



Monthly Snapshot

January 2026

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Why Washington Pulled the Plug?

On January 22, 2026, the United States formally withdrew from the World Health Organization (WHO), ending an eight-decade relationship. The move, triggered by a 2025 executive order, reverberated through the global public health system, marking a dramatic shift. The U.S. outlined three primary grievances: dissatisfaction with the WHO's handling of COVID-19, governance and reform issues, and concerns about the organization's funding structure. A key factor was the U.S.'s \$260 million in unpaid dues, which highlighted a deteriorating financial and political relationship. Prior to its exit, the U.S. was the WHO's largest contributor, funding critical health programs such as polio eradication, tuberculosis control, and pandemic preparedness. This withdrawal signals a major blow to the WHO's finances, with the loss of 12–15% of its budget, leaving questions about the future of global health cooperation and funding. The exit marks a turning point in U.S. foreign health policy, likely reshaping the dynamics of international public health initiatives.



The Hole

The US exit has left WHO financially weak

Figures are top donors to the WHO in 2022-23 (\$ million)

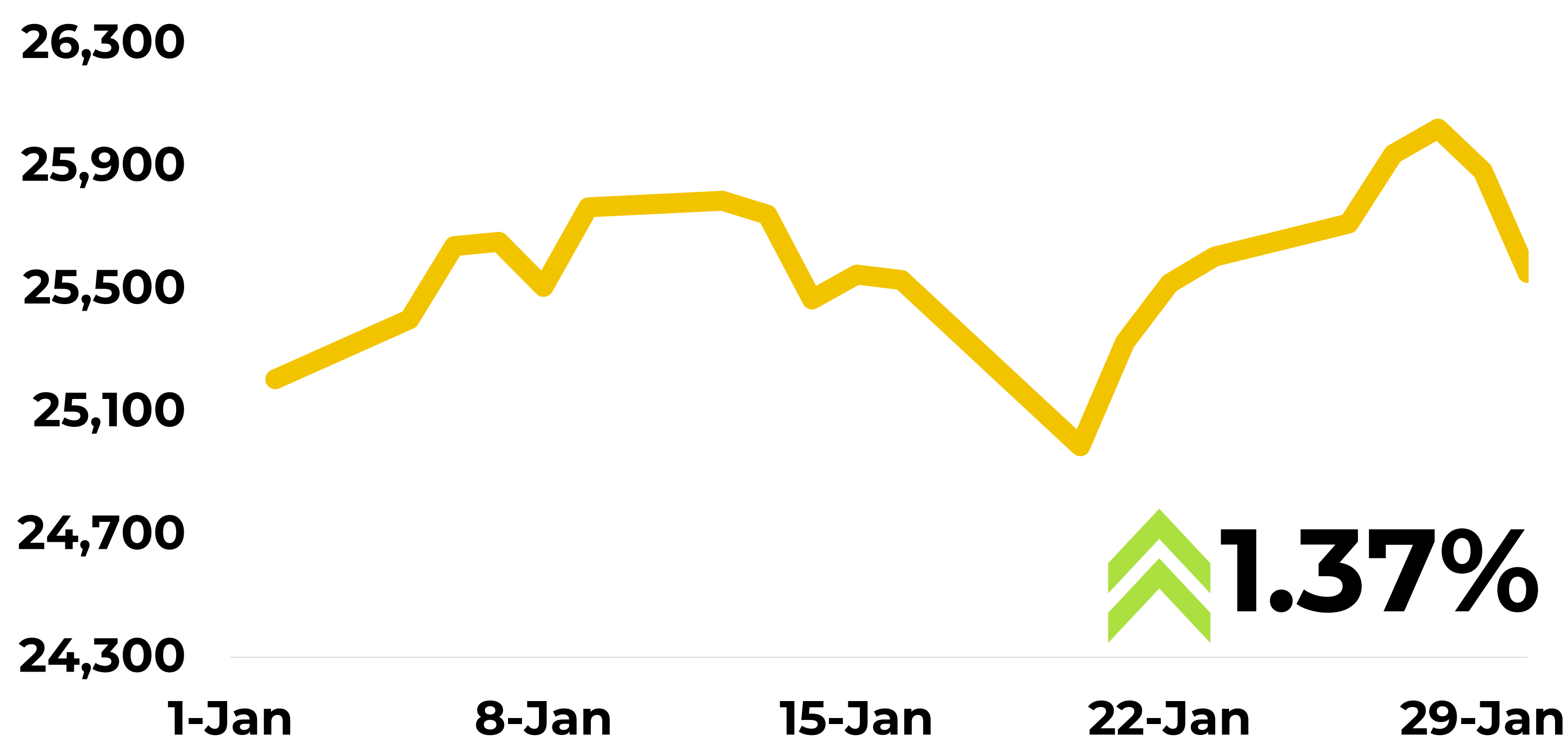
United States of America	1,284
Germany	856
Bill & Melinda Gates Foundation	830
GAVI (The Vaccine Alliance)	481
European Commission	468
United Kingdom	396
Canada	204
Rotary International	177
Japan	167
France	161

A Weaker WHO, A Riskier World?

The immediate impact of the U.S. withdrawal from the WHO is financial strain. The organization now faces a significant budget gap, prompting cuts in critical areas such as staffing, disease surveillance, and country-level health programs, especially in low-income regions. Unlike private entities, the WHO cannot easily replace lost funding without compromising its independence or shifting its priorities to suit donors. The longer-term risk is systemic. The absence of U.S. leadership weakens global coordination on crucial health initiatives, including disease surveillance, vaccine strain selection, and early-warning systems for pandemics. Strategically, this shift also opens the door for other nations to influence global health priorities, potentially reshaping health agendas. The U.S.'s exit diminishes its ability to influence global health outcomes while heightening collective vulnerability, an expensive trade-off in a world that is becoming ever more interconnected. This move threatens not only the financial stability of the WHO but also the effectiveness of global health initiatives, which are essential in the fight against future health crises.

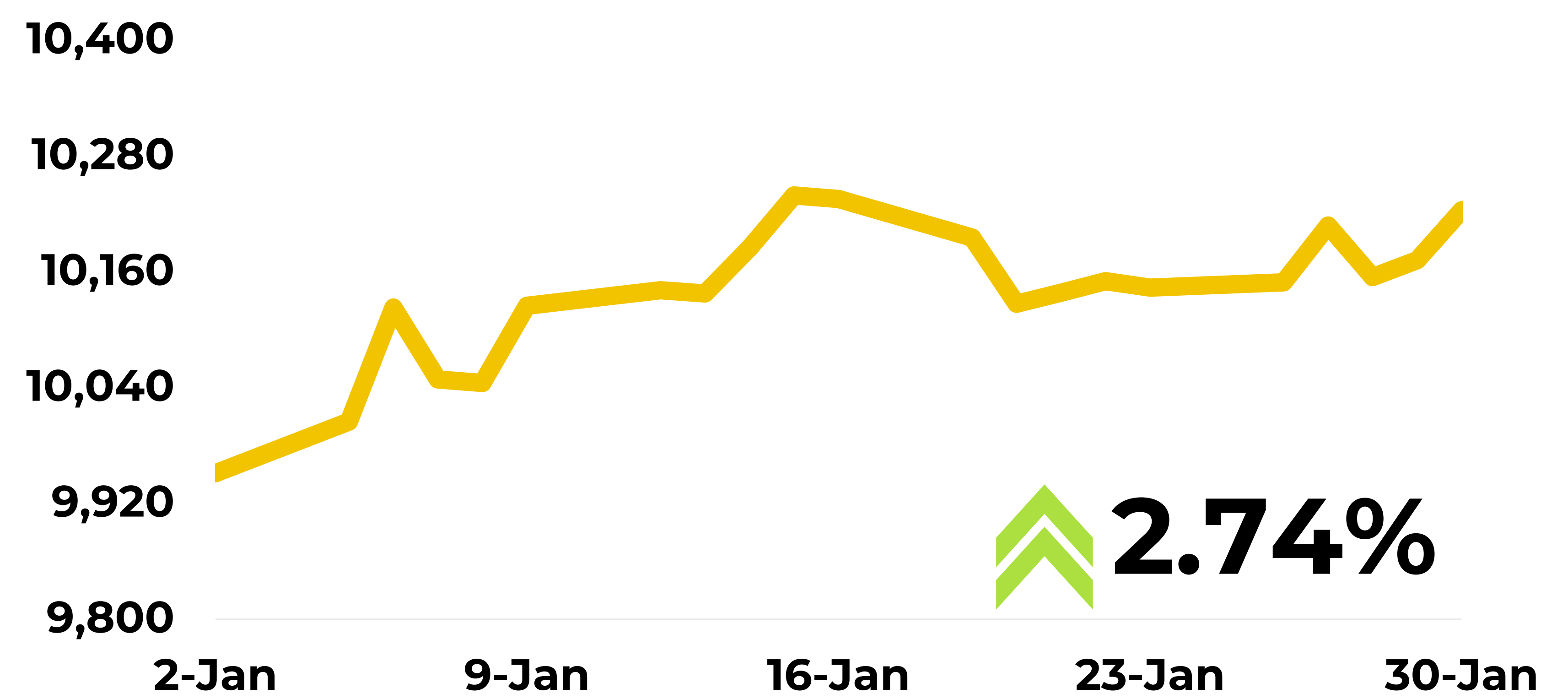
GLOBAL INDICES

Nasdaq 100 (in USD)



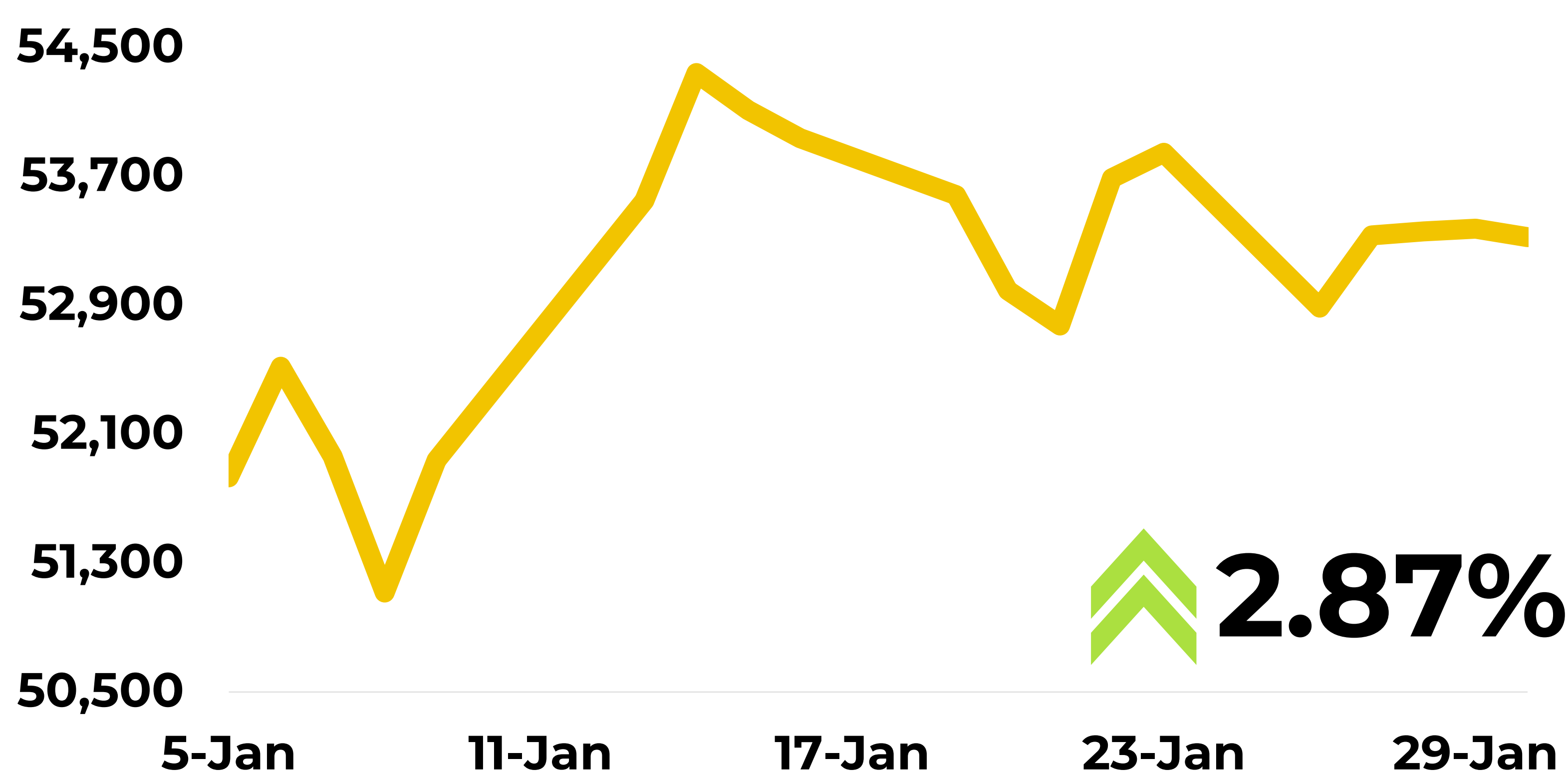
January 2026 tested the Nasdaq 100 as it faced a volatile mix of record highs and fundamental reassessments. The tech sector, led by the Magnificent Seven, was hit by Microsoft's cautious cloud growth outlook, triggering a tech sell-off. Despite hawkish Fed commentary on inflation and renewed trade tensions over tariffs, Meta and semiconductor stocks like Micron and AMD provided stability. The index ended the month buoyed by selective resilience, though investors adjusted expectations for the AI supercycle.

FTSE100 Index (in GBP)



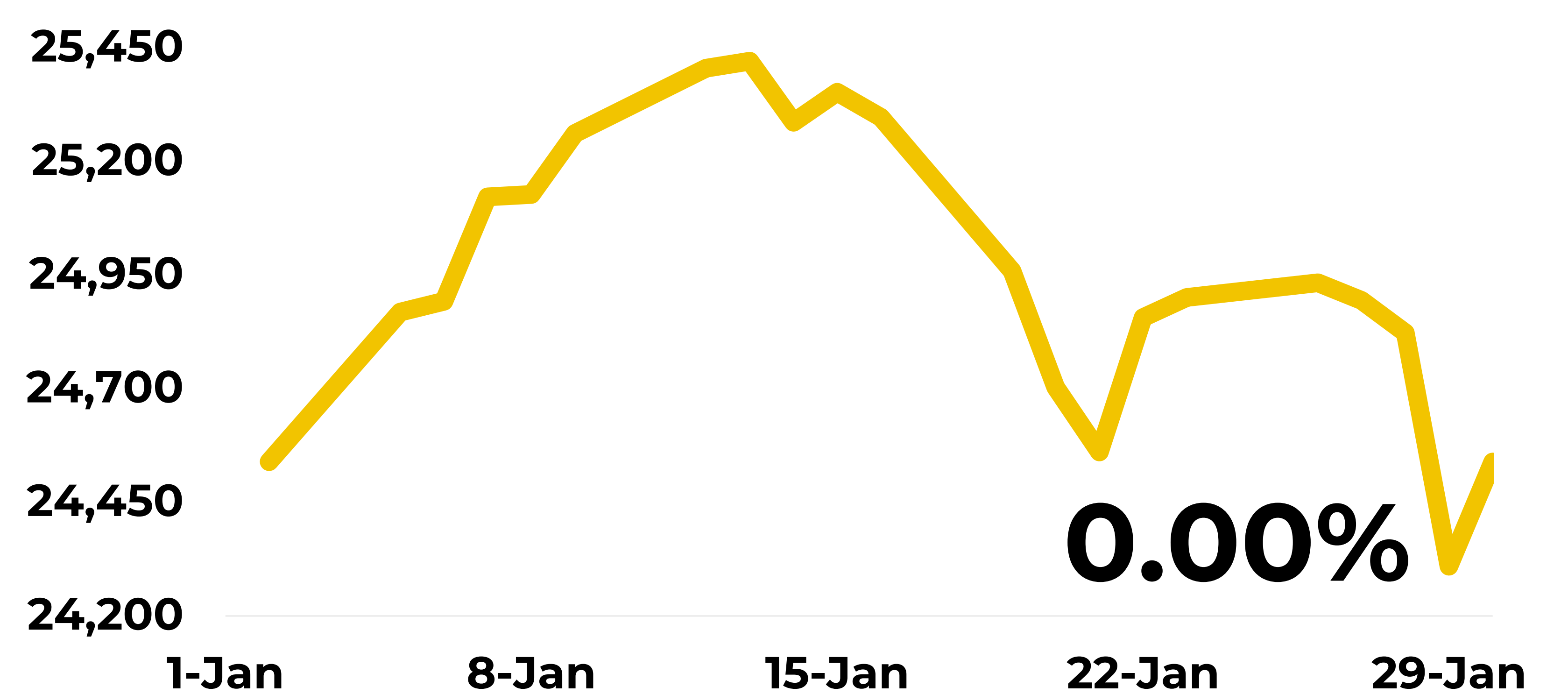
In January 2026, the FTSE 100 surpassed the 10,000-point mark, reaching an intra-day high of 10,250 before closing at 10,223.54. A shift in sector focus saw investors move from overvalued US tech to the UK's banking and defense sectors, with Lloyds Banking Group rising 3.3%. UK GDP grew 0.3%, and retail sales rose 0.4%. However, late-month declines in precious metals and a stronger US dollar pressured mining stocks.

Nikkei225 (in JPY)



In January 2026, the Nikkei 225 surged, driven by the "Takaichi Trade" after Prime Minister Sanae Takaichi's snap election call. Investors anticipated fiscal stimulus, while a weakening yen near 159 boosted exporters like Toyota. Semiconductor stocks, fueled by the AI Supercycle, saw strong gains, led by Advantest. However, 10-year JGB yields spiked to 2.16%, raising concerns over fiscal sustainability. Fears of currency intervention and technical overbought conditions led to mid-month consolidation.

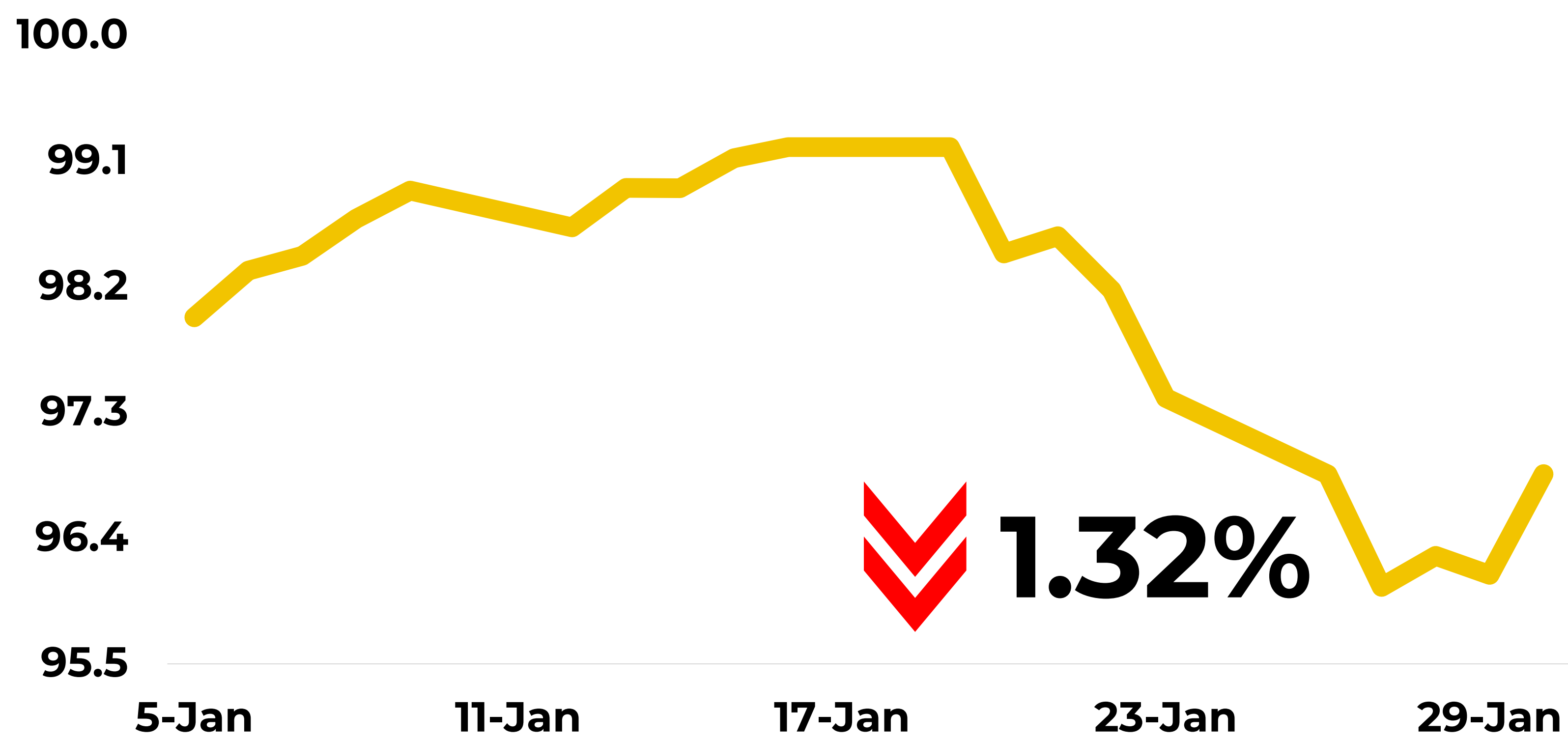
DAX Performance Index (in EUR)



In January 2026, the DAX surged to an all-time high of \$25,507.79, driven by global risk appetite and AI optimism. Early in the month, the index broke the \$25,000 mark, shifting to a "re-rating" phase, bolstered by easing monetary conditions. Late-month volatility was triggered by a 15% drop in SAP due to weaker-than-expected cloud sales. However, Adidas offset this with a 6% gain after strong 2025 revenues and a €1 billion buyback. Deutsche Bank faced regulatory pressure, while the automotive sector continued to struggle.

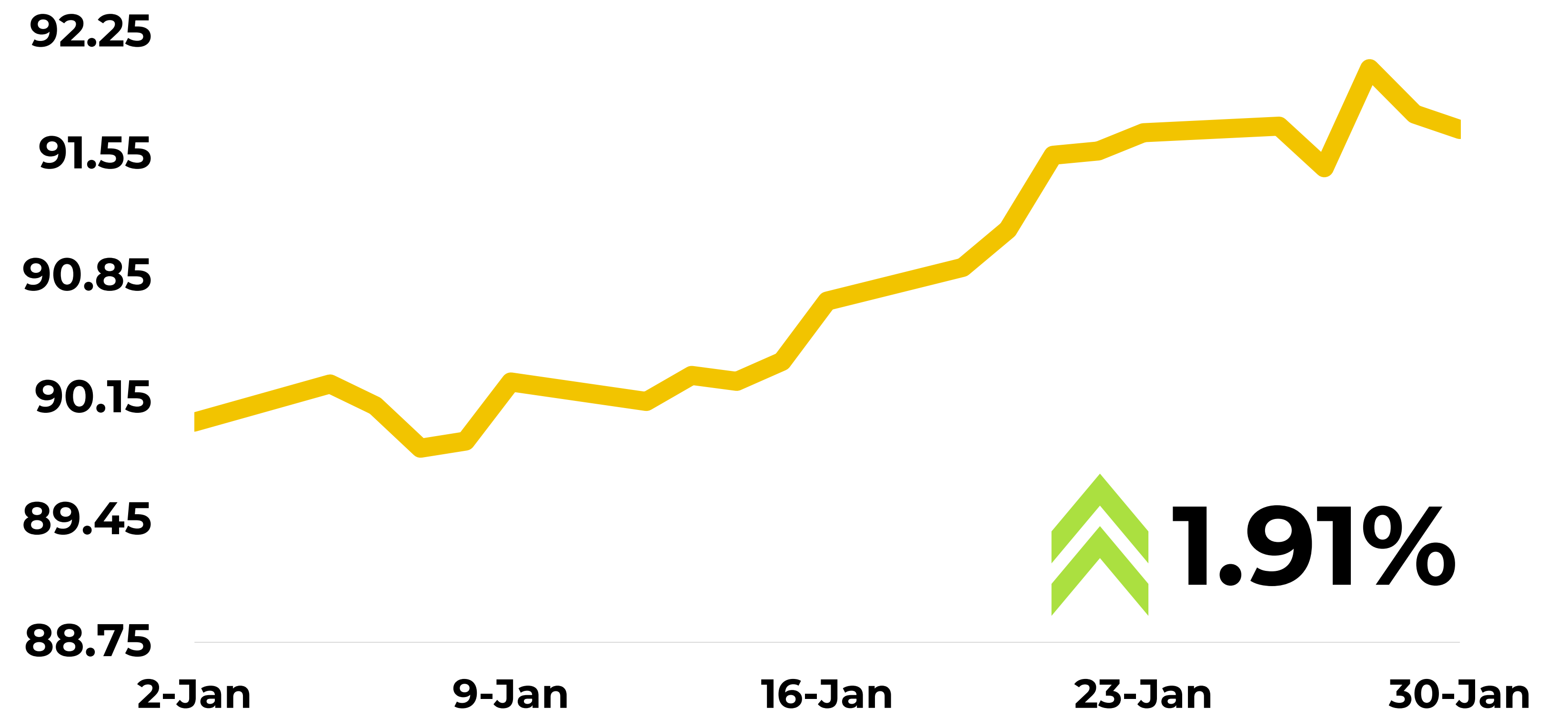
CURRENCY

US Dollar Index (USD)



In January 2026, the DXY declined 2.5% to 97, yet the USD/INR rose to record lows, highlighting a paradox. Despite the DXY's drop, USD/INR surged from ~90 to 91.9. This was driven by \$3 billion in equity outflows from India, leaving the rupee vulnerable amid broader emerging market inflows. While US political uncertainty reduced dollar appeal, investors favored other Asian currencies over the rupee, citing India-specific issues like tariffs and trade tensions. The RBI's tolerance for depreciation, coupled with trade-weighted factors, further amplified the rupee's weakness.

USD/INR Currency Pair

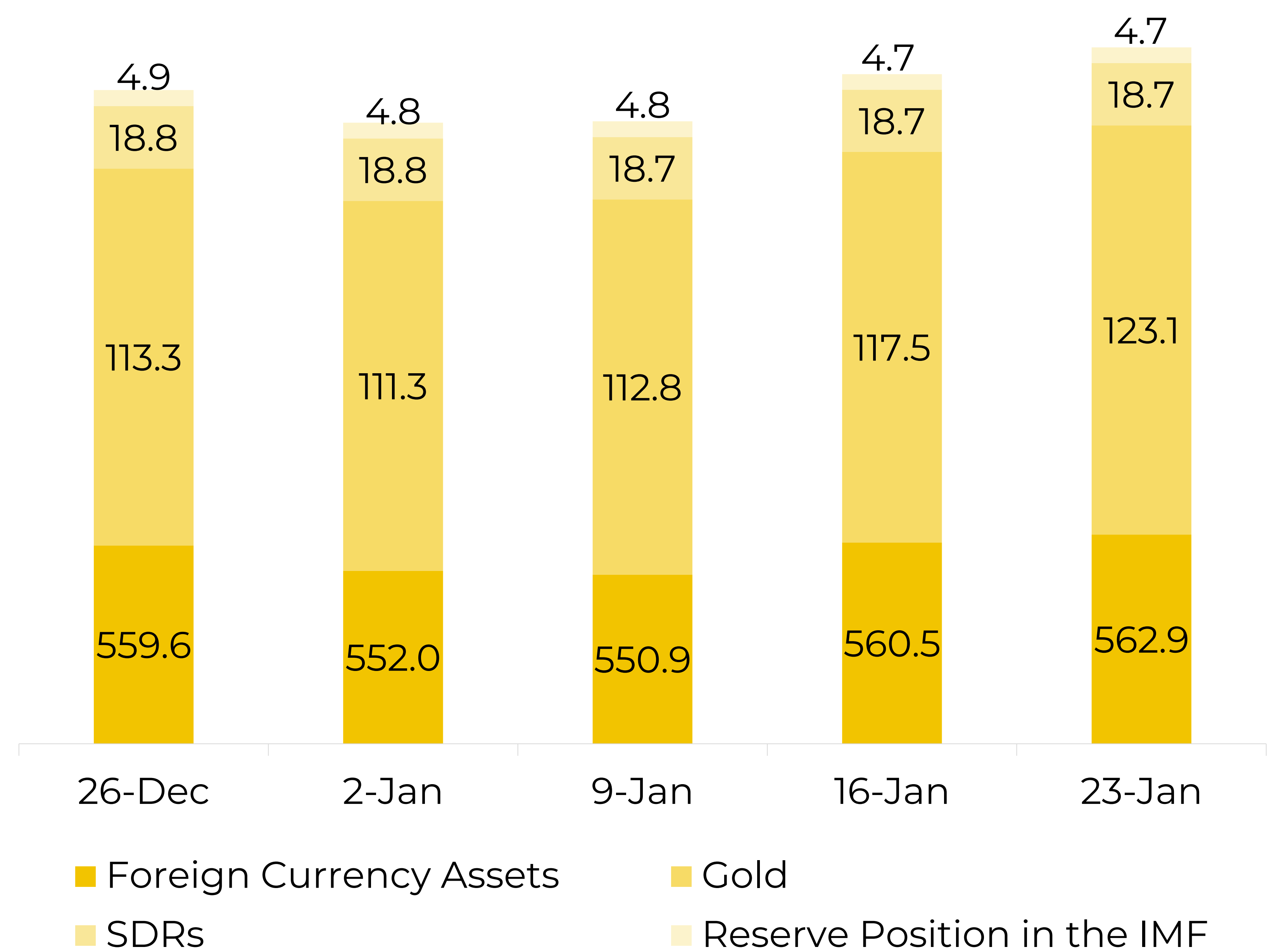


In January 2026, USD/INR surged to record lows as capital flight and foreign investor selling dominated, with \$3 billion pulled from Indian equities. The impact of US tariffs and trade uncertainty exacerbated outflows, while dollar strength and Fed hawkishness reinforced the rupee's decline. Oil price hikes and Middle East tensions widened India's trade deficit, further pressuring the currency. Despite RBI intervention, which provided only temporary relief, the EU-India trade deal offered minimal sentiment support amidst ongoing structural challenges.

India's Forex Reserve

India's forex reserves rose by \$392 million in the week ending January 9, reaching \$687.2 billion. This increase was driven by a \$1.6 billion surge in gold reserves, which offset a \$1.1 billion drop in foreign currency assets (FCA). The country's FCA stood at \$550.8 billion, impacted by valuation shifts in the euro, pound, and yen. On January 16, reserves rose sharply by \$14.17 billion to \$701.36 billion, driven by gains in both gold and FCA. By January 23, reserves hit a record \$709.41 billion, supported by forex swaps and gold value appreciation. Despite the RBI's dollar sales to protect the rupee, reserves continued to grow due to non-USD asset appreciation, reinforcing the RBI's strategy of prioritizing reserve buffers over direct currency defense.

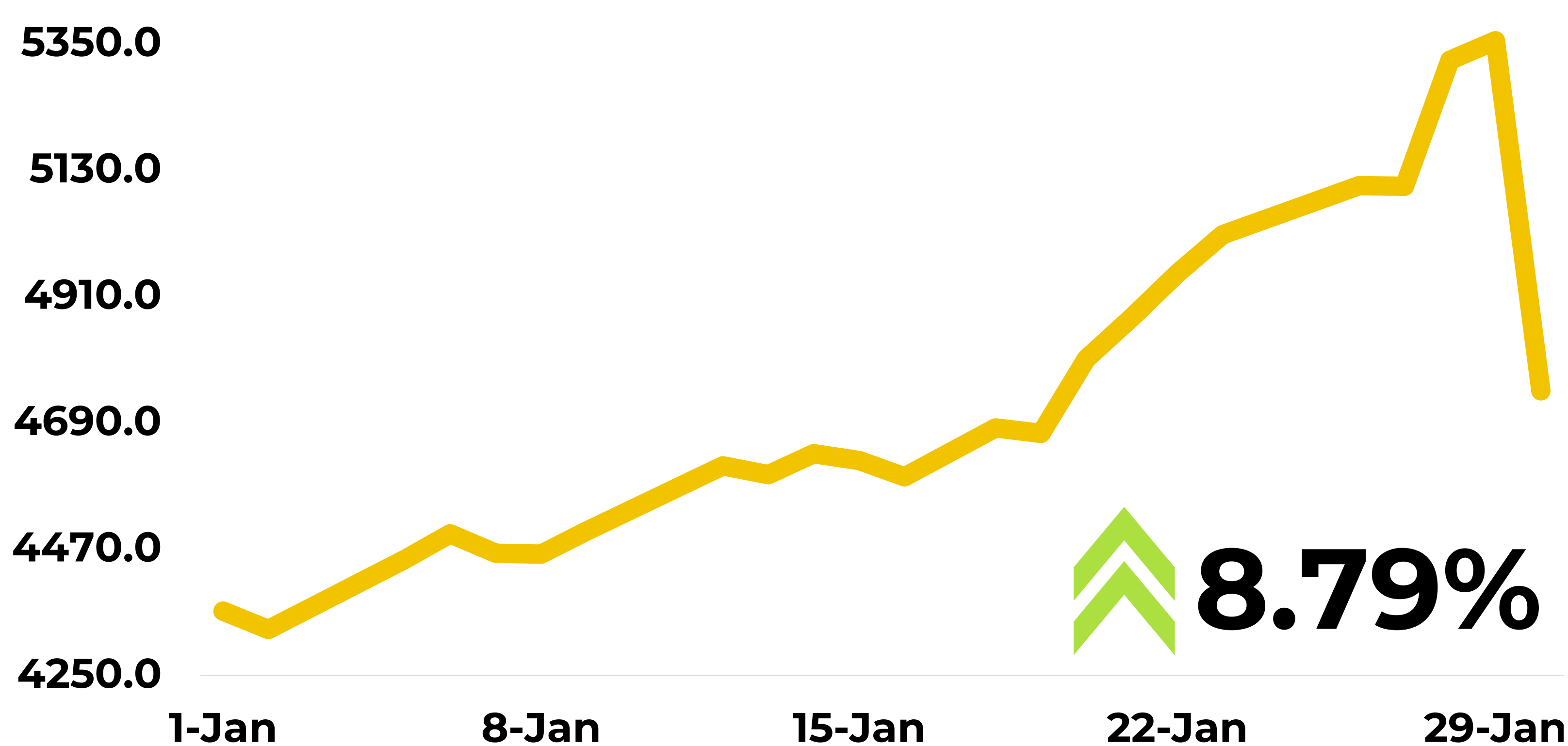
FOREX Reserve (USD Bn)



Source: Investing.com

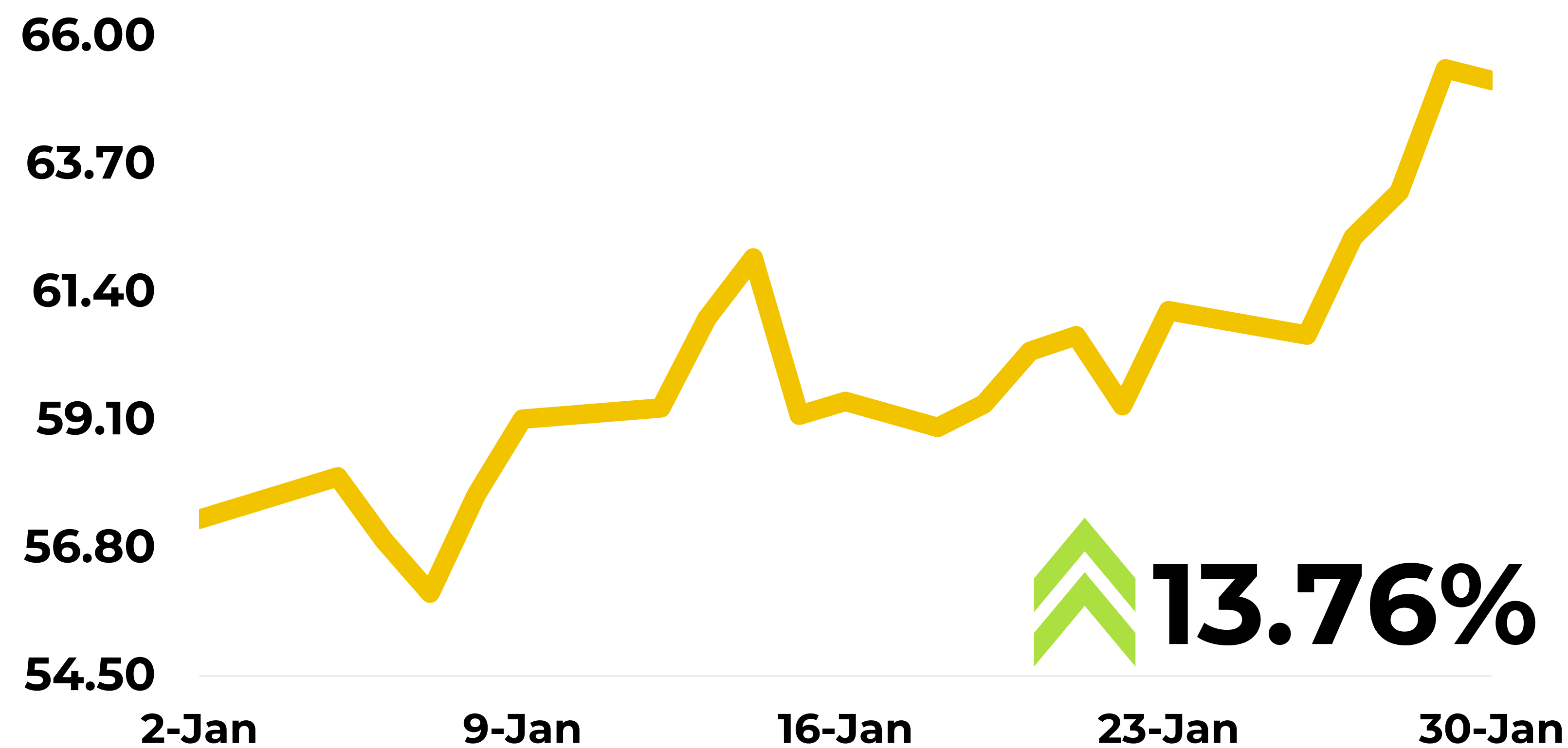
COMMODITIES

Gold Futures Price (in \$)



In January 2026, gold dominated global markets, reaching an all-time high of \$5,626 per ounce, driven by escalating geopolitical risk from the US-Greenland dispute and trade tensions. The surge was further fueled by the de-dollarization trend and Fed policy uncertainty after Kevin Warsh's nomination, which weakened the Dollar Index to a four-year low. Central banks, particularly from BRICS+, continued their accumulation, exacerbating supply constraints. However, a sharp month-end correction occurred, with profit-taking and a stronger US dollar pushing gold back to \$4,900, showing the volatility of even the strongest rallies.

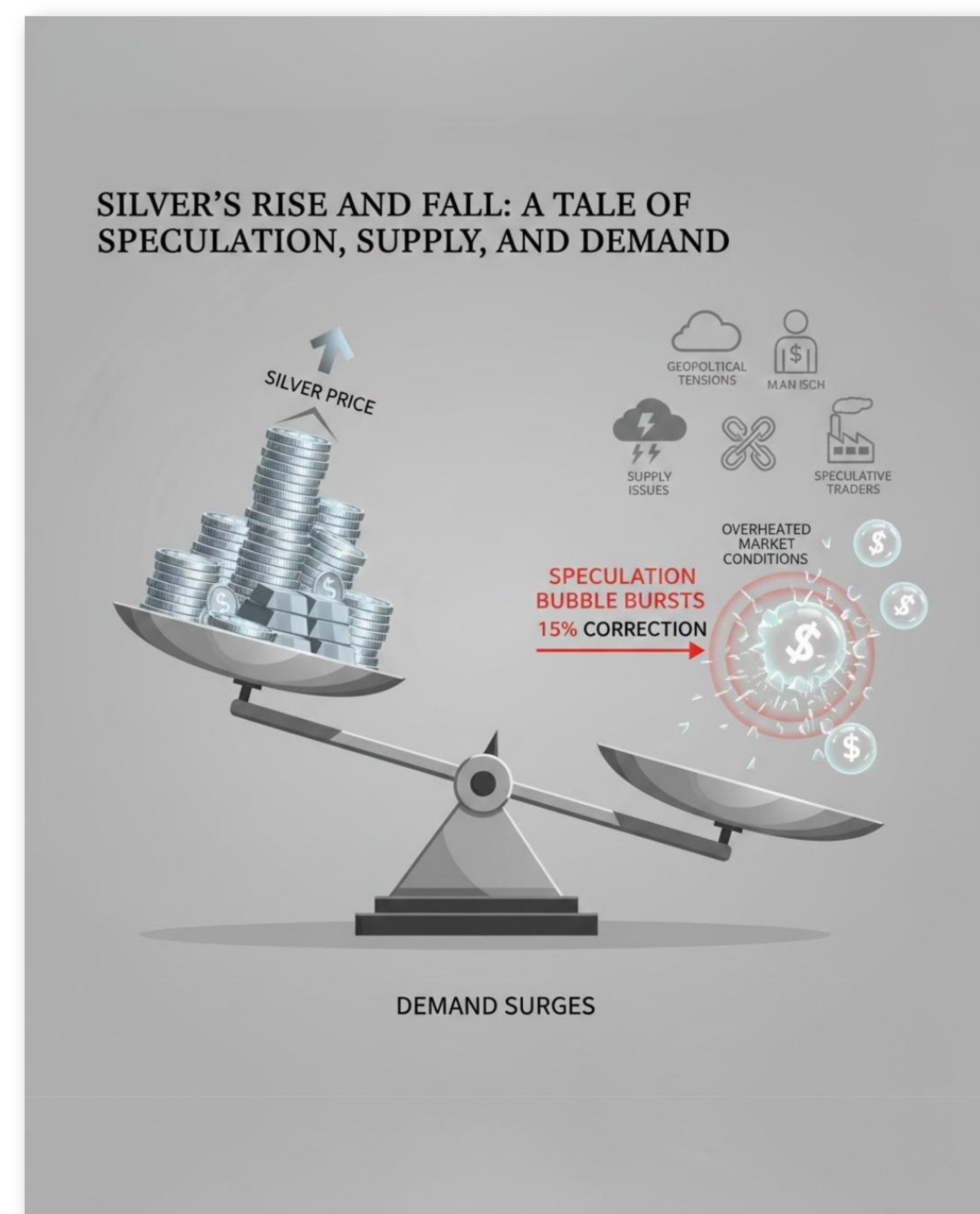
Crude Oil Futures Price (in \$)



January 2026 saw Crude Oil defy bearish forecasts, fueled by geopolitical tensions and supply shocks. Brent Crude surged to a four-month high, briefly crossing \$70 per barrel, while WTI gained 16%, its strongest monthly performance in nearly four years. The rally was driven by US naval deployment near the Persian Gulf and escalating tensions with Iran, adding a \$7-\$10 risk premium. Simultaneously, Winter Storm Fern disrupted US production, removing nearly 2 million barrels per day. Prices corrected late in the month after President Trump's diplomatic shift on Iran, retreating to \$65.21.

The Surge in Silver

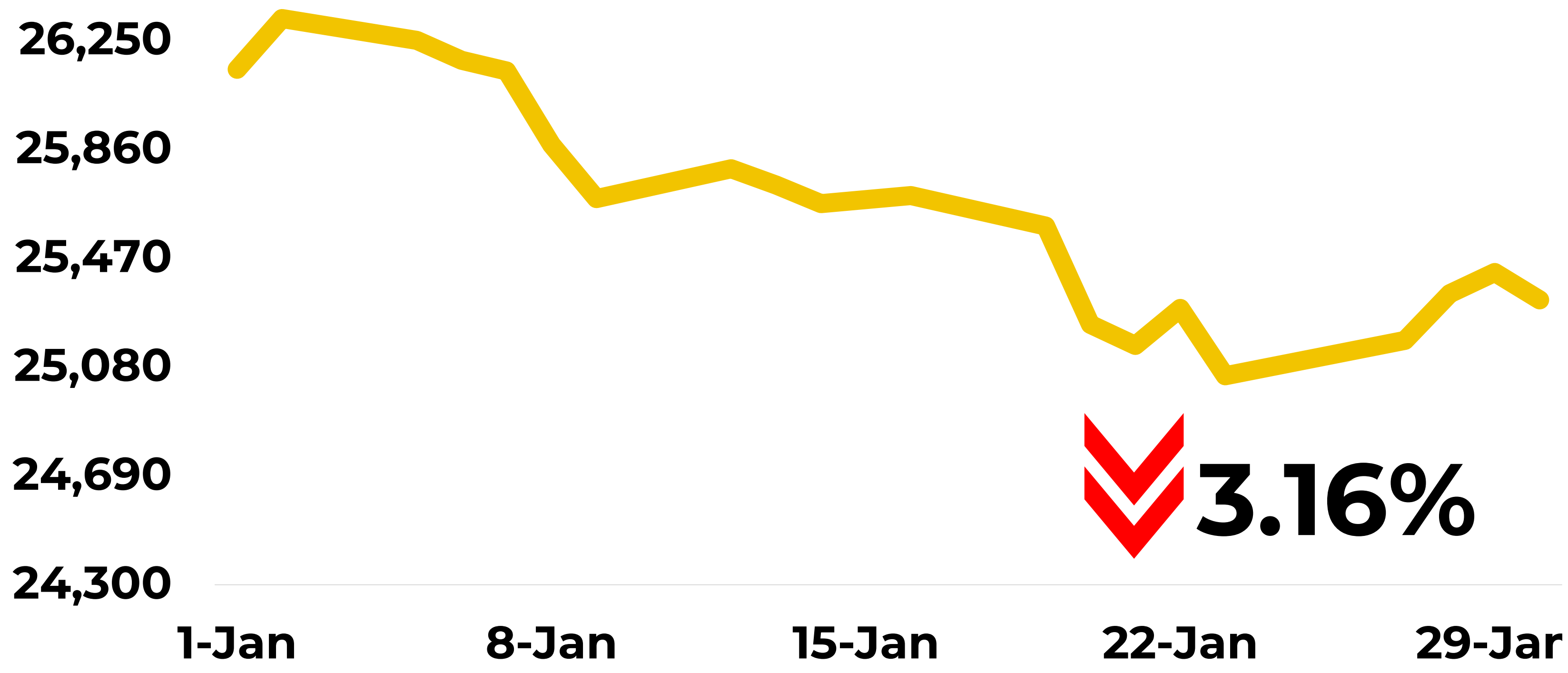
January 2026 was a historic month for silver, with the "white metal" soaring 65% in just 26 days, vastly outperforming gold. The primary driver was a collision between skyrocketing industrial demand and a chronic supply deficit, particularly as silver became crucial for AI infrastructure, used in data center cooling and semiconductors. By mid-month, global supply had entered its sixth year of shortfall, triggering a panic-buying spree that pushed prices to a record \$120 per ounce. The secondary factor was silver's emergence as the "poor man's gold", as retail investors turned to it amid rising gold prices and geopolitical tensions. China's export lockdown on silver further squeezed supply. However, the final week saw a sharp 15% correction after silver hit an all-time high, driven by a rebound in the US dollar and profit-taking by speculative traders, cooling the market's overheated momentum.



Source: Trading Economics

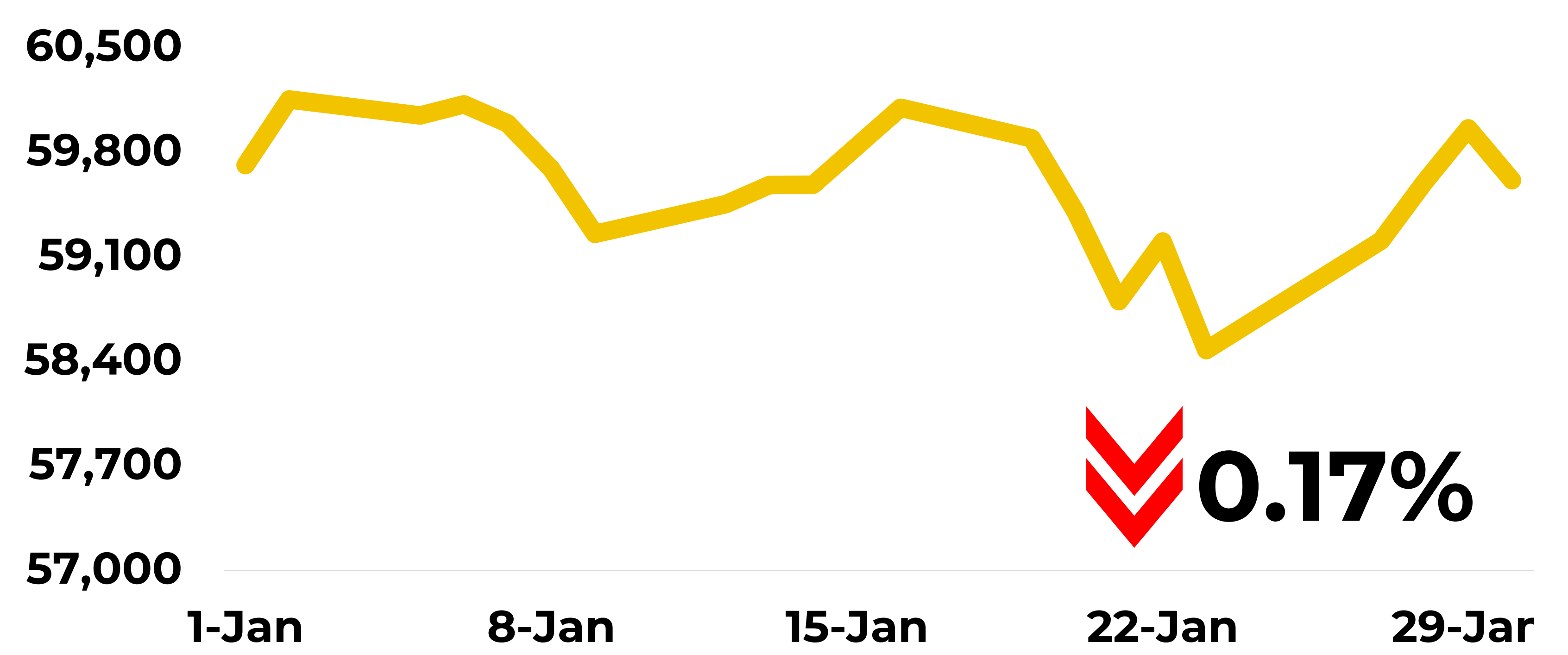
INDIAN INDICES

NIFTY 50



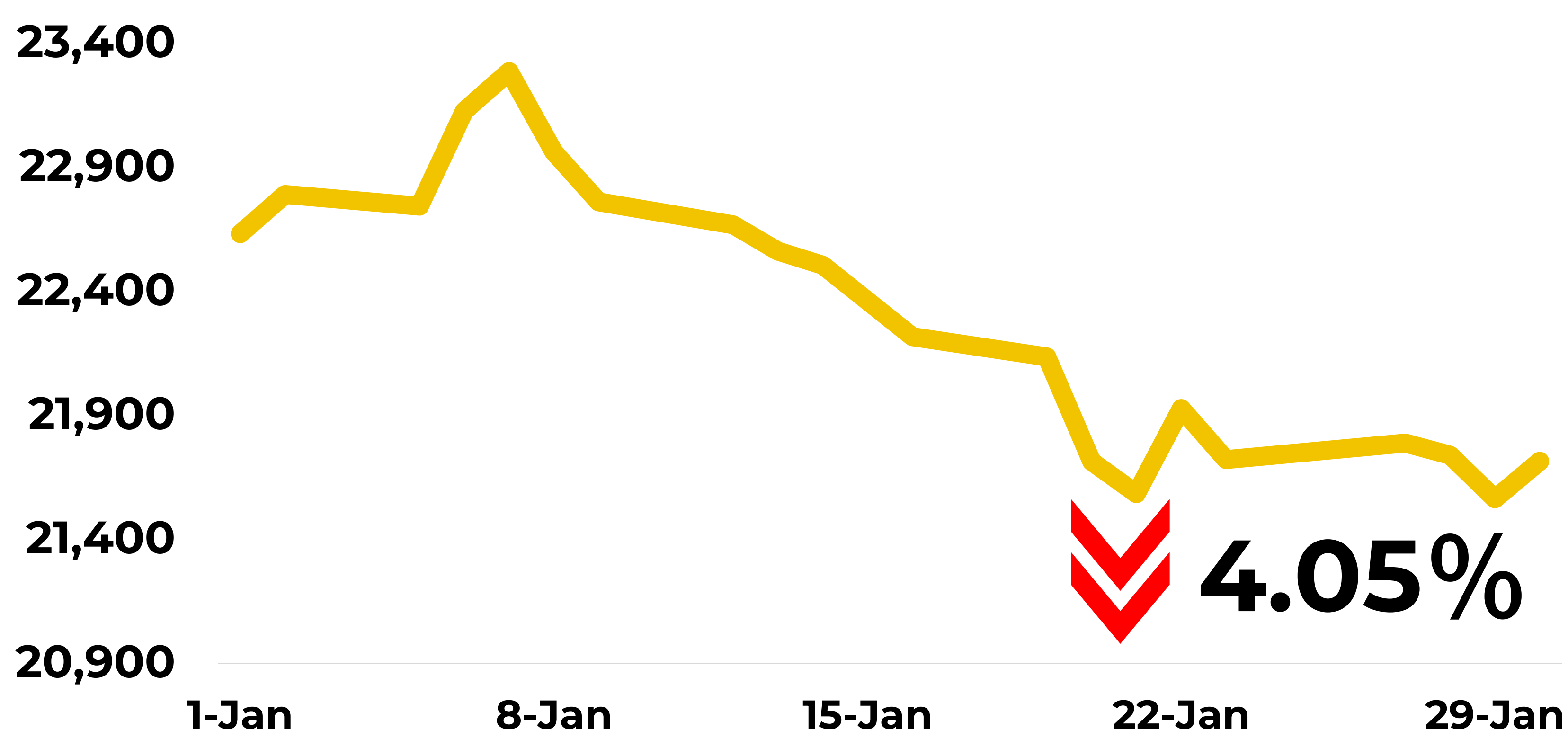
January saw the Nifty 50 surge to 26,340 before facing mid-month retracement, driven by FII selling due to a record-low rupee and hawkish US Fed signals. A tax shock on the FMCG sector, including ITC, added pressure. Geopolitical tensions and global energy concerns weighed on Metal and Energy stocks. Despite efforts from PSU Banks and IT, the index entered a de-risking phase, testing the 25,000 support level, leaving the market in a technical consolidation zone.

NIFTY Bank



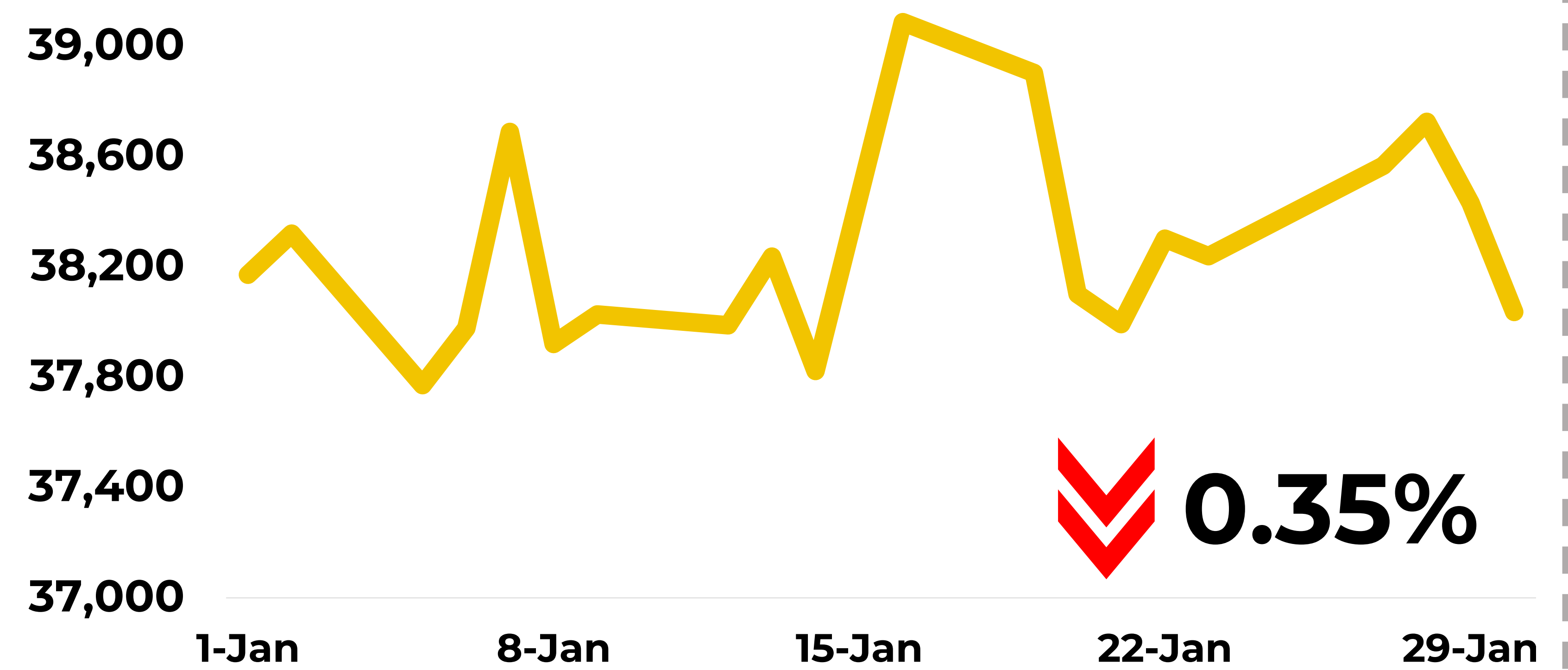
In January 2026, the Nifty Bank index hit a record high of 60,437.35 before stabilizing at 59,957.85. The sector was buoyed by RBI's new digital banking regulations, a ₹2 lakh crore liquidity injection, and strong Q3 FY26 earnings. HDFC Bank posted 11.5% profit growth, while ICICI Bank faced a 4% profit decline. The Economic Survey confirmed a multi-decade low in Gross NPAs, reinforcing the sector's stability.

NIFTY Pharma



In January 2026, the Nifty Pharma index saw significant volatility, rising to a record high of 23,492 before correcting to 21,715, a 4% decline. The initial rally was driven by the US Biosecure Act, benefiting Indian CDMOs like Divi's Labs. However, mid-month correction followed due to squeezed margins, concerns over US tariffs on generics, and FII profit-taking. Dr. Reddy's strong earnings helped stabilize the sector before the ₹10,000 crore BioPharma Sakti announcement.

NIFTY IT



In January 2026, the Nifty IT index showed relative strength, declining just 1.12%, outperforming the Nifty 50. Strong Q3 FY26 earnings from Infosys and HCLTech, which raised revenue guidance, supported stability. The sector's shift to Agentic AI boosted valuations, with TCS and Infosys reporting significant AI revenue. However, external headwinds, including US tariffs and a Fed rate decision, dampened sentiment, alongside a 24% decline in exports to the US, limiting further gains.

Source: Investing.com

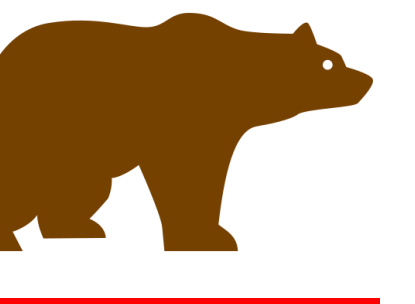
EQUITIES

Top Gainers | NIFTY50 | January'26



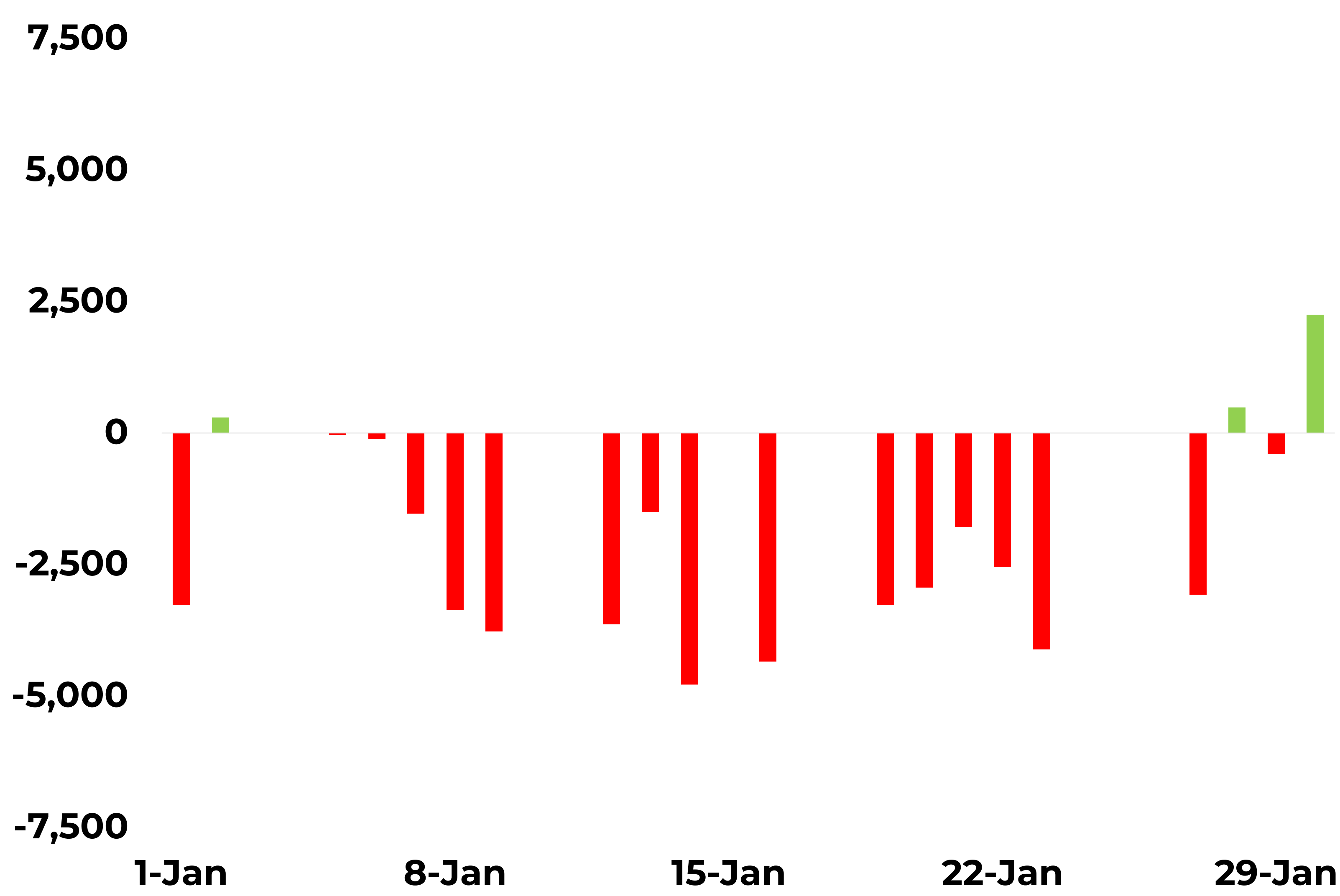
Company Name	Change (%)
ONGC Ltd.	13.04
Coal India Ltd.	10.06
State Bank of India	9.38
Tech Mahindra Ltd.	8.42
Hindalco Industries Ltd.	7.56

Top Losers | NIFTY50 | January'26

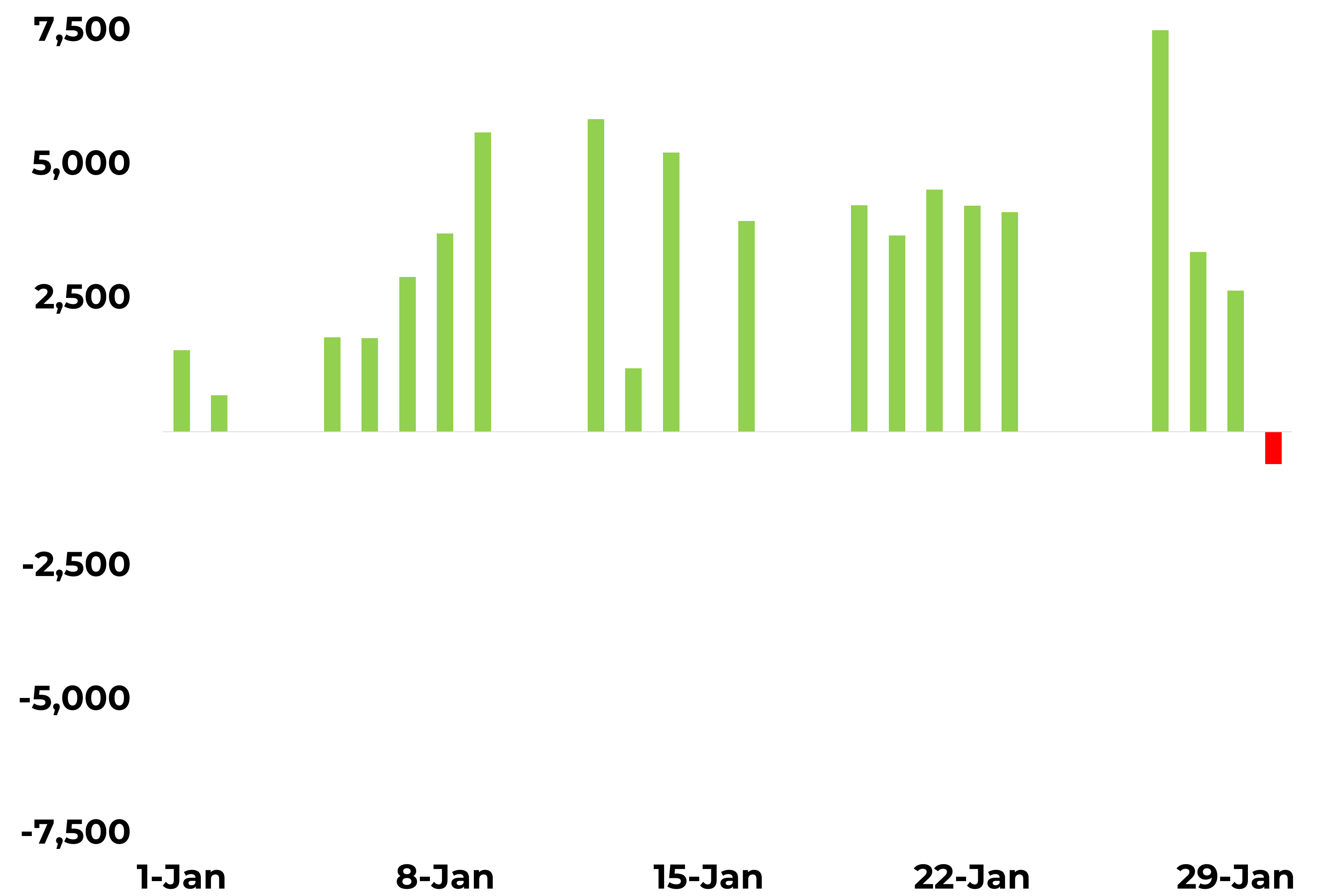


Company Name	Change (%)
Maruti Suzuki India Ltd.	12.62
UPL Ltd.	12.59
Cipla Ltd.	11.79
Asian Paints Ltd.	11.76
ITC Ltd.	11.46

FII Net Investment

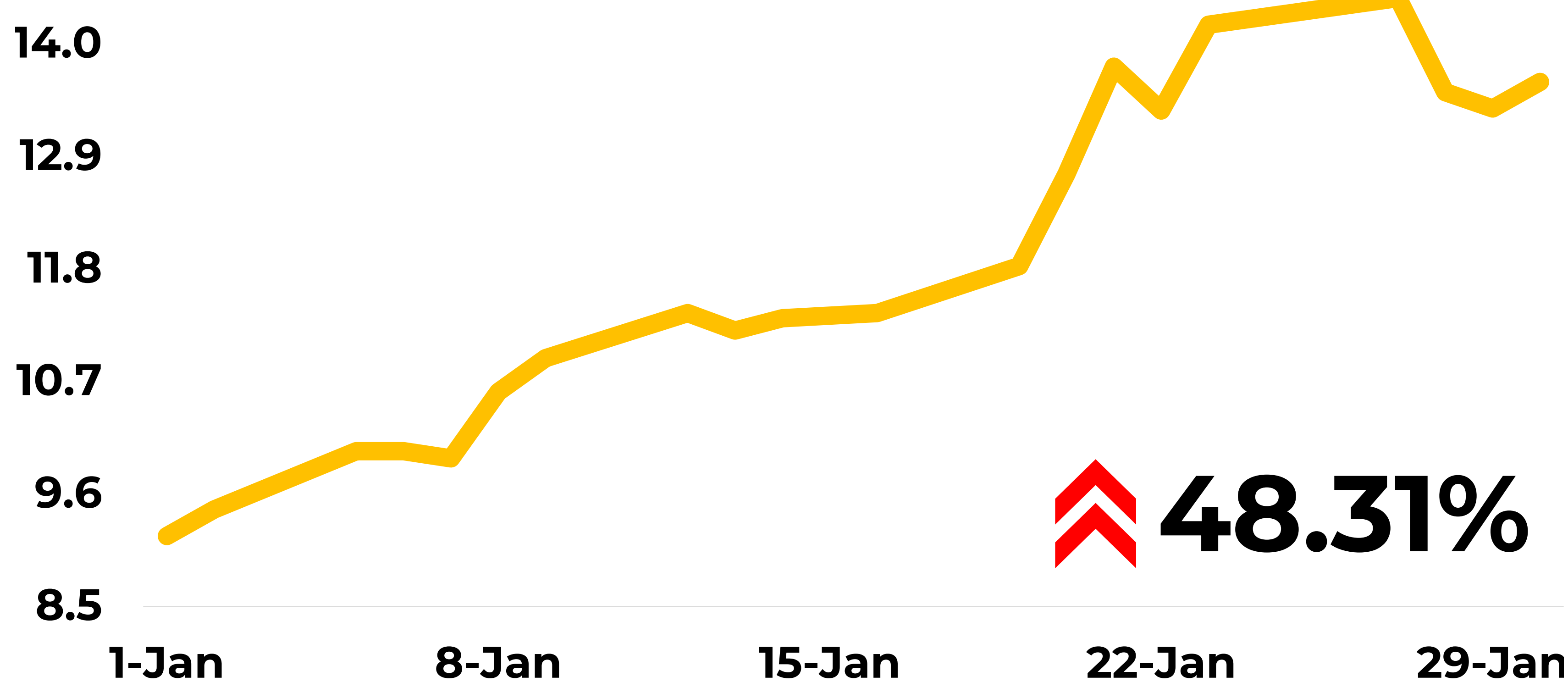


DII Net Investment



In January 2026, net FPI outflows surged to ₹41,280 crore, the highest since January 2025, driven by US bond yield volatility, a stronger Dollar Index, and fears of US-India trade tariffs. Despite this, DIIs absorbed the selling pressure, with their stake in NSE-listed equities rising to a historic 18.7%, surpassing FPI holdings at 16.7%. The month ended with a tactical shift, as FIIs turned net buyers at ₹2,251.37 crore, signaling a potential rebound ahead of the Union Budget 2026.

India VIX



This month, India VIX averaged 12-13, signaling subdued market volatility amid bullish equities and steady FII inflows. The index saw episodic spikes, reaching 16.06 on January 27 due to midcap volatility, rupee weakness, and tepid earnings. Despite strong GDP prints and domestic buying, caution surfaced, as the VIX surged following US dollar strength and concerns ahead of Budget 2026. VIX below 15 indicated confidence, but spikes pointed to risk-off near key supports.

Source: NSE India

INDIA INC

Why It's the Trade Story of the Decade

After nearly two decades of stop-start negotiations, India and the European Union (EU) have finally concluded a landmark free trade agreement, hailed as the "mother of all deals" by global leaders. This milestone comes against a backdrop of rising US protectionism and tariff unpredictability. India has been hit with US tariffs of up to 50% on goods, while the EU faces its own challenges, including tariff threats linked to Trump's political maneuvers, particularly the Greenland dispute. Both sides share vulnerabilities to a volatile US trade stance, which analysts believe accelerated the finalisation of the India-EU pact. This agreement is no ordinary bilateral deal; it connects around 2 billion people and accounts for approximately 25-30% of global GDP, valued at nearly \$27 trillion. The deal will benefit both parties substantially: 96.6% of EU goods exports to India will see tariffs reduced or eliminated, saving European firms up to €4 billion annually, while India will provide duty-free access for 93% of its exports to the EU, including textiles, leather, and gems. This pact represents a major step towards global trade diversification amid shifting geopolitical dynamics.



More Tough Talks Ahead

For India, the stakes of the new India-EU Free Trade Agreement are immense. With preferential access to a market worth over \$190 billion, this deal promises to boost sectors like textiles, chemicals, engineering, and services, especially after the loss of Generalized System of Preferences (GSP) benefits. It's estimated that exports worth around ₹6.4 lakh crore could benefit, with the gems and jewellery trade set to double to ₹90 thousand crore. The EU also stands to gain, with auto makers like Mercedes-Benz and BMW benefiting from import duties being reduced from 110% to around 10%. Additionally, machinery, chemicals, pharmaceuticals, and high-tech goods will become more price-competitive in India. However, challenges remain in sensitive areas like agriculture, dairy, data flow rules, and the EU's carbon border adjustment mechanism (CBAM). Legal vetting is underway, and the deal could take up to a year to implement fully, with ratification across both sides possibly taking another year. As global trade dynamics evolve, this agreement signals a lasting economic partnership, reshaping trade flows between the EU and India by 2027.



EVENTS ARCHIVE

01 January 2026

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Indian Events



India Takes BRICS Chair

India took over the BRICS chairmanship for 2026, enhancing its influence in global economic cooperation and governance reforms.



ADB Sanctions Telangana Loan

The Asian Development Bank has approved a ₹4,100 crore loan for Telangana's Musi Riverfront project, focusing on ecological and infrastructure improvements.



India GDP Growth Forecast

First Advance Estimates project India's real GDP growth at 7.4% for FY 2025-26, a decline from 8.2% in FY 2024-25.



Trade Deficit Narrowing

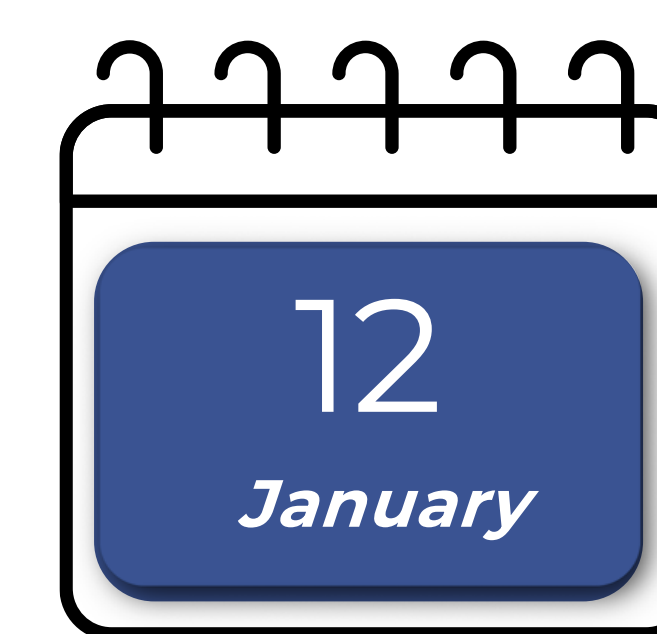
India and the EU finalised FTA talks, covering 25% of global GDP, aiming to remove tariffs and boost trade, subject to formal ratification.

Global Events



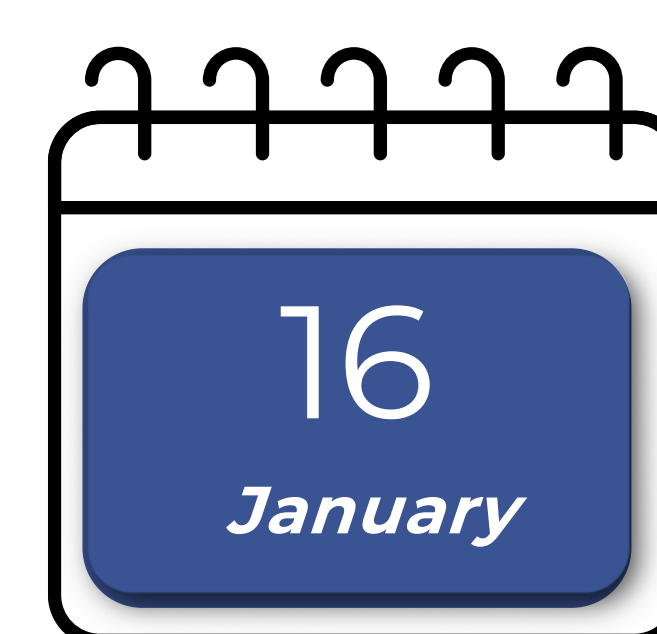
UK-France Security Pact

The UK and France signed a security pact to deploy forces and set up hubs in Ukraine, contingent on a peace deal.



EU-China EV Agreement

EU and China reached an agreement on minimum pricing for Chinese EV imports, avoiding tariffs and easing trade tensions.



Inflation Trends in Russia

Russia's 2025 inflation eased to 5.6%, but early 2026 pressures rose with a VAT hike.



Trump's Davos Address

Trump's Davos Speech covered U.S. economic claims, Greenland talks, and NATO criticism.



Government Shutdown Threat

Congress rushed to prevent a partial shutdown as the Homeland Security funding deadline approached.

SMART READS

From Digital Niche to FMCG Powerhouse

Founded in 2015, The Man Company capitalized on a transformative shift in India's male grooming market, which had been limited to basic products like shaving foams and deodorants. Recognizing a growing segment of conscious, self-aware men interested in personal care, the brand crafted a narrative around modern Indian masculinity, well-groomed, confident, and global. Rather than relying on traditional promotions, it adopted a digital-first D2C strategy, connecting directly with younger consumers through social media, influencers, and engaging content. The brand's emphasis on clean formulations, premium packaging, and honest communication helped it stand out in a crowded FMCG sector. Promoting grooming kits and beard oils as everyday necessities rather than luxuries, The Man Company positioned itself as an accessible, essential brand for millennials. Its focus on informing and building loyalty among customers created strong trust and habitual use. By leveraging digital platforms and offering quality grooming solutions, the company not only tapped into a burgeoning market but also cultivated a loyal customer base, solidifying its position in India's evolving personal care industry.



How Emami Leveraged The Man Company

Emami's acquisition of The Man Company in 2017 and its ultimate purchase in 2022 for ₹272 crore marked a strategic entry into the growing men's grooming market and the digital-first consumer segment. Rather than simply adding another brand to its portfolio, Emami recognized the opportunity to tap into a booming market, leveraging its strengths in manufacturing scale, supply chain efficiencies, and extensive offline distribution. Rather than overhauling The Man Company's existing successful model, Emami enhanced its reach by expanding into modern trade, general trade, and smaller cities while maintaining its premium brand identity. Following the acquisition, the brand diversified into fragrances, hair care, skincare, and grooming accessories, which significantly boosted customer stickiness and basket size. Operational efficiencies improved profitability, and the brand has continued to innovate to stay relevant to younger consumers. The acquisition represents a broader shift in the Indian consumer market, where growth is now driven by relevance, authenticity, and smart scaling. Emami didn't just acquire a brand; it invested in a growth platform poised for long-term success in the evolving consumer landscape.



SMART READS

The Purity Premium of Country Delight

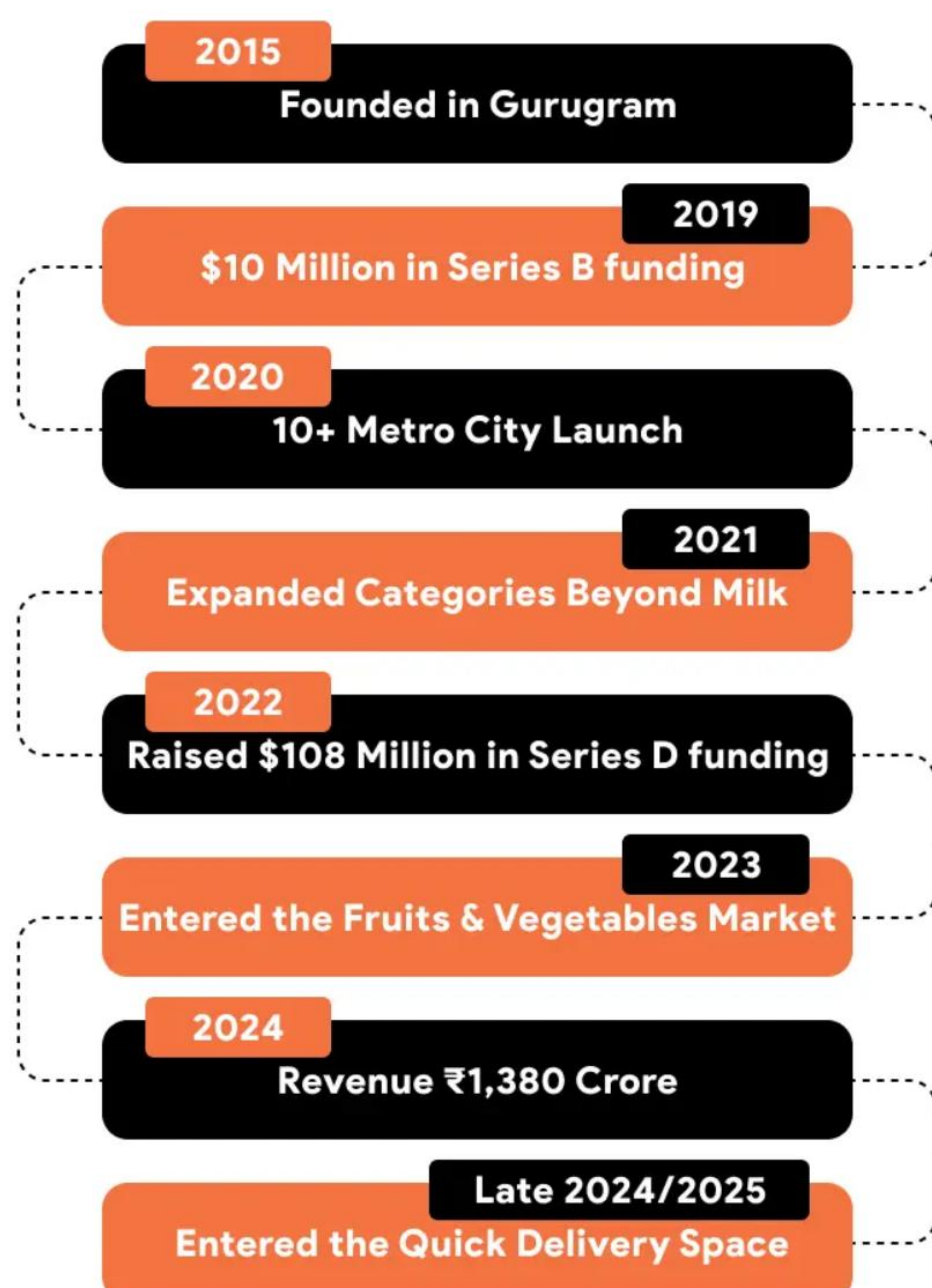
The Indian dairy sector, contributing 5% to GDP, is undergoing a transformation driven by the "purity premium." Country Delight has capitalized on this shift with its vertically integrated, inventory-led model, which initially gained traction in urban markets by addressing the trust gap in milk quality. By bypassing middlemen and ensuring deliveries within 24-36 hours of milking, the brand scaled its 7 AM "silent delivery" ritual to over 1.5 million households across 25+ cities. This subscription-first strategy led to a 50% revenue surge in FY24, reaching ₹1,380 crore. Despite venture capital sentiment shifting from "growth at all costs" to unit-level profitability, Country Delight's valuation held steady at \$820 million during its 2025 Series E funding. The company's IoT-monitored "Nectar" logistics system ensures quality by discarding milk cans exceeding the 4°C threshold. However, maintaining this quality standard at scale remains a challenge. While the full-stack ownership model reduced goods costs by 15%, the company's rapid diversification into produce and staples is testing operational consistency. The success of Country Delight underscores the importance of trust and quality in today's competitive dairy landscape.



High-Stakes Gamble in the Age of Quick Commerce

Despite its rapid growth, Country Delight faces mounting challenges from the "Quick Commerce Tsunami" led by Blinkit and Zepto, which have turned traditional scheduled deliveries into impulse buys. With Blinkit commanding 50% market share in dense metro areas, Country Delight's pivot to a 10-15 minute delivery pilot in Gurugram is a high-stakes defensive move. The company's debt management strategy is crucial, as it recently raised ₹200 crore from Alteria Capital to prepare for a potential FY26 IPO. However, commodity price volatility, exacerbated by unseasonal rains and regional conflicts in northern milk belts, has increased procurement costs. Additionally, GST cuts are limiting the scope for retail price increases, further squeezing margins. Regulatory headwinds are intensifying, with the CCPA warning against "dark patterns" such as "drip pricing", which inflates consumer bills by 25-35%. Reports of quality degradation and weight manipulation are heightening churn, especially among affluent customers. The key lesson: trust is a valuable asset but can quickly erode when operational inconsistency and billing opacity compromise customer experience.

Country Delight Journey



SMART READS

Revolutionising India's FMCG Landscape

Launched in 1969, Nirma started as a game-changing force in the Indian detergent market. Karsanbhai Patel's backyard formulation, priced at Rs 3.50 per kg, disrupted the dominance of Hindustan Unilever's (HUL) premium product "Surf," which was priced at Rs 15 per kg. Patel bypassed intermediaries with bicycle-led direct sales and executed a bold 1982 stock recall to tackle retailer defaults, marking a revolutionary shift toward affordability. This strategy effectively captured the Bottom of the Pyramid consumer base, shifting India's FMCG market focus from luxury to value. By 1985, Nirma held a 60% market share, prompting HUL to launch "Operation STING" in 1988, introducing "Wheel" to counter Nirma's pricing dominance. HUL leveraged its strong rural distribution and targeted consumer pain points like Nirma's harsh soda ash concentration. Today, as the detergent market has premiumized, Nirma's share has dropped to 6-10%, with consumers shifting towards higher-tier products from HUL and P&G, which emphasise added benefits and superior formulations. Despite this, Nirma's legacy remains a defining moment in India's FMCG evolution.



The Evolution of a Diversified Conglomerate

Since its 2010 delisting, the group has transformed into a diversified industrial conglomerate, strategically reallocating capital to drive growth. Key milestones include the 2016 acquisition of Lafarge India for \$1.4 billion and the 2024 purchase of Glenmark Life Sciences for Rs 5,650 crore, marking its expansion into high-growth sectors. With an IND AA rating, the group has consistently demonstrated the ability to deleverage after acquisitions. ICRA forecasts annual consolidated cash flow from operations between Rs 1,200 crore and Rs 1,500 crore through FY2027, showcasing its strong financial health. The Bhavnagar plant serves as a model of efficiency, employing just 500 staff compared to 5,000 at a competitor's facility with double the capacity. This has contributed to the group's soda ash capacity of 1.1–1.3 MTPA, further solidifying its market position. To hedge against domestic demand cycles, the group has targeted chemical exports to the Middle East and Africa, expanding its global reach. The key takeaway from the group's success is the importance of owning the entire value chain to protect margins. Complacency, however, remains the biggest threat, as failing to adapt to shifting consumer demands opens the door for new disruptors to take over.

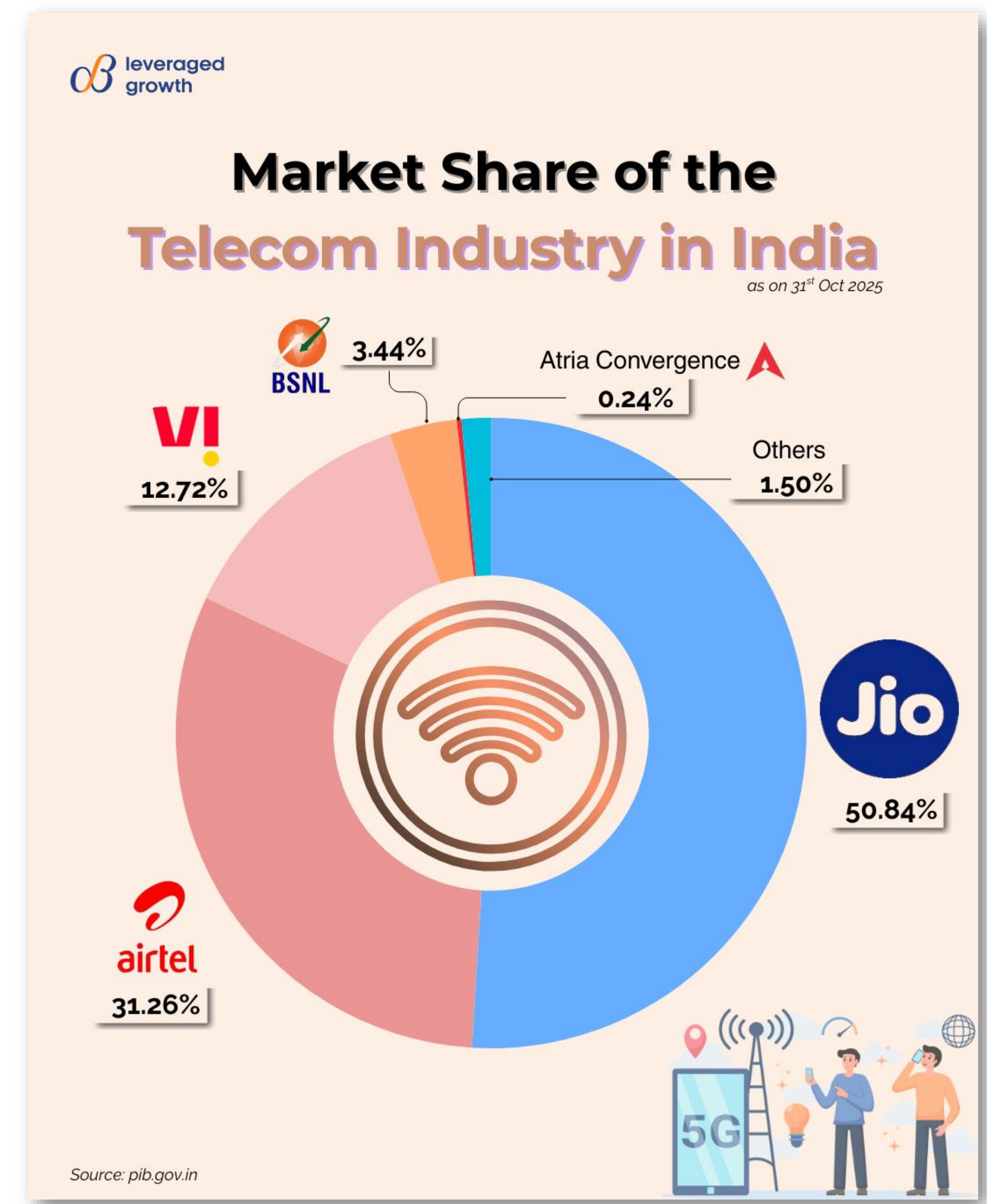
COVERAGE OF THE MONTH

A Look at Our Best LinkedIn Posts



The story behind the upcoming Union Budget didn't begin this year. It's been building for the last five. We've broken down the key moments that shaped where we stand today. [Catch the full recap.](#)

Explore Our Blog for Valuable Insights

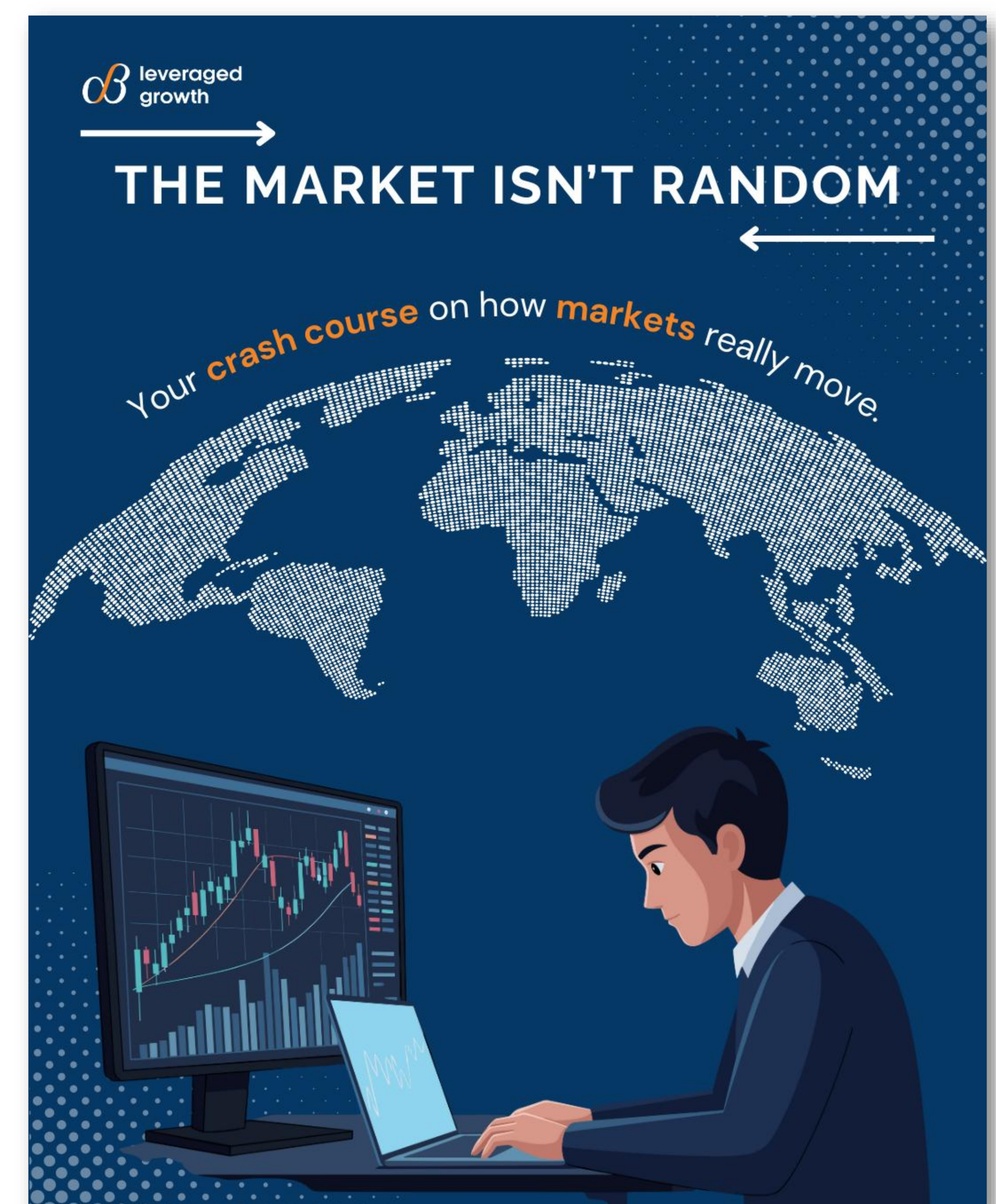


India has over a billion mobile connections — but which telecom players control the biggest slice? The latest numbers reveal some interesting insights. [Dive into the full breakdown on our blog.](#)

Our Most Impactful Instagram Posts



The market never sleeps, and fortunes can change in seconds. But what really drives the Forex market behind the scenes? [Ready to understand how it works?](#)



Markets look chaotic on the surface. But behind every move, there's a reason. [Let's uncover how markets really work.](#)



OPINION POLL

“Our macroeconomic fundamentals are stronger than ever. We have successfully navigated global headwinds to place India on a high-growth trajectory, improving our potential GDP growth to 7%.”

- NIRMALA SITHARAMAN
Finance minister

“If the country wants to become the third-largest economy in the world, then it will have to reduce imports and increase exports.”

- NITIN GADKARI
Road Transport and Highways Minister

“Rationalising the inverted duty structure for EVs will strengthen domestic manufacturing and competitiveness, and will further accelerate India’s transition to sustainable mobility.”

- PIYUSH ARORA
CEO & MD, Skoda Auto Volkswagen India

About Us

Leveraged Growth is a boutique financial consulting firm and strategic growth partner. Operating across verticals: **Research Advisory, Financial Marketing, Consulting, and Corporate Training**. We deliver tailored solutions to global corporations and startups. From institutional-grade research to impactful financial storytelling, our team functions as an agile extension of your business - bridging the gap between strategy and execution.



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