

Business News Update

25.02.2025

“Stay Optimistic; Every New Day Offers An Opportunity To Improve.”

Market Update

Nifty 50	22553.35
BSE Sensex	74454.41
Nifty 500	20468.48
Nifty MidCap 50	14022.05
BSE MidCap	40057.85

Nifty Down 1%, Sensex Falls 800 Points—Three Reasons Why Markets Are Slipping And Sliding

India's benchmarks Nifty and Sensex declined by over 1% on Monday for the ninth time this year, as incessant foreign capital outflows and weakness in global markets hit investor sentiment. If the decline continues through the session, it will mark the fifth consecutive day of losses for both indices. The NSE Nifty 50 and the BSE Sensex have fallen 13.7% and 12%, respectively, from the September 2024 peak, triggering the worst fall since 2020. Indian stocks' overall market cap has plunged nearly \$1.2 trillion since the peak last year to \$3.99 trillion, according to Bloomberg data. In February so far, the foreign portfolio investors have net offloaded equities worth Rs 23,710 crore, according to data from the National Securities Depository Ltd. This was preceded by net selling of Rs 78,027 crore in January. In 2025 so far, they have sold equities worth Rs 1.01 lakh crore, the NSDL data showed. On

Source: [NDTV Profit, February 24, 2025](#)

L&T Technology Services, Persistent Systems, other IT stocks crack 6% on fears of US economic slowdown

Information technology stocks took a tumble during the morning session on February 24 as concerns surrounding USA's stuttering economy caused a sharp sell-off. Domestic IT firms that are reliant on services exports to the USA bore the highest brunt of the losses. On Friday, data revealed that US consumer sentiment hit a 15-month low in February, while inflation expectations soared due to President Donald Trump's proposed tariffs. Further, US business activity was also declining, with a gloomy outlook seen, adding to investor worries. The long-term inflation target also ticked up to 3.5 percent, from 3.3 percent earlier. As a result, export-orient IT stocks tanked sharply. With reduced business and consumer confidence, investors are more uncertain regarding the growth outlook of the Indian IT landscape, that depends on US for a large chunk of its revenue. At 10.45 am, the Nifty IT index sank 2.5 percent, making it the top sectoral loser. All ten index constituents were trading in the deep red,

Source: [Money Control, February 24, 2025](#)

Samsung, Union Agree to 5% Wage Hike in 2025 After Tensions Ebb

Samsung Electronics Co. and its largest labor union have tentatively agreed to a 5.1% wage increase and stock awards for staff in 2025, signaling efforts by the two sides to defuse tensions that triggered the company's first-ever labor strike last year. Under an initial agreement, Samsung will for the first time give 30 shares of the company to all employees — equivalent to about \$1,200 at Monday's closing price. Other perks include allowing each employee to purchase 2 million won (\$1,400) worth of Samsung's electronics products at a discount, Samsung and the union said in a statement on Monday. It's also taking the unprecedented step of rehiring retirees with three or more children, responding to a nationwide call to reverse a plunging birth rate. The National Samsung Electronics Union, which has about 37,000 members, will vote on the preliminary agreement from Feb. 28 to

Source: [Livemint, February 24, 2025](#)

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Indian stock market lags behind its global peers in 2025. Is the worst yet to come?

Indian stock market is witnessing a sharp reversal in 2025, with a wave of selling pressure rattling investor confidence, sending stocks to trade at multi-month lows. The world's fifth-largest market, which once soared with no apparent upside limit, is now facing a stark contrast, struggling to find a floor to halt the sell-off. The markets have been reacting to every small development, with heightened volatility amplifying price swings and exerting significant pressure on indices. Stocks across the board are witnessing a severe beating in a sustained sharp sell-off, with Dalal Street favourites - mid and small-cap segments leading the decline. What started as profit booking in October 2024 has intensified into a broader market correction as frontline indices have ended the last five months (including the current month) in negative territory, with the Nifty 50 losing 13% of its value, while the Sensex has slipped 12%. Both indices are down by about 4.3% in 2025.

Source: [Livemint, February 24, 2025](#)

Euro and German stocks climb after conservatives win election

The euro and German stocks rallied on Monday as investors welcomed Germany's election result that put centrist parties on track to form a coalition, although optimism was tempered by potentially tricky negotiations over economic policy. European shares ticked higher while Wall Street futures also edged up after a sharp U.S. sell-off on Friday. Friedrich Merz was set to become Germany's next chancellor after his opposition conservatives won the national election on Sunday. Merz should be able to form a so-called grand coalition with the ruling centre-left Social Democrats, even though it slumped to third behind the far-right Alternative for Germany. "In the end (it was) a result that was close to the latest exit polls and should be a very market-friendly outcome," said Peter Schaffrik, global macro strategist at RBC Capital Markets. The euro rose to a one-month high of \$1.0528 before dipping to last trade 0.22% higher at \$1.0481. "While Merz seems determined to ease off the so-called debt brake, which limits annual borrowing to 0.35% of GDP, it won't be straightforward, because he will need a two-third

Source: [Retuers, February 24, 2025](#)

Europe's luxury sector is showing signs of revival — but China weakness and tariff threats loom

Europe's troubled luxury sector is showing signs of revival after an upbeat earnings season. But continued weakness in China — and the prospect of U.S. tariffs — could leave even the most exclusive brands vying for share of pocket. "2024 has been one of the worst years for the sector. We believe there will be a sort of normalization going through 2025, particularly in the second half," Simone Ragazzi, portfolio manager at Algebris Investments, told CNBC via video call last week. Birkin bag maker Hermes posted blowout fourth-quarter sales earlier this month, extending its outperformance at the close of a broadly upbeat earnings season, during which even embattled fashion houses LVMH and Gucci-owner Kering beat quarterly forecasts. The results added weight to earlier forecasts of a long-awaited turnaround for the sector, after Cartier-owner Richemont last month posted its "highest ever" quarterly sales in the three month to December. "The conclusion seems to be the worst is

Source: [CNBC, February 24, 2025](#)

Alibaba to invest more than \$52 billion in AI over next 3 years

Alibaba (9988.HK), opens new tab said on Monday it plans to invest at least 380 billion yuan (\$52.44 billion) in its cloud computing and artificial intelligence infrastructure over the next three years. The Chinese e-commerce giant had said it had plans to invest in the sector while announcing its results on Friday, but did not provide an exact figure at the time. The company had reported revenue of 280.15 billion yuan for the three months ended December 31, marginally ahead of analysts' estimates. Alibaba said the total investment amount exceeds the company's spending in AI and cloud computing over the past decade. The company has kicked off 2025 as a winner in China's AI race, drawing in investors with strategic business deals. Its stock has risen more than 68% this year, as of last close. Other Chinese firms have also been investing into the sector, with ByteDance, the Chinese owner of TikTok, earmarking over 150 billion yuan in capital expenditure for this year, much of which will be

Source: [Reuters, February 24, 2025](#)