

## Media Release

# Kotak Securities releases Market Outlook for 2025

**Mumbai, December 10, 2024:** Kotak Securities Ltd., today released its Market Outlook report for 2025. Kotak Securities launched the report highlighting macro-economic perspective along with equity, commodities and currency outlook that investors can watch out for in the upcoming year.

Shripal Shah, MD & CEO, Kotak Securities, said, "India maintains its position as one of the world's fastest-growing major economies, making it a compelling investment destination for global investors. While we remain confident in India's long-term growth potential, we advise investors to approach the market with a degree of cautious optimism. We foresee the equity market to gain more momentum and commodities crossing its historic best in 2025. Alongside, an increase among young investors entering the stock market to build wealth early on, will also add to the overall market growth."

The Kotak Securities Market Outlook 2025 report outlines key trends and impacts for 2025.

## Equity Market: A modest lift to the broader market expected in the medium to long-term

Domestic fundamentals will remain robust but cautious optimism is warranted. Long-term investors should focus on quality assets amid rich valuations. Global economies are stabilizing as monetary policies shift toward easing, with interest rate cuts anticipated in the U.S., Europe, and Asia. On the domestic front, inflation remains elevated, particularly food price. Even as inflation remains above target, a sudden drop in GDP could increase the possibility of an interest rate cut in the February policy.

CY24 year-to-date sector leaders included Realty (+31%), Pharma (+30%), and Power (+26%). Q2FY25 results showed weak overall growth, with standout performances in Banks and Capital Goods, while IT and consumer companies underwhelmed.

## Nifty Outlook and Targets

Nifty's FY25E earnings growth is expected at 4.9%, followed by 16.3% in FY26 and 14% in FY27.

- **Base Case:** Nifty is projected to reach 26,100 by December 2025, assuming a 19x P/E on FY27 EPS of ₹1372.
- **Bull Case:** A target of 28,800 (21x P/E).
- **Bear Case:** A downside scenario of 23,300 (17x P/E).

## Commodity: Gold, Silver to shine while crude may struggle

The year 2024 was a standout for commodities, with gold reaching an all-time high of \$2,801.8 per ounce on Comex and silver rallying over 59%, driven by strong central bank demand, geopolitical tensions, and growing industrial applications in green technologies. Crude oil prices, meanwhile, exhibited volatility, starting strong on supply risks but ending under pressure due to weak Chinese demand and surging U.S. production. As we move into 2025, gold and silver are expected to retain their strength, bolstered by safe-haven demand and industrial needs, though strong dollar and Trump's economic policies could temper gains. Crude oil faces challenges from a projected global surplus, but continued tensions in the Middle East and Russia-Ukraine conflict may provide occasional support.

## Currency: Indian Rupee may depreciate gradually

In 2024, USD/INR saw relative stability, with the Rupee benefiting from proactive RBI interventions even as the U.S. Dollar strengthened globally. However, 2025 is expected to bring heightened volatility as the Trump administration's trade policies and fiscal reforms disrupt global markets, potentially driving the Dollar higher. The Federal Reserve's monetary stance will play a critical role in shaping the currency's trajectory. USD/INR could test the 86/87.00 levels. Participants should prepare for a dynamic trading environment marked by geopolitical uncertainty and evolving global economic conditions.

You can read the complete report here:

[https://www.kotaksecurities.com/uploads/K\\_Sec\\_Market\\_Outlook\\_2025\\_f42d0c98c5.pdf](https://www.kotaksecurities.com/uploads/K_Sec_Market_Outlook_2025_f42d0c98c5.pdf)

## About Kotak Securities

Kotak Securities Limited (KSL), a subsidiary of Kotak Mahindra Bank, is a full-service stock broking firm catering to retail and institutional investors across all segments of the capital market. Through a tie-up with partner brokers, the company also provides direct access to the US markets. Supported by a strong research team, robust digital trading platform, large branch network & franchisee base, and referral coordinators spread across Kona of India, KSL processes lakhs of secondary market trades every day. As of 30<sup>th</sup> September, 2024, KSL has a national footprint of 156 branches, 1,111 franchisees and satellite offices across 328 cities in India serving 51.85 lakh active client base. KSL provides a wide array of investment options in equities, derivatives (equities, commodities, currency). It also offers depository services and third-party products like insurance and mutual funds.

For further information, contact:

Biswajit Dash Kotak Mahindra Group <a href="mailto:Biswajit.dash@kotak.com">Biswajit.dash@kotak.com</a> +91 9167044405	Latika Srivastava Kotak Mahindra Group <a href="mailto:latika.srivastava@kotak.com">latika.srivastava@kotak.com</a> +91 9819344093	Anupama Jha The Good Edge <a href="mailto:anupama@thegoodedge.com">anupama@thegoodedge.com</a> +91 9903471879
---	---	--

## Disclaimer

Kotak Securities Limited: CIN: U99999MH1994PLC134051, SEBI Registration No. INZ000200137 (Member of NSE, BSE, MSE, MCX & NCDEX), AMFI-registered Mutual Fund Distributor. AMFI ARN: 0164, Date of Registration: July 07, 2002, Current validity of AMFI ARN - July 23, 2027, PMS INP000000258 and Research Analyst INH000000586. NSDL/CDSL: IN-DP-629-2021.

Compliance Officer Details: Mr. Hiren Thakkar. Call: 022 - 4285 8484, or Email: [ks.compliance@kotak.com](mailto:ks.compliance@kotak.com).

Investments in securities market are subject to market risks, read all the related documents carefully before investing.

Please read the SEBI prescribed Combined Risk Disclosure Document prior to investing. Brokerage will not exceed SEBI prescribed limit.

For compliance T&C and disclaimers, visit <https://www.kotaksecurities.com/disclaimer/>

All the offers related to MTF are subject to provisions under SEBI circular CIR/MRD/DP/54/2017 dated June 13, 2017.

