Twitter Thread by Piyush Chaudhry

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NIFTY & US 10 Year Yield have a high degree of positive directional correlation. Anyhow, they are diverging at the moment though the divergence can go on for a long period of time as well, last time around this divergence did not work well for NIFTY & it got pulled down.



US10Y going down simply implies funds moving into Bonds and with EM's broadly down from Jan Highs this adds up as well.
That makes NIFTY an outlier, with the philosophical question being for how long can we persist?

This is one of the structural perspectives, however, it all rightfully boils down to the actual NIFTY's price action and that hasn't given any severe indication yet.
Though we must stay on guard.