserve Bank of India

Value Chg Chg%

India 10 Yr Bond Yield **CAPSTOCKS**

India 10Y Bond Yield **6.473** **+0.006** (+0.0060%)



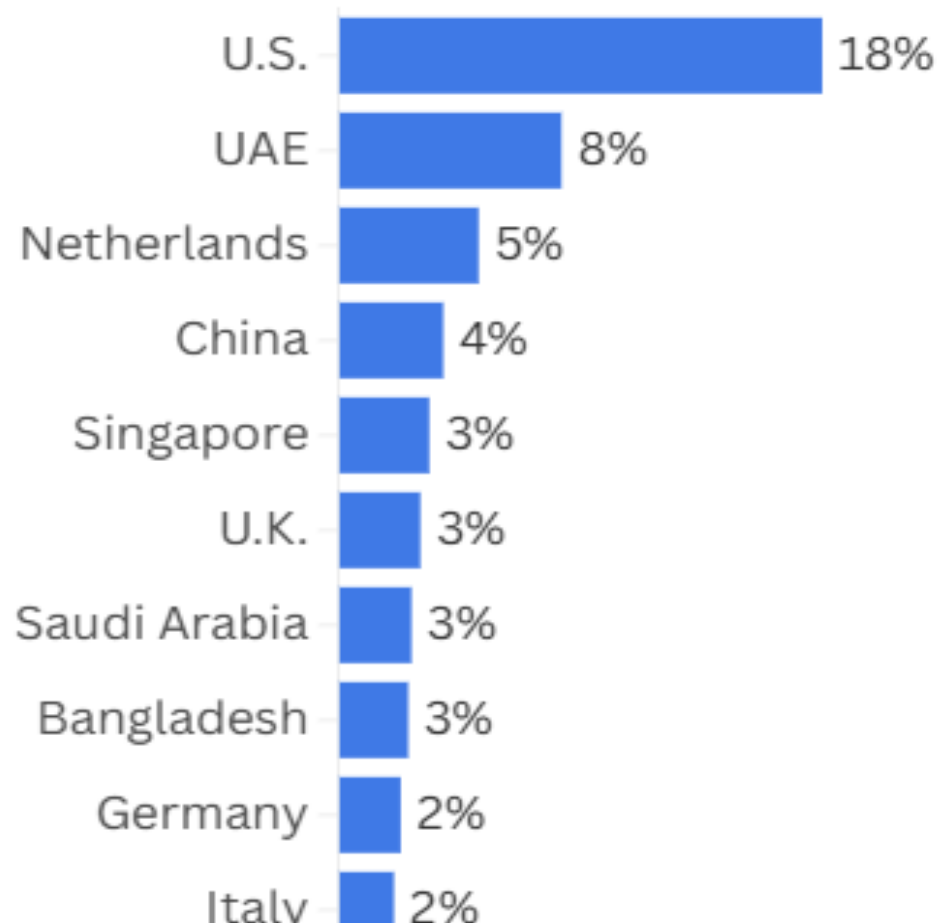
RBI Actions To Support Growth

- Cuts Repo rate by 25 bps further
- Recent actions by RBI indicate they are dovish and supportive for economic growth

India Major Exporting Countries

India's diversified export destinations

Percentage of India's total merchandise export value



Painful Timewise Correction **CAPSTOCKS**

- Multi year Timewise correction seen in many fundamentally strong stock
- High valuations and slower growth are leading to time wise correction
- Bata, TTK Prestige, Whirlpool , Emami are some examples where we are seeing time wise corrections

FPI Cash Market Actions **CAPSTOCKS**

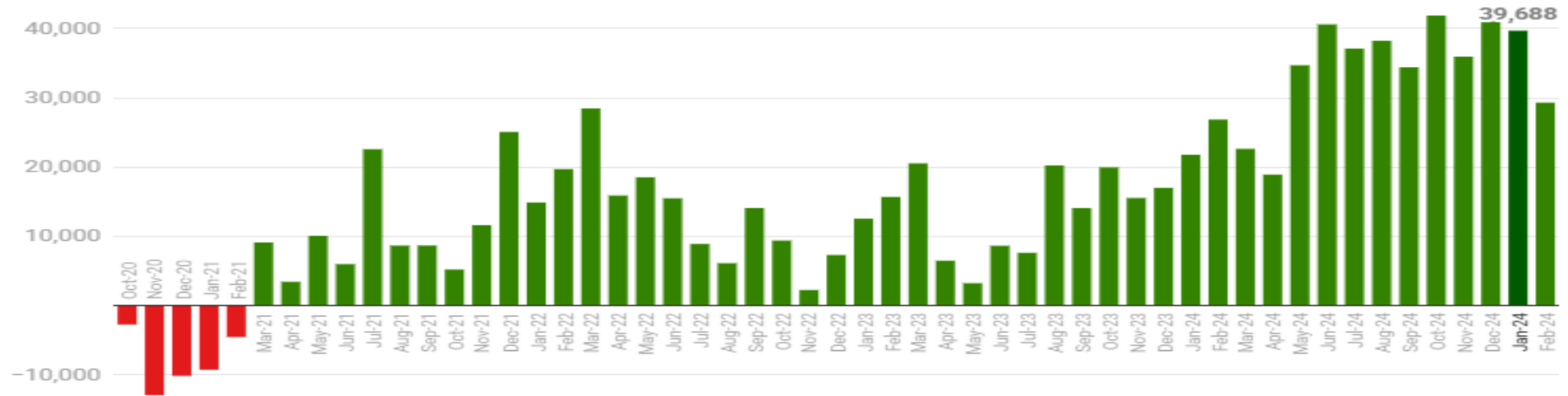
Period	Net Flows Cr.
Mar 2025	+2014
Feb 2025	- 58,988
Jan 2025	- 87,374
Dec 2024	- 16,982
Nov 2024	- 45,974
Oct 2024	- 1,14,445

Mutual Fund Flows

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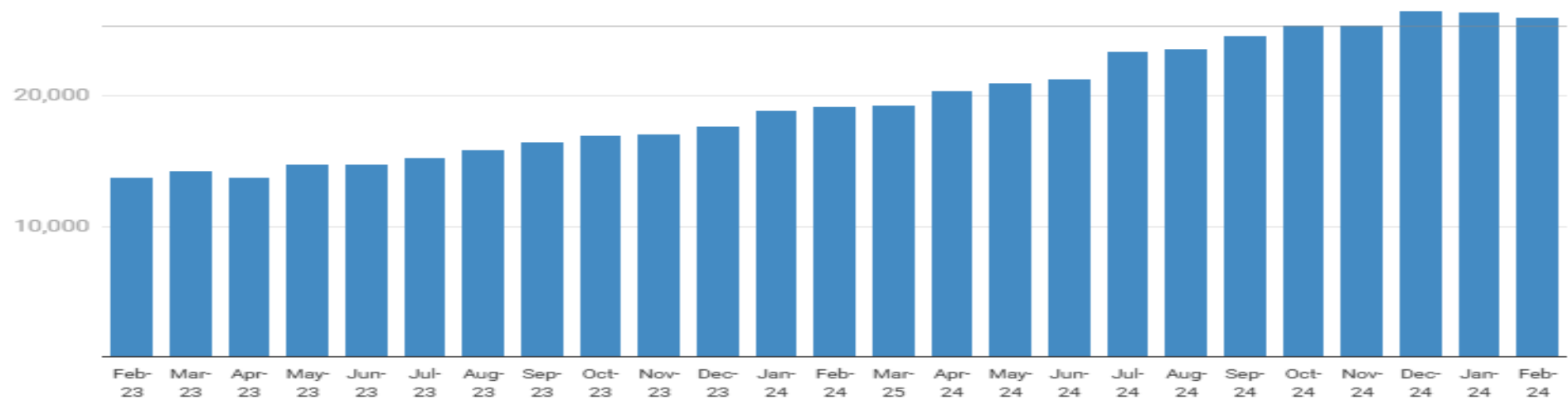
Net Equity Inflows

(Rs crore)



SIP Contribution

Gross investments (Rs crore)



Events To Watch

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- Trump actions on Tariffs and Trade War
- Q4 Results

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Thank You