

# India Market Pulse | November 15, 2025

## Market Overview

- The market's positive bias remains **but** with a **cautious tone** — after the strong October rally, November's first half is more about consolidation than aggressive upside.
  - With India's equity market having lagged peers, **selective positioning** (quality names, sectors with visible earnings growth) seems prudent over broad-based exposure.
  - Until there is a stronger earnings turnaround and renewed foreign-investor confidence, upside may be **incremental** rather than sharp.
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## Macro Snapshot:

- **October CPI inflation plunged to a record low of 0.25%**, driven by a deep correction in food prices (fruits, vegetables, pulses).
  - GST cuts significantly reduced consumer goods inflation, offsetting the impact of US tariffs.
  - With inflation well below RBI's projected 2.6%, **a 25 bps rate cut in the December policy now appears highly probable**.
  - High-frequency indicators for November so far show **continued easing in food prices**, strengthening the case for monetary easing.
  - Moody's maintains India's GDP trajectory at **7% (2025), 6.4% (2026) and 6.5% (2027)** – supported by infrastructure spending and resilient consumption.
  - **GST collections:** ₹1.96 lakh crore in October (+4.6% y/y), marking 10 straight months above ₹1.8 lakh crore.
  - **HSBC Manufacturing PMI:** jumped to **59.2**, the fifth month above the 59-mark, signalling robust demand, order flows, and job additions.
  - **Digital payments:** UPI crossed **200 billion transactions**, credit-card e-commerce spends up **58% y/y**.
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## Earnings Pulse: Early Signs of an Upcycle:

- India Inc delivered a **robust Q2 FY26**, with **earnings upgrades outpacing downgrades** for the first time in several quarters.
- Management commentary across sectors remains constructive, giving confidence of **double-digit earnings growth in H2 FY26**.
- Raw-material softening, GST-driven demand revival, front-loaded restructuring, and operating-leverage benefits will drive margins in H2FY26
- High-quality, fundamentally robust companies are well placed to **outperform the broader NIFTY50**.

## Key Risks to Monitor:

- Potential rebound in food inflation post-winter.
- H2 growth moderation due to global trade frictions and tariff impacts.
- External volatility: USD strength, geopolitical tensions, commodity swings

## Final Thought:

A benign inflation backdrop, resilient domestic demand, strong earnings momentum, and the likelihood of an RBI rate cut create a **favourable environment for equities in the near term**.

## RNM Universe vs Nifty 50 — Tracking Relative Performance

