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October 2025 Newsletter

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Trade & Tariffs

1 U.S. President Donald Trump and Chinese leader Xi Jinping concluded talks in South Korea on Thursday, with Trump calling it an “amazing meeting” where both sides agreed on “many important points,” including trade, tariffs, and rare-earth minerals. Trump mentioned a 10% reduction in fentanyl tariffs on China in exchange for Beijing’s cooperation in curbing the opioid crisis and said China would resume “large amounts” of soybean imports from the U.S. However, Chinese reaction to the meeting was passive.

2 The Federal Reserve lowered the federal funds rate by 25 bps to a target range of 3.75%–4.00% at its October 2025 meeting, in line with market expectations. The move followed a similar cut in September, bringing borrowing costs to their lowest level since 2022. The central bank decided to conclude the reduction of its aggregate securities holdings on December 1. Policymakers cited increasing downside risks to employment in recent months while inflation has moved up since earlier in the year and remains somewhat elevated.

3 The S&P Global US Manufacturing PMI rose to 52.2 in October 2025, up from 52.0 in September and slightly above expectations of 52.0, according to a preliminary estimate. The annual inflation rate in the US rose to 3% in September 2025, the highest since January, from 2.9% in August and below forecasts of 3.1%.

4 China’s NBS Composite PMI Output Index slipped to 50.0 in October 2025 from 50.6 in the previous month, marking the lowest level since December 2022. Manufacturing activity shrank for the seventh month, with its rate of decline the steepest since April, as efforts to boost overseas demand have largely fueled price competition rather than lifted sales. The services sector remained subdued amid persistently weak consumer demand and cautious business sentiment.

5 Euro area consumer price inflation eased to 2.1% in October 2025, in line with market expectations and down from 2.2% in September, edging closer to the ECB’s 2% target.

Buoyant

US Indices

Performance across time frames in last 1 year

■ Dow Jones ■ S&P 500 ■ NASDAQ ■ Russell 2000

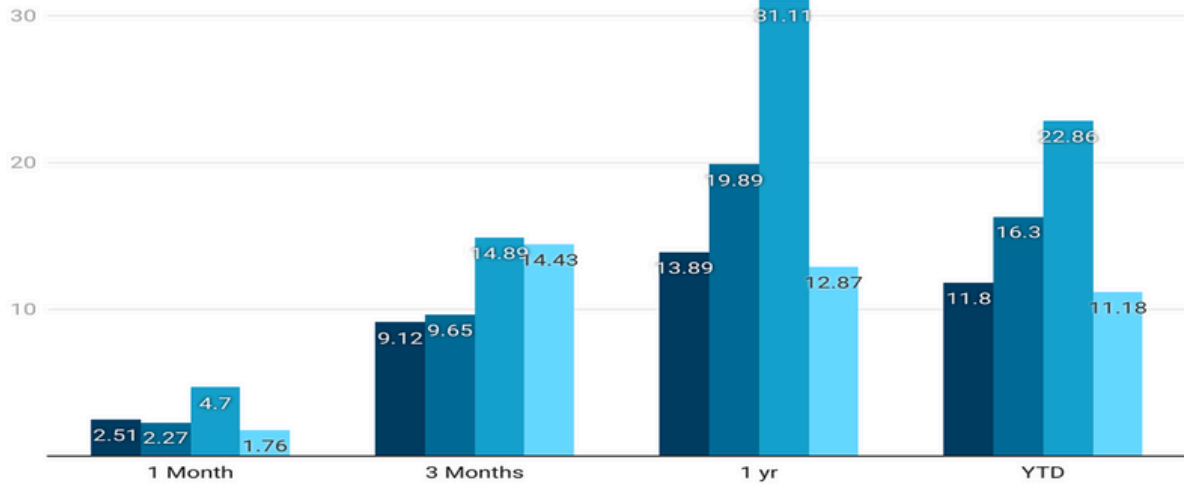


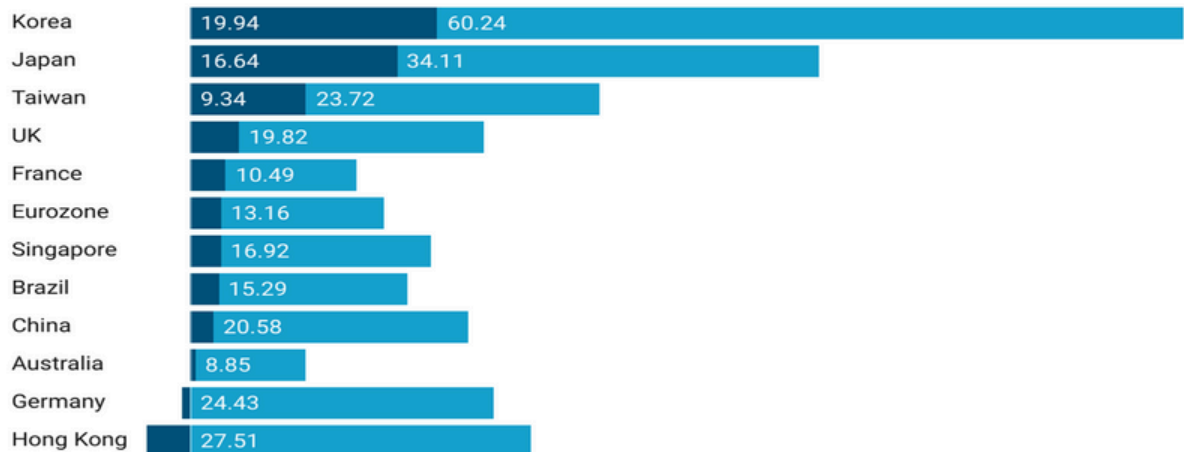
Chart: Gaurav Goel • Source: Lamoksh Investments • Created with Datawrapper

Korea & Japan Outshine

Global Equity Indices

Performance Chart

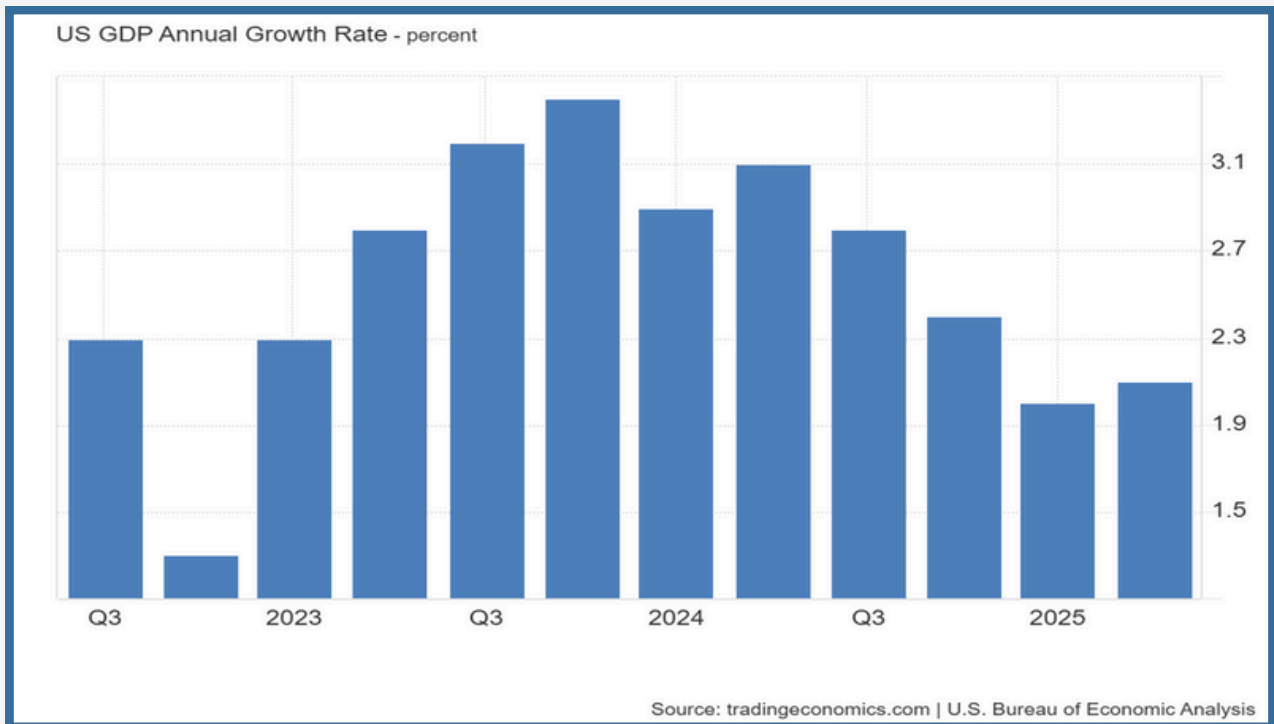
■ Month ■ Year



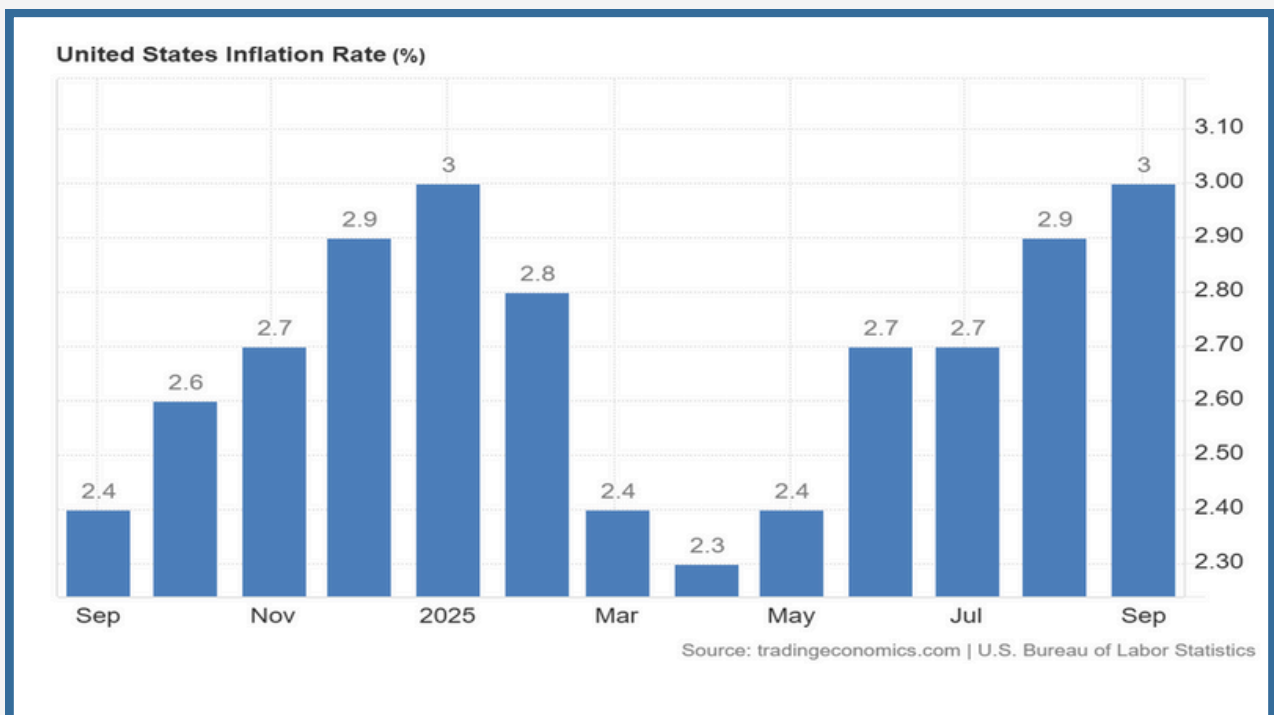
Key Global Equity Markets

Chart: Lamoksh Investments • Source: Gaurav Goel • Created with Datawrapper

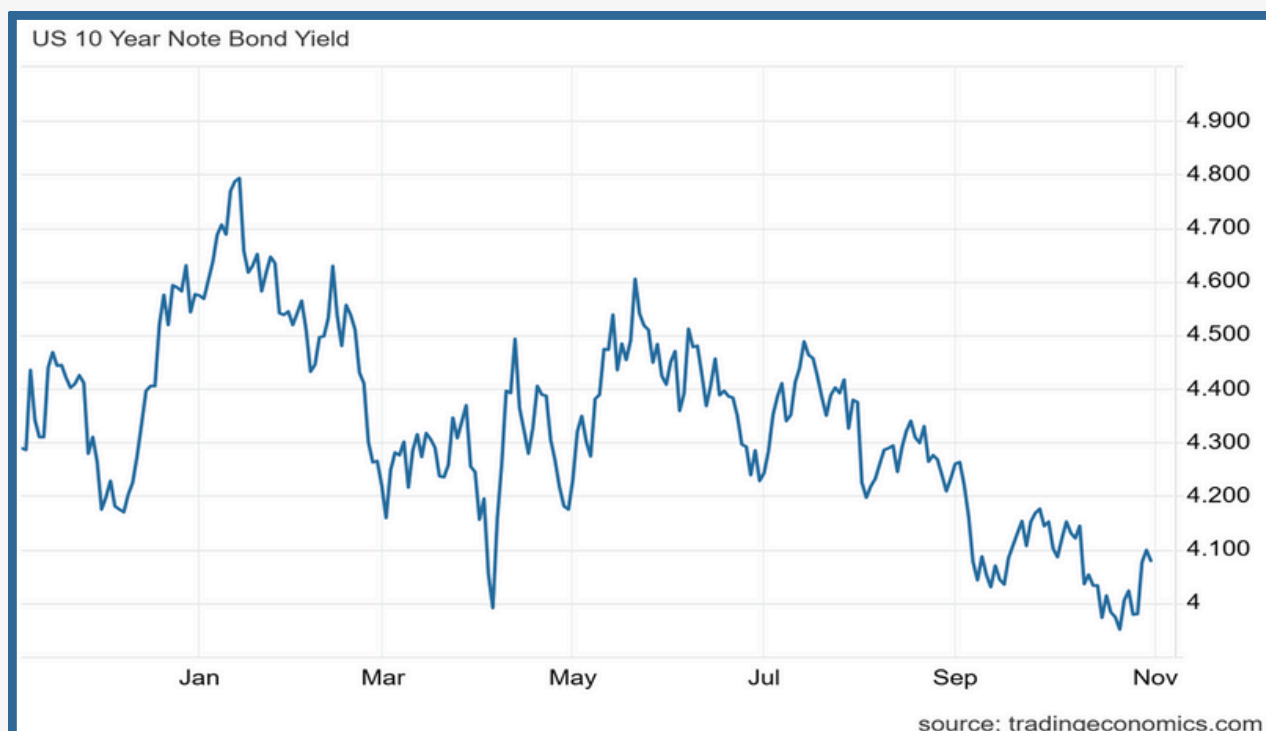
Reasonable



Steadily Growing



Hiding Worries



Dollar Rises

Commodity	Month	Year	Currency Pair	Description	Month	Year
Soybeaan	8.56%	11.93%	USDJPY	Japanese Yen	4.07%	1.25%
Aluminium	7.24%	11.04%	DXY	Dollar Index	2.15%	-4.33%
Copper	5.25%	17.69%	USDBRL	Brazilian Real	0.98%	-7.13%
Gold	3.61%	46.35%	USDSGD	Singapore Dollar	0.81%	-1.46%
Coal	3.51%	-24.11%	USDCNY	Chinese Yuan	-0.04%	-0.02%
Silver	3.13%	50.47%	USDINR	Indian Rupee	-0.11%	5.53%
Coffee	2.38%	62.01%	AUDUSD	Australian Dollar	-1.13%	-0.65%
Cotton	-0.09%	-6.68%	EURUSD	EURO	-1.70%	5.98%
Uranium	-0.84%	4.63%	GBPUSD	British Pound	-2.23%	1.91%
Brent	-0.89%	-11.40%	USDRUB	Russian Ruble	-2.54%	-17.03%
Steel	-0.90%	-6.78%	BTCUSD	BITCOIN	-8.85%	58.91%
Palm Oil	-4.21%	-13.57%				
Sugar	-10.60%	-34.61%				
Commodities			Currencies			

Trade Deal In Sight

- ▶ India is making “solid progress” in trade talks with the U.S. aimed at securing a trade deal and reducing punitive tariffs. both sides have “narrowed their differences” and that there are “no major disagreements” on trade issues. Meanwhile, Trump said India would stop buying Russian oil, though it would happen gradually.
- ▶ The Reserve Bank of India (RBI) minutes from October 2025, released on Wednesday, showed that India's interest-rate panel members have flagged room for future rate cuts as the country's inflation outlook turns more benign. The six-member Monetary Policy Committee held the key repo rate steady at 5.50% earlier this month, after cutting rates by 100 basis points in 2025.
- ▶ India's Goods and Services Tax (GST) collections grew by 4.6% year-on-year in October 2025, indicating robust economic activity and consumer spending during the festive season. Industrial production in India expanded by 4% from the previous year in September of 2025, consistent with the upwardly revised, 4.1% increase in August and firmly above the market consensus of a 2.6%.
- ▶ The Indian central government recorded a budget deficit of INR 5.73 trillion in the first half of the 2026 fiscal year. The funding gap corresponded to 37% of annual estimates in the latest budget, improving from the 40% in the previous month.
- ▶ The HSBC India Composite PMI fell to 59.9 in October 2025 from a final 61.0 in the previous month. The Services PMI fell to 58.8 in October 2025, down from a final reading of 60.9 in September while Manufacturing PMI rose to 58.4 in October 2025 from 57.7 in September.
- ▶ India's unemployment rate rose slightly to 5.2% in September 2025 from 5.1% in August, in line with market expectations, following two consecutive months of declines.

Rebound From Lows

Indian Equity Benchmark Indices

Performance chart across tenors

	1 Month	3 Months	6 Months	1 year	3 yrs (absolute)	5 Yrs (absolute)
Nifty 50	3.57	3.85	5.7	6.27	42.8	120.93
Nifty Bank	4.39	3.24	4.88	12.24	39.87	141.73
Nifty Midcap 100	4.9	4.23	10.53	6.62	90.33	250.55
Nifty Smallcap 100	3.52	2.3	11.75	-1.19	89.76	215.87

Chart: Gaurav Goel • Source: Lamoksh Investments • Created with Datawrapper

PSU Banks Shine

Indian Equity: Sectoral Indices

Performance across Tenors

	1 Mth	1 Yr	3 Yrs	5 yrs
Nift PSU Banks	9.14	21.69	136.47	549.29
Nifty Realty	8.03	-5.2	116.02	315.23
Nifty Oil & Gas	6.07	5.67	48.46	
Nifty Infra	6.02	8.42	82.74	205.66
Nifty IT	5.33	-11.62	24.31	70.73
Nifty Metal	5.14	13.78	79.98	352.81
Nifty Commodities	4.23	5.85	62.58	190.96
Nifty Pvt Bank	3.95	11.22	32.35	11.58
Nifty Consumer Durable	3.32	-1.54	42.89	
Nifty Services	3.23	5.26	34.3	111.66
Nifty Energy	3.11	-7.7	36	142.2
Nifty Fin Services	2.87	13.62	46.39	133.23
Nifty Healthcare	2.62	1.84	74.88	
Nifty India Manufacturing	2.57	7.36	81.81	
Nifty PSE	2.39	-1.1	135.31	341.05
Nifty Consumption	2.34	8.14	55.88	147.62
Nifty Pharma	2.03	-2.46	67.84	97.22
Nifty FMCG	2	-5.06	26.89	91
Nifty Auto	0.15	14.01	100.35	245.56
Nifty Media	-4.11	-23.81	-25.41	8.41

Chart: Gaurav Goel • Source: Lamoksh Investments • Created with Datawrapper

Index Valuations

Index	Fall from 52 Week Peak	EPS	Current PE	PB	Valuation Verdict
Nifty 50	-1.46%	1136.00	22.64	3.50	Slightly Expensive
Nifty Bank	-1.37%	3573.10	16.17	2.20	Undervalued
Nifty Midcap 100	-0.83%	1742.70	34.33	4.30	Expensive
Nifty Smallcap 100	-6.77%	578.00	31.80	4.00	Expensive

Index Forward Valuations

Index	1 Yr Fwd EPS	1 Yr Fwd PE	2 Yr Fwd EPS	2Yr Fwd PE	Valuation Verdict
Nifty 50	1249.6	20.6	1374.6	18.7	Reasonable
Nifty Bank	3930.4	14.7	4323.5	13.4	Undervalued
Nifty Midcap 100	1917.0	31.2	2108.7	28.4	Expensive
Nifty Smallcap 100	635.8	28.9	699.4	26.3	Expensive

USA Outpaces India

US Vs India

Benchmark Equity Indices Comparison

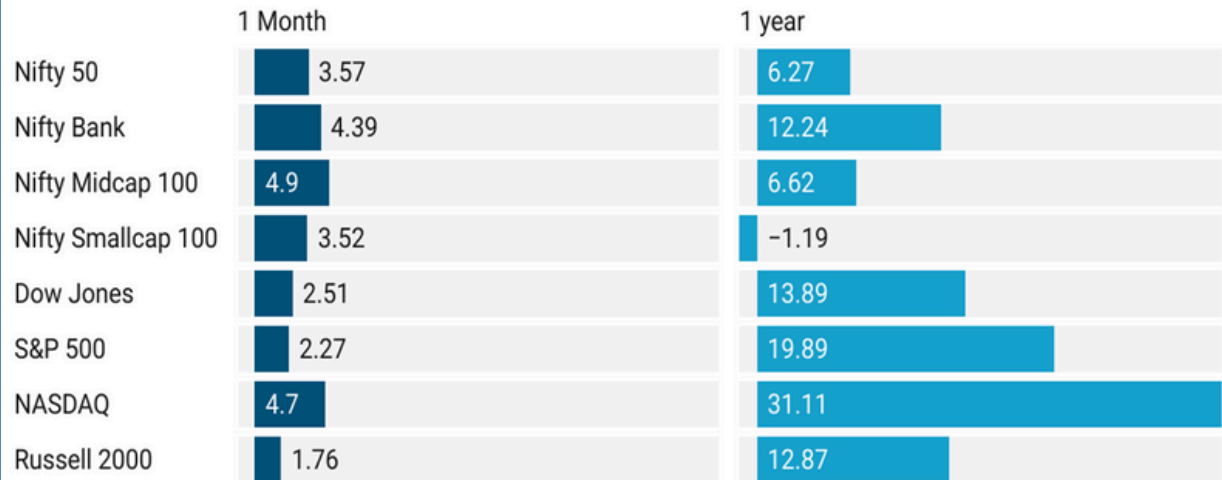
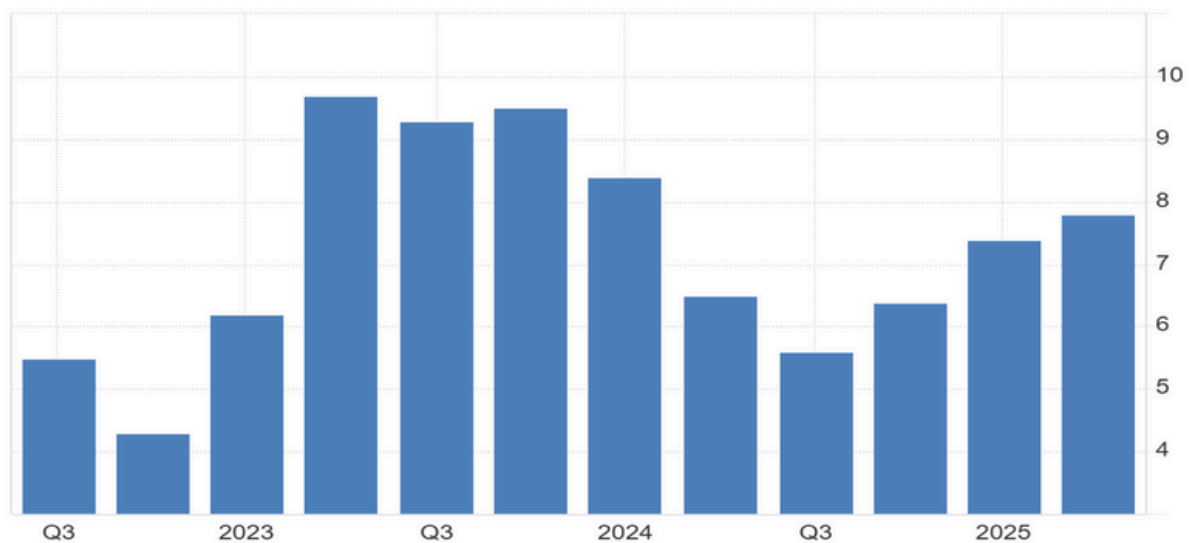


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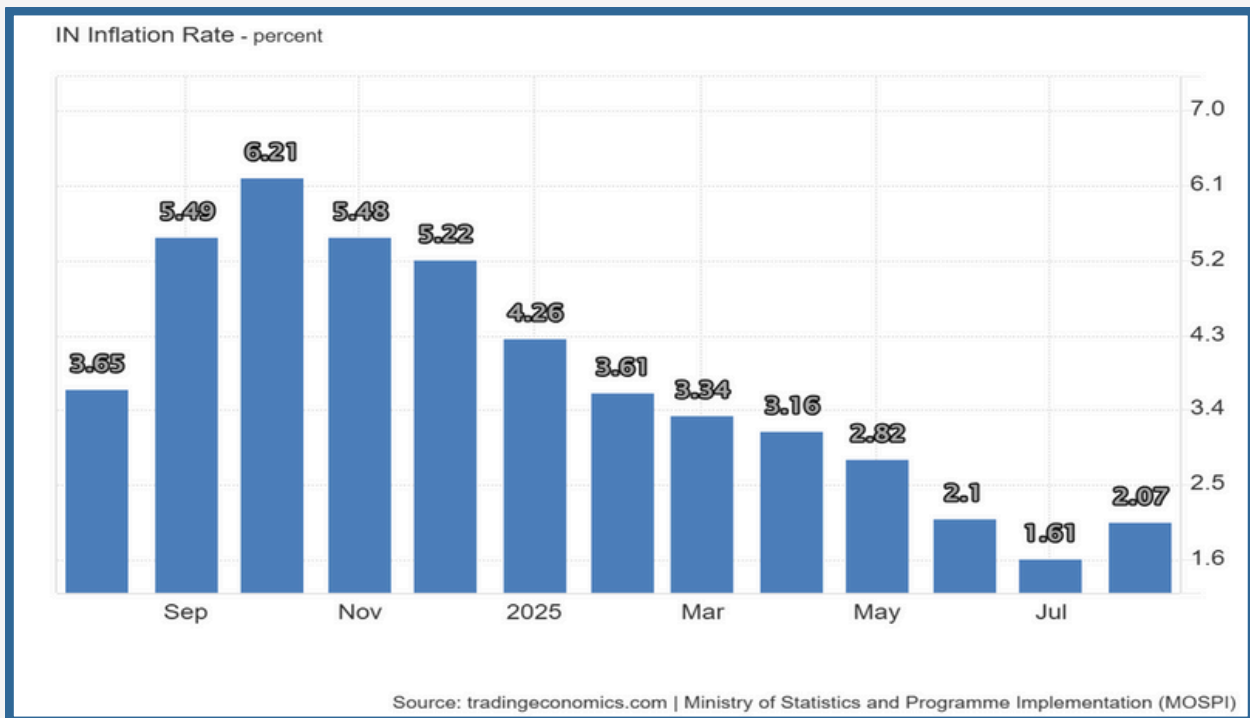
Defying Expectations

IN GDP Annual Growth Rate - percent



Source: tradingeconomics.com | Ministry of Statistics and Programme Implementation (MOSPI)

Trough



No Descend



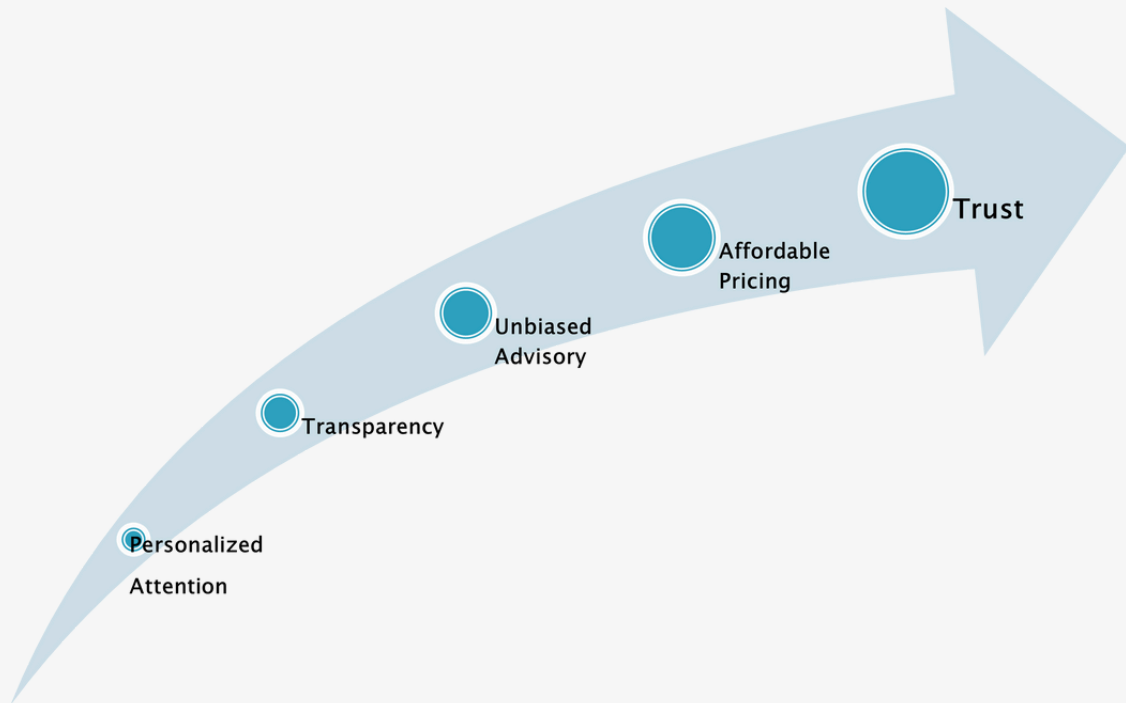
Indian Rupee-Weak

Currency Pair	Description	Exchange Rate
USDINR	US Dollar	88.79
EURINR	Euro	102.44
GBPINR	British Pound	116.96
JPYINR	Japanese Yen	0.57
CNYINR	Chinese Yuan	12.41
AUDINR	Australian Dollar	57.94
SGDINR	Singapore Dollar	68.55

Crystal Ball

- ▶ We see potential valuation risks emerging in U.S. equity markets. Most major indices are trading near record highs and at historically elevated valuation levels. Much of the recent economic momentum in the U.S. has been driven by significant investment in artificial intelligence, which in turn has fueled a surge in equity prices. While AI is expected to be a transformative force for productivity and innovation, the current market enthusiasm appears excessive, pushing equities into bubble territory. As a result, a cautious approach is warranted.
- ▶ A trade deal between India and the United States is expected to conclude soon, possibly by mid-November. Under the agreement, the U.S. would lower tariffs on Indian goods to 15%, while India would significantly curb or halt its imports of Russian oil. Imports of soybeans, oil, and corn from the U.S. are set to rise, though sensitive sectors such as dairy and agriculture will remain protected. Overall, the deal would represent a favorable outcome for India and could act as a positive trigger for Indian stock markets.
- ▶ We expect the Indian economy to perform exceptionally well over the next few years, with growth momentum set to accelerate as government and central bank initiatives begin to yield results. India is poised to emerge as one of the fastest-growing economies among its peers, supported by its large and youthful population, strong democratic institutions, and rapid digital adoption. Over the long term, these factors are likely to translate into attractive returns for Indian equity investors.
- ▶ In India, we remain bullish on sectors such as banking and financial services, travel and tourism, cement, new-age technology themes (including semiconductors, data centers, and AI-driven companies), and pharmaceuticals—particularly the CDMO space. We are also positive on consumption (both rural and urban), automobiles and auto ancillaries, capital market-linked businesses, and cement. Additionally, we maintain a constructive view on precious metals—especially during corrections—and believe the trend of de-dollarization will continue to accelerate in the coming years.

Our Commitment



Philosophies & Quotes

Someone's sitting in the shade today because someone planted a tree a long time ago.

- Warren Buffet

The big money is not in the buying & the selling....but in the waiting.

- Charlie Munger

The four most famous words in investing are: this time it's different.

- Sir John Templeton

It's only when the tide goes out that you discover who's been swimming naked.


- Warren Buffet

Yours Truly



- Around 2 decades of domestic and international experience in the financial sector.
- Worked with Barclays Wealth, IIFL Wealth and ICICI Bank Private Banking.
- Post Graduate Degree in International Business from IIFT, New Delhi.
- Certified NISM Series X-A and X-B Investment Adviser Examination.
- SEBI RIA Registration Number:INA100014426

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