



**Meta
Investment**
Your Investment and Insurance Companion

MONTHLY DIGEST

AUGUST - 2025



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Monthly Commentary

The market again turned volatile in July 2025 on global trade concerns. Amidst ongoing trade talks between India and the US, President Trump unilaterally announced 25% tariffs on India's exports to the United States. In July European Union put sanctions on refineries processing Russian crude oil including an Indo Russian refiner with plant in Gujarat. President Trump also announced further penalties will be imposed if India continues to purchase crude oil from Russia.

Nifty closed July 2025 at 24,768 while the Sensex closed at 81,186. Both the Sensex and Nifty declined by around 3% in July. The broad market (Nifty 500 which includes midcaps and small caps) also fell by about 3%. Relatively weak Q1 corporate earnings did not help in improving sentiments. Almost all industry sectors were in red in the month of July. IT, Telecom, Realty, Capital Goods and Infrastructure were amongst the worst hits. Defensive sectors like FMCG and healthcare were relatively better performers. FII flows turned negative with net sales of around Rs 17,700 crores in the month of July. Mutual funds continued to support the market with Rs 46,500 crores of net purchases.

President Trump's announcements shocked investors but the market did not see a big meltdown as some were expecting. As per some early estimates the impact of tariffs on India's GDP will be around 0.2% only. However, some sectors may see relatively higher impact due to tariffs e.g. chemicals, textiles, metals, automotive components etc.

The US market outperformed global markets. S&P 500 rose by 2.6%, while NASDAQ rallied nearly 3%. As far as other international markets are concerned, Hang Seng, Nikkei and FTSE gained, DAX was flat, while CAC declined in July. In the near term we may see FIIs reducing their allocations to emerging markets due to the impact of sanctions.

Precious metals remained firm in June with Gold prices rising 3.1%. Silver prices rallied by 7.3%, making it the best performing asset class in July. Precious metal prices are likely to rise further due to central banks' gold purchase and global trade uncertainties. Rising US Treasury bond yields are putting pressure on long duration bonds. However, cooling inflation and slowing factory output growth, as well weakening dollar can create favourable conditions for RBI for carrying out another round of rate cuts. Overall, the interest rate scenario is favourable for debt funds.

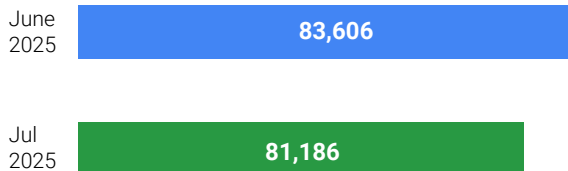
Equity markets like stability and growth. Unfortunately, due to rapidly changing geo-political dynamics there is uncertainty and instability. Investors should be prepared for volatility and should continue investing through SIPs to take advantage of volatility through Rupee Cost Averaging. Asset allocation will also be important since it can balance risk / return and provide stability to your portfolio. The next few months may be challenging. You should remain disciplined in your financial goals and not be distracted by the noise. Indian equities have faced many challenges in the last 30 – 35 years and have emerged stronger from all the challenges.

Market Round-Up

Domestic Equity Market: Market volatile due to trade concerns

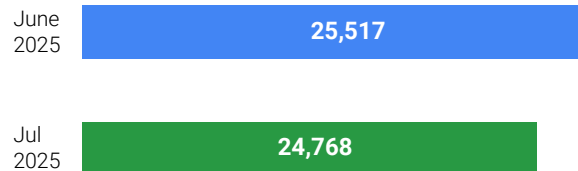
Sensex

▼ - 2.9% MOM



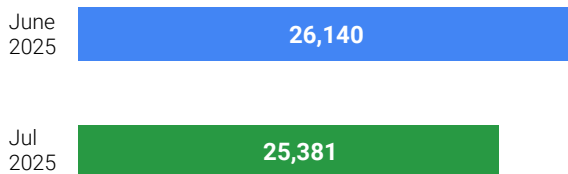
Nifty

▼ - 2.9% MOM



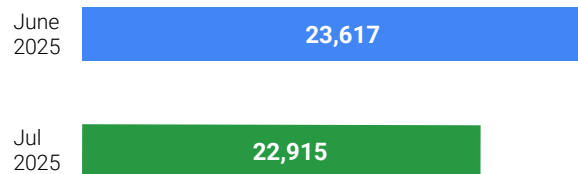
Nifty 100 (Large Cap)

▼ - 3.0% MOM



Nifty 500 (Broad Market)

▼ - 3.6% MOM

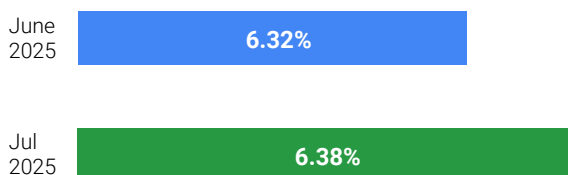


*Index values are closing prices on the last trading sessions of the respective months

Domestic Debt Market: Yields remain firm

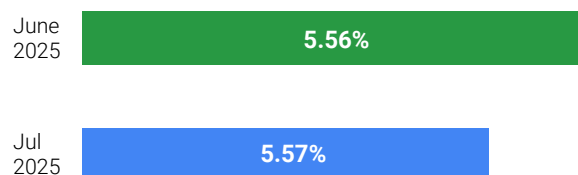
10 year G-Sec Yield* (%)

▲ 6 bps MOM



364 Day T-Bill Yield* (%)

▲ 1 bps MOM

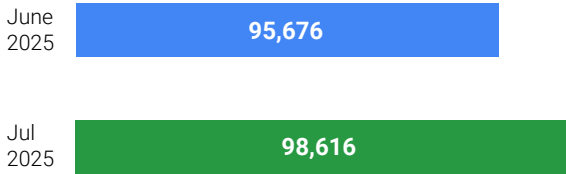


*Yields as on the last auction days of the respective months. Source: RBI

Commodities Market: Precious metals firm

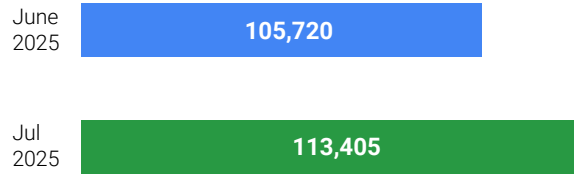
Gold (INR per 10 grams)

▲ 3.1% MOM



Silver (INR per kg)

▲ 7.3% MOM

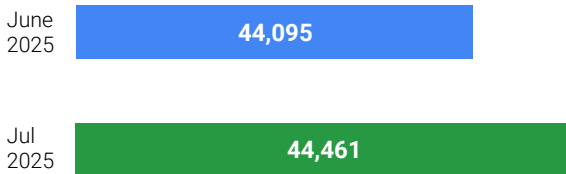


*Commodity prices are based MCX commodity closing spot prices on the last trading sessions

Global Markets: US market outperforms

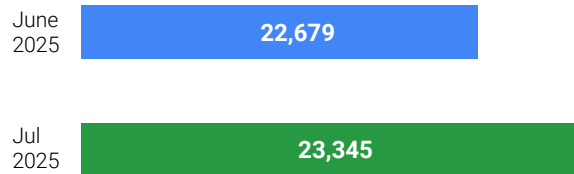
Dow Jones

▲ 0.8% MOM



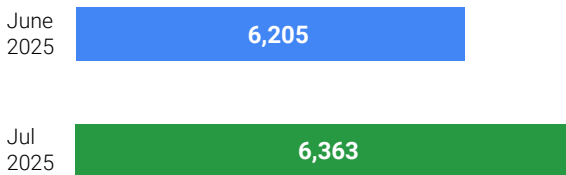
Nasdaq 100

▲ 2.9% MOM



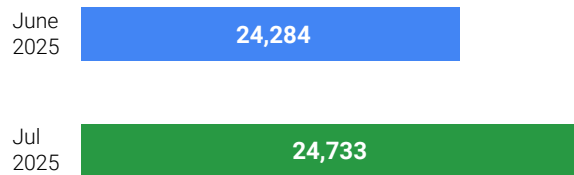
S&P 500

▲ 2.6% MOM



Hang Seng

▲ 1.9% MOM



*Index values are closing prices on the last trading sessions of the respective months

Mechanical Indicators – Signals weakness

India VIX

▼ - 1.2 bps MOM



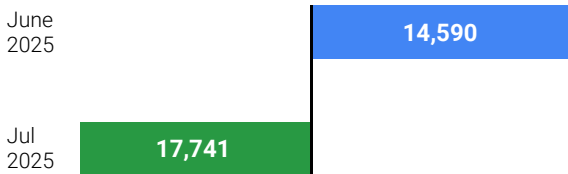
Put Call Ratio (OI)1

Bearish signal



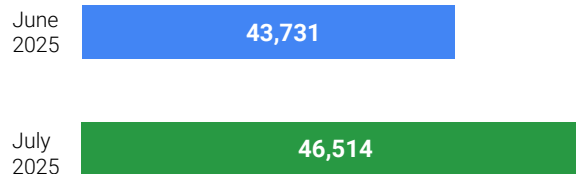
FII Net Flows (crores)

Net Sellers



MF Net Flows (crores)

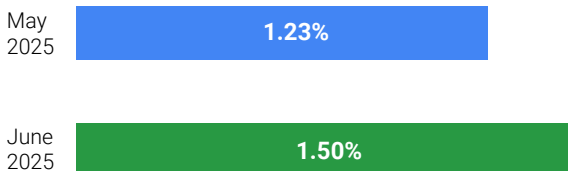
Net Buyers



1. For options contracts expiring on 28th August 2025

Economic Indicators: Inflation cools, factory output growth slows

Index of Industrial Production* ▲



Wholesale Price Index* ▼



*Based on latest Government published data.

Should you invest in Gold and Silver?

With the festive season approaching, gold will be on the shopping list of many families. While gold has great cultural significance, it is also a very important asset class. Gold and silver have been the best performing asset class both in 2024 and 2025 YTD, outperforming equity. Gold is usually counter-cyclical to equity and can provide stability to your investment portfolio.

Why is gold rising?

- Gold prices usually have inverse relationship with interest rates. When interest rate falls, gold becomes more attractive as a safe haven asset class.
- Since gold is a store of value (i.e. gold retains its purchasing power in inflationary environment), gold prices usually have a positive correlation with inflation. Though inflation is coming down, since it is higher than the central bank target gold and silver prices continue to rise.
- In times of economic slowdown, investors shift their asset allocation from equity to gold. Since the global economy is slowing down, gold may continue to outperform.
- Gold also outperform in times of economic uncertainty. There is a lot of uncertainty as far as global trade is concerned and this has resulted in gold prices rallying as investors seek safe haven asset class.
- Since 2022 central banks have been buying huge amounts of gold to build up their reserves. This has resulted in gold prices going up.

Why invest in silver?

- Both gold and silver have traditionally been considered safe have asset, even though silver tends to be more volatile than gold.
- Gold to silver ratio is a metric which measures how many grams (or ounces) of silver are needed to purchase 1 gram or ounce of gold. In the last 40 years this ratio has mostly been in the range of 70 – 80. In March 2025, this ratio was 90 and now it has come down to 86 since silver has been outperforming gold. Silver may continue to outperform till we get to the long term historical average gold to silver ratio.
- In recent times, silver's demand for industrial use has increased. Silver is used in manufacturing of solar panels, new age electronics, defence industry etc.

How to invest in gold and silver?

Investing in gold and silver as financial assets is much more cost efficient (no impurities, making charges, storage costs etc) and convenient (can be purchased or sold online, high liquidity etc). You can invest in gold and silver as financial assets through ETFs (which requires demat account) or mutual funds.

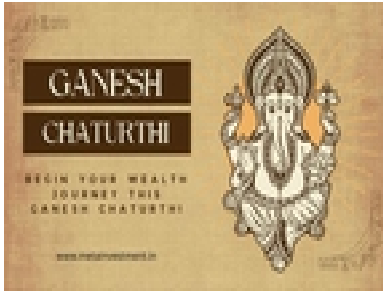
How to invest in gold and silver through mutual funds?

- **Gold Fund of Funds:** These are mutual fund schemes which invest in Gold ETFs
- **Silver Fund of Funds:** These are mutual fund schemes which invest in Silver ETFs
- **Gold and Silver Fund of Funds:** These are mutual fund schemes which invest in Gold and Silver ETFs
- **Multi Asset Allocation Funds:** These are hybrid mutual fund schemes which invest in 3 or more equities, debt, commodities (gold and silver) etc.

Mutual funds provide highly convenient and cost effective solutions in adding gold and silver in your asset allocation. You can invest in gold and silver from your regular savings through SIP or lump sum depending on your needs and start building your asset allocation in gold or silver or both.

Articles Published During Month of August

Begin Your Wealth Journey This Ganesh Chaturthi: Ganpati-Inspired Mutual Fund Lessons - Meta Investment



This Ganesh Chaturthi, invite prosperity into your life. Discover how Lord Ganesha's wisdom can guide your mutual fund investing journey for a future of financial abundance.

The air is filled with the resonant chants of Ganpati Bappa Morya! and the sweet scent of modaks. Ganesh Chaturthi is here, a time of immense joy, devotion, and new beginnings.

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ESAF SFB NCD Issue: 11.30% Coupon | Basel II Compliant Bonds - Meta Investment



Considering the ESAF Small Finance Bank NCD offering an 11.30% p.a. coupon? Our analysis covers its yield, safety, risks, and why its Basel-II compliance is a key feature for stable returns.

Are you looking for a fixed-income investment that offers a high, regular return? ESAF Small Finance Bank (SFB) has launched a public issue of Non-Convertible Debentures (NCDs) with an attractive 11.30% per annum coupon rate, paid quarterly.

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Get 5.7% return for every 1% gold rises, with 100% principal protection. Learn how the All Weather Gold structured product works, its benefits, and key risks. Limited offer.

Are you intrigued by the potential of gold but terrified by its infamous volatility? What if you could participate in its gains without worrying about losing your initial investment?

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