



ClickToInvest

Monthly Market Insights

Your Financial Success, Our Sole Mission

Sep 2025



www.clicktoinvest.in

services@clicktoinvest.in

72890-19661



International Economy

International Economy – September 2025

Inflation eased further in U.S. markets and the Fed delivered its first rate cut of 2025, trimming the Fed Funds rate by 25 bps to support a soft-landing trajectory. The U.S. CPI for August stood at 2.9%, with core inflation showing steady moderation. Labor markets continued to cool and unemployment edging up to 4.3% boosting confidence that the Fed may execute another cut before year-end.

In the Eurozone, inflation hovered near the ECB's target at 2.1%, while growth momentum remained subdued amid contracting manufacturing output. However, improving service-sector activity and moderating energy prices offered some respite. China's recovery remained uneven through September. Industrial output grew 4.1% YoY, but weak exports and cautious domestic consumption capped momentum. Fiscal stimulus through infrastructure spending persisted but despite these measures, overall growth remains modest. Japan's economy on the other hand extended its growth streak for a sixth straight quarter, supported by solid exports and tourism recovery. GDP expanded at an annualised 2.3% rate, while inflation moderated to 2.4%, easing pressure on household budgets.

Domestic Economy

Inflation & Policy: India's retail inflation cooled sharply in September to 1.54% YoY, its lowest in over eight years, primarily driven by lower food and fuel prices. The RBI, in its October policy meeting, maintained the repo rate at 5.50% and retained a neutral stance, highlighting room for future accommodation if price stability persists.

Industrial Activity: The IIP for August recorded a healthy 3.8% YoY increase, led by robust growth in capital goods and infrastructure sectors. Manufacturing expanded 5.1%, while power generation and mining showed modest but positive upticks. PMI-Manufacturing held firm at 58.3, signalling sustained optimism and capacity utilisation improvements across industries.

Trade & GST: India's trade deficit narrowed to \$18.9 billion in September. Exports to the U.S. and Europe improved after a weak August, though tariff-linked uncertainties continue to pose short-term challenges. GST collections for September stood at ₹1.89 lakh crore, up 6.2% YoY, reflecting solid consumption trends and better compliance following the rollout of the "Next-Gen GST" reforms.

Future Market Outlook

Steady GST collections, lower borrowing costs, and strong festival-season consumption are expected to buoy corporate earnings. However, external headwind particularly global trade realignments, U.S.–China tariff risks, and volatility in oil prices may keep markets range-bound in the near term. Systematic investments (SIPs) continue to underpin equity inflows, and investors are advised to maintain asset allocation discipline.

Stock Market Update

As of September 2025, the Indian stock markets concluded the month marginally high:

- o BSE Sensex closed September around **80,267.62** up by **0.57%** for the month.
- o NSE Nifty 50 finished the month near **24,611.10**, marking a gain of **0.75%** in September.

Foreign Portfolio Investors (FPIs) turned net buyers in September with net equity inflows of ~₹52,00 crore in September.

Domestic mutual fund inflows Domestic Mutual Funds continued their strong run, with net inflows of ₹30,422 crore during the month. SIP inflows reached a new record of ₹29,361 crore, underscoring robust retail participation. The total mutual fund industry AUM stood at ₹75.61 lakh crore in September, an increase from ₹75.18 lakh crore in August 2025.

Flavour of the Season:

September saw some stability. With global rate cuts back on the table and domestic inflation on the downside, market tone turned constructive. The rally was broad-based, led by banks, FMCG, and infrastructure names, while mid-caps saw selective profit-taking. Defensive sectors regained favour as investors positioned ahead of the festive quarter. Global risk appetite improved following the U.S. rate cut, leading to renewed foreign inflows into Asian equities, including India.

Precious Metals Update (as of Sep, 2025)

Precious metals saw inflows into ETFs as investors hedged against trade-policy risk

METAL	PRICE (₹)	1 MONTH CHANGE
GOLD 24K (10 Gm)	1,18,695	11.45%
Silver (1 Kg)	1,51,000	20.10%

Top 5 PMS Picks (Sep, 2025)

Based on recent performance and strategic focus, here are the top Portfolio Management Services (PMS) from our empanelled list based on 1 month returns:

PORTFOLIO	CATEGORY	1 MONTH
CARNELIAN ASSET MANAGEMENT - Shift Strategy	Multi Cap	1.03%
ABAKKUS ASSET MANAGERS - All Cap Approach	Multi Cap	1.01%
ABAKKUS ASSET MANAGERS - Emerging Opportunities	Small & Mid Cap	0.04%
VALUEQUEST INVESTMENT ADVISORS - Growth	Multi Cap	-0.64%
RENAISSANCE IM PVT LTD - IndiaNext Portfolio	Flexi Cap	-0.65%

**Source: PMS BAZAAR*

September 2025 offered a breather to global markets after August’s tariff-led turbulence. Disinflation, policy support, and strong domestic fundamentals positioned India as one of the most resilient economies globally. As markets enter the festive quarter, steady consumption, low inflation, and policy stability are expected to sustain investor confidence.

Key Highlights

H-1B Visa Fee Hike to \$100,000 and its impact on Indian IT

The US imposed a steep \$100,000 fee on new H-1B visa applications, effective 21 September 2025 representing a 9000% increase from the previous \$1,000–\$5,000 range. For Indian tech professionals who accounted for 71% of H-1B visa recipients in 2024, this could impact costs, job mobility, and earnings. For Indian IT firms, where the median H-1B salary ranges between \$80,000 and \$120,000, the new fee equals or exceeds annual compensation, making the visa economically unviable. This fee does not apply to renewals or petitions submitted before that date.

Historically dominated by Indian IT giants such as Tata Consultancy Services (TCS), Infosys, and Cognizant, the H-1B visa landscape is now increasingly led by US tech firms, raising the stakes for offshore outsourcing models and India–US talent flows.

The fee hike is prompting a strategic pivot toward local hiring. Indian IT firms have already reduced H-1B dependency, with less than 50% of their US workforce currently on H-1B visas. Many companies are accelerating local recruitment to mitigate cost shocks, especially for roles with median salaries below the new visa fee threshold. This shift is expected to increase US-based hiring by 12–18% in FY26–FY27, particularly in Tier 2 cities where wage inflation is lower. Firms are also exploring partnerships with US staffing agencies to absorb short-term demand without visa overheads.

The offshore-onshore delivery mix is undergoing recalibration. Historically, Indian IT firms maintained a 70:30 offshore-to-onsite ratio. Post-fee hike, analysts expect this to shift to 85:15 by FY27. Nearshoring to Canada and Mexico is gaining traction. These locations offer visa-free access and cost arbitrage of 20–30% compared to US onshore centres. The reconfiguration can also drive investment in cloud-based remote delivery.

The announcement triggered immediate market volatility. On 22 September 2025, [TCS](#), Infosys, and Wipro stocks fell by 2% intraday. Mid-cap IT stocks, such as LTIMindtree and Mphasis, saw sharper declines of up to 6% due to higher exposure to the US market.

The \$100,000 H-1B visa fee marks a significant turning point in the US immigration policy, especially for Indian tech firms, professionals, and global delivery models. In the near term, expect cost shocks, market volatility, and aggressive thinking about hiring, contracts, and staffing models. Over the medium term, we may see more onshoring, nearshoring, and a shift toward delivering work from India or other locations rather than moving people.

For Indian tech stakeholders, this means rethinking their strategies: being more selective about US hiring, investing in remote delivery capacity, focusing on higher-value, harder-to-automate skills, and closely monitoring legal and policy developments.