

Earnings report and global factors to steer markets

MARKETS OVERVIEW

- Indian rupee touched fresh record low
- Nifty added 373pts (+1.50%) to 25,114
- Sensex gained 1193.94pts (+1.47%) to 81,904.70
- Recently three firms raised ₹1.22L cr via IPOs

C KUTUMBA RAO

SUPPORTED by news flow of easing India-US trade tensions, expectations of rate cut by the US Federal Reserve and reports that the EU may reject US tariff proposals on India's Russian oil imports, market traded with positive bias helping indices to post biggest weekly gain in nearly 3 months.

The Nifty added 373 points or 1.50 percent to end at 25,114, while the Sensex added 1193.94 points or 1.47 percent to end at 81,904.70. In the broader market, the BSE Mid-cap Index jumped 1.6 percent and the BSE Small-cap index rose 1.5 percent. FIIs extended their selling for the 11th straight week with equity sales worth Rs 3,577.37 crore. On the other hand, DIIs continued their buying for straight 22nd week with purchases worth Rs 13,703.23 crore. Indian rupee touched fresh record low of 88.45 against the US dollar.

The FII action going ahead could also hinge on the US Federal Reserve's monetary



MARKET KHABREIN

On the back of Trump's statement that he is ready to sanction Russia, but on the condition that all NATO allies agree to completely halt purchases of Russian oil and implement their own sanctions; it is important to track trade talks between India and the EU

policy decision in the week ahead. There are strong expectations of a 25 bps rate cut. FIIs may reduce their selling and may even turn buyers amid indications of a turnaround in the Indian market. Retail inflation rose marginally to 2.07 percent in August, breaking a 10-month cooling trend, as food inflation continued to be in negative territory for a third consecutive month. Inflation remained below 3 percent for the fourth straight month, rising from an eight-year low of 1.61 percent in July.

Economists expect inflation to average around 3.3 percent in the current fiscal. GST effect to be visible from coming months. An analysis shows that rationalisation of rates announced by GST Council on September 4 could bring down inflation by 100 bps or 1 percentage

point in case of a full pass through. The analysis shows that nearly 14 percent of the inflation basket is set to become cheaper as cuts become effective from September 22. Domestic gold prices hit an all-time high of Rs 1,12,750 per 10 grams. It is pertinent to observe that gold prices have risen at the fastest pace since 1979 in rupee terms and have outperformed benchmark indices.

On the back of US President Donald Trump's statement that he is ready to sanction Russia, but on the condition that all NATO allies agree to completely halt purchases of Russian oil and implement their own sanctions; it is important to track trade talks between India and the European Union to meet a year-end deadline for signing the free trade pact. Near term movement of the market will

be dictated by expectations over Q2 earnings, international crude oil prices, rupee-dollar equation, forthcoming US Fed meeting and global cues. Trump tantrums will continue to trigger both positive and negative tremors.

IPO Corner: The Securities and Exchange Board of India (SEBI) has approved sweeping changes to public offer norms, IPO allocations, related party transactions and foreign investor access, aimed at easing compliance and broadening market participation. The overall anchor reservation has been enhanced from one-third to 40 per cent, with one-third reserved for mutual funds and the rest for insurers and pension funds. The cap on the number of anchor allottees has also been relaxed to allow greater flexibility for large FPIs operating multiple funds. The easing coincides with an increase in international outflows in recent months, which are being fuelled by high US tariffs, poor profitability, and high valuations. The three recent IPOs of Urban Company, Shringar House and Dev Accelerator received overwhelming demand from investors as investors committed a cumulative amount of Rs 1.22 lakh crore. The strong demand underlines investor confidence. However, the exuberance in the IPOs is suited only for high-risk, high-reward investors and for listing gains. That is another testament to the fact that in-

vesting without education and research will ultimately lead to regrettable investment decisions. Research is much

Quote of the week
The stock market is filled with individuals who know the price of everything, but the value of nothing."
— Phillip Fisher

more than just listening to popular opinion.

FUTURES & OPTIONS / SECTOR WATCH

Mirroring the sentiment in the cash market over the past two weeks, the Nifty futures has witnessed a gradual pull-back of nearly 700 points,

culminating in its highest weekly close in the last eight weeks—a sign of improving sentiment and technical resilience. Barring Nifty Consumer Durables (down 1 percent), all other indices ended in the green with Nifty Defence index rising 7 percent, Nifty IT index jumping over 4 percent on the back of Infosys buy back and Nifty PSU Bank index adding 3 percent and other indices like Nifty Auto, Metal and Pharma logging 2 percent each. In the options market, prominent Call open interest for Nifty seen at the 26,000 and 25,500 strike, while the notable Put open interest was at the 25,000 and 24,800 strike. Implied volatili-

ty (IV) for Nifty's Call options settled at 10.65%, while Put options concluded at 11.75%. The India VIX, a key indicator of market volatility, concluded the week below 11 at 10.5%, a multi-week low. The Put-Call Ratio Open Interest (PCR OI) stood at 1.22 for the week. After two weeks of consecutive gains, the Nifty appears well-positioned for a potential breakout. Crucial resistance levels are the zones of 25150-25200 and 25400-25500. Any sustainable move above the level of 25200 will lead to a sharp upside rally up to the level of 25500. While on the downside, the zones of 24950-24900 and 24600-24700 are likely to provide

a cushion in case of any immediate decline. As long as the Nifty sustains above 24,850, the undertone remains positive. For the Bank Nifty, the zone of 55100-55200 will act as an immediate hurdle. Any sustainable move above the level of 55200 will lead to extension of pullback rally up to the level of 56000 in the short term. While on the downside, the zone of 54400-54300 will act as crucial support.

Stocks looking good are BEL, Bajaj Finance, HAL, ICICI Bank, NALCO, SBI Life and MCX. Stocks looking weak are Asian Paints, Bandhan Bank, ITC, Jubilant Foods, Sona Comstar, Trent and Wipro.

Gland Pharma Limited

THE company is a global injectable manufacturer with a strong focus on the CDMO business model. The company has evolved into a prominent entity in the global generic injectables market, with operations extending to over 60 countries including the United States, Europe, Canada, Australia, and India. Primarily functioning under a B2B model, the company provides comprehensive services such as contract development, dossier compilation, technology transfer, and manufacturing across various delivery systems. The company specializes in sterile injectables, oncology, and ophthalmic, with a specific focus on complex injectables, New Chemical Entities (NCE)-1s, First-to-File products, and 505(b)(2) filings. The company manufactures a range of dosage formulations, including solutions, suspensions, and lyophi-



lized products. Its product portfolio includes delivery methods such as pre-filled syringes, vials, ampoules, bags, and dry powder injections. It also produces generic injectables in liquid, lyophilized, suspension, and pre-filled syringe forms. A key strategic milestone was the seamless integration of its first overseas acquisition Cenexi, a leading European Contract Development and Manufacturing Organization (CDMO) with a strong footprint in sterile injectables and complex formulations. Cenexi, a well-recognised European CDMO, brings significant expertise in sterile liquid and lyophilised fill-finish formulations, including complex oncology products. This acquisition

aligns with Gland's long-term strategy to establish a manufacturing footprint in Europe and expand its CDMO offerings in the branded CDMO segment. All manufacturing sites of Cenexi are approved by major global health authorities including US FDA, EMA, and ANVISA, reflecting a strong compliance foundation. A major initiative in our pipeline is the establishment of a biosimilar-focused Contract Development and Manufacturing Organisation (CDMO), with capabilities extending well beyond biosimilars. This includes a strategic emphasis on biologics, complex fill-finish processes, and emerging dosage formats, positioning us to serve the growing demand for next-generation biopharmaceuticals and strengthen our footprint in the rapidly advancing biologics space. Buy on declines for medium term target of Rs 3,250.

AMFI hails Sebi's move to ease IPO, MF and FPI regulations

These initiatives will broaden investor participation and strengthen the long-term health of industry

NEW DELHI

ASSOCIATION of Mutual Funds in India (AMFI) on Saturday hailed the regulatory changes introduced by the Securities and Exchange Board of India (Sebi), simplifying norms for IPO and foreign portfolio investors. Sebi, in its recent board meeting, decided to revise the minimum public shareholding (MPS) norms for large companies planning initial public offerings (IPOs). "We welcome SEBI's progressive and well-calibrated reforms announced at its re-

cent Board Meeting. The new incentive structures to expand mutual fund penetration beyond the top 30 cities and among women investors align closely with AMFI's financial inclusion objectives," said Venkat N Chalasani, Chief Executive, AMFI.

The reduction in the maximum exit load from 5 per cent to 3 per cent further reinforces SEBI's commitment to investor protection and transparency.

The reclassification of REITs as 'equity' for mutual fund investments is also a timely



step that will enhance diversification opportunities and support the growth of real estate as an investible asset class, Chalasani added.

Taken together, these initiatives will broaden investor participation, strengthen the long-term health of the mutual fund industry, and strike a thoughtful balance between regulatory rigour, investor protection, and ease of doing business, he said further.

FIIs sold ₹1L cr since July

Going forward, FIIs are likely to reduce their selling or turn buyers since there are indications of a turnaround in the markets

In 2025, foreign institutional investors (FIIs) have net sold Rs 2.18 lakh crore, while domestic institutional investors (DIIs) have countered this with net purchases of Rs 5.37 lakh crore. FIIs continued selling in September with a sell figure of Rs 11,169 crore up to September 13

NEW DELHI

FOREIGN institutional investors (FIIs) have sold over Rs 1 lakh crore in Indian stocks since July, impacting the market sentiments, but consistent domestic inflows lent support, according to provisional data from stock exchanges.

The sell-off, driven by lacklustre earnings, stretched valuations, and uncertainty under US tariffs, has resulted in range-bound indices. Between July 1 and September 8, foreign institutional investors sold equities totalling Rs 1.02 lakh crore, with Rs 7,800 crore sold in the first six sessions of September.

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in the Indian market due to repo rate cuts and GST reforms, said VK Vijayakumar, Chief Investment Strategist, Geojit Investments Limited.

In 2025, foreign institutional investors (FIIs) have net sold Rs 2.18 lakh crore, while domestic institutional investors (DIIs) have countered this with net purchases of Rs 5.37 lakh crore. DIIs have been consistently net buyers in the cash market since August 2023.

FIIs continued selling in September with a sell figure of Rs 11,169 crore up to September 13, as per NSDL data. Single-digit corporate earnings growth served as a major catalyst for FII outflows. Analysts said that small- and mid-cap valuations remained high in August, while large-caps adjusted towards long-term averages. "Higher valuations in India compared to markets like China, Hong Kong and South Korea have nudged FIIs to sell in India and buy in cheaper markets.

Insurance surety bonds for NHAI contracts cross ₹10K cr mark

Till July 2025, twelve insurance cos have issued around 1,600 ISBs as 'bid security' and 207 ISBs as 'performance security' valued at around ₹10,369 cr

NEW DELHI

INSURANCE Surety Bonds (ISB) issued by insurance companies for NHAI contracts have crossed the Rs 10,000 crore landmark, which represents a major achievement, according to a statement issued by the Ministry of Road Transport & Highways on Thursday. Till July 2025, twelve insurance companies have issued around 1,600 ISBs as 'bid security' and 207 ISBs as 'performance security' valued at around Rs 10,369 crore for NHAI contracts.

NHAI has been encouraging the use of Insurance Surety Bonds as an additional mode of submitting bid security performance security deposit. Insurance Surety Bonds are instruments where insurance companies act as 'surety' and provide the financial guarantee that the contractor will fulfil its obligation as per the agreed terms.

The Ministry of Finance has made e-BG and Insurance Surety Bonds at par with BGs for all Government procurements. The Insurance Surety Bonds, when issued, would be cost effective and provide



adequate security for NHAI projects. As part of the efforts to promote wider adoption of Insurance Surety Bonds (ISB) and Electronic Bank Guarantee (eBG), a workshop was organised by NHAI in the national capital. The session was chaired by N.R.V.V.M.K. Rajendra Kumar, Member (Finance), NHAI; Nitesh Sathe, Former Member, IRDA; senior NHAI officials, industry experts and representatives of various insurance and finance companies participated in the workshop. As India is poised to become the world's third largest construction market, the requirement of Bank Guarantees in the Indian Infrastructure Sector is expected to grow by 6 to 8 per cent Year on Year basis. Surety bonds act as a viable alterna-

tive to Bank Guarantees. ISB are cost-effective and could provide substantial relief for the Infrastructure Sector.

India's national highway network has expanded from 91,000 km in 2014 to over 1.46 lakh km today, making it the second-largest road network in the world, according to official figures compiled by the Ministry of Road, Transport and Highways.

The government's spending on road infrastructure has grown 6.4 times between 2013-14 and 2024-25. Every rupee invested in highway development yields a threefold return to the GDP, unlocks vast employment opportunities and opens multiple channels for revenue generation, according to an official statement.

Top-8 firms add ₹1.69L cr m-cap last week

NEW DELHI: The combined market value of eight of the country's top-10 most valuable companies increased by Rs 1.69 lakh crore last week, in line with the positive trend on Dalal Street. During the week, the BSE benchmark rose by 1,193.94 points, or 1.47 per cent, boosting investor sentiment.

Bajaj Finance turned out to be the biggest gainer among them. Among the top companies, HDFC Bank, TCS, Bharti Airtel, ICICI Bank, State Bank of India, Infosys and Bajaj Finance saw growth in their valuations, while Hindustan Unilever and LIC's market cap eroded during the week.

Bajaj Finance's market value jumped by Rs 40,788.38 crore to reach Rs 6.24 lakh crore. Infosys added Rs 33,736.83 crore, taking its valuation to Rs 6.33 lakh crore. Tata Consultancy Services (TCS) gained Rs 30,970.83 crore, pushing its market capitalisation to Rs 11.33 lakh crore. State Bank of India's valuation climbed by Rs 15,092.06 crore to Rs 7.59 lakh crore, while ICICI Bank's value rose by Rs 10,644.91 crore to Rs 10.12 lakh crore. HDFC Bank saw a smaller rise of Rs 6,141.63 crore, taking its valuation to Rs 14.84 lakh crore. Bharti Airtel's market value increased by Rs 4,390.62 crore to Rs 10.85 lakh crore.

TECHNICAL INDICATORS SIGNAL POSITIVE BIAS

It is advised not to have an aggressive position size. Focus on the leading sectors and the stocks that have broken out of their bases

Positive Market Breadth

- India VIX is at its lowest level at 10.12
- Daily MACD line is above the zero line
- FIIs sold Rs 9,245.27 cr; DIIs bought Rs 27,147.32 cr
- Daily RSI into bullish zone, weekly RSI is nearing bullish zone

TBRAHMACHARY

THE benchmark index extended the gains for the second successive week. The Nifty gained 373 points or 1.51 per cent last week. The BSE Sensex is also up by 1.48 per cent. The Midcap-100 and Smallcap-100 advanced by 2.02 per cent and 1.90 per cent, respectively. All

the sectoral indices closed with gains. The Nifty IT is the top gainer, with a 4.26 per cent increase. The Metal and Auto indices were up by 2.09 per cent and 2.07 per cent, respectively. The Pharma, Energy, FinNifty, Realty, and Bank Nifty also posted decent gains. The India VIX is at its lowest level at 10.12. The FIIs sold Rs 9,245.27 crore, and the DIIs bought Rs 27,147.32 crore in August. The Nifty registered eight successive positive closings. It closed near the prior swing high and completed the formation right as the market moved into a complex head and shoulders pattern. There are at least three gaps in the last week. Interestingly, this positive bias has not



attracted the volumes. The rally on a declining volume is a surprising one and less trustworthy. The previous six days of volume have been much below the average volume. On Friday, the index formed an evening star candle, which is a sign of exhaustion. In any case, a gap-down opening and a

negative closing will signal the reversal.

On a weekly chart, the Nifty closed above the 10 and 20 weekly averages. The Bollinger Bands began to contract. The index closed above the 50 per cent retracement level of the prior six-week downtrend. The 61.8 per cent retracement level is at 25164, which is the immediate target and a

strong resistance. Normally, counter-trend rallies end at these retracement levels. If we look at the extension levels, the index is still below the 23.6 retracement level of the prior swings, which is at 25273. In other words, the 25164-273 is going to a stronger resistance zone. Importantly, the VIX is at its lowest levels. All the big crashes like 2000, 2008, and 2020 happened when the VIX was at around 10. Currently, the VIX is at 10.12. A two-point rise in VIX will result in a significant fall in the Nifty as it has an inverse relationship. At the same time, the swing may not extend beyond 8-13 days. The Federal Reserve is also meeting next week, which is an event risk for the markets.

Next week, the bench-

mark index, which starts with a neutral to positive bias, may face resistance at 25155-164. The event-driven sentiments may influence the price. Primarily, the index may consolidate in a tight range below 25273.

The daily RSI shifted its range into the bullish zone, and the weekly RSI (56.99) is nearing the bullish zone. The daily MACD line is above the zero line, and the histogram shows increased momentum. There are no negative divergences visible in all time frames. As the index gained 734 points from the 29th August low, all the indicators will show a bullish bias. The Relative Rotation Graphs (RRG) charts show that the Pharma index entered into the leading quadrant with an increased relative strength

and momentum. The Auto, Consumption, Healthcare and Metal sectors are also in the leading quadrant and may outperform the broader market index Nifty 500. The IT and FMCG sector indices are showing strength and are improving buying opportunities. We may get some buying opportunities in these sectors. All other sectors are losing their relative strength and momentum; avoid them for now. In brief, the market structure has reached a mature stage and is approaching the resistance zone. The event-driven sentiment will dominate the market next week. Any spike in volatility may spoil the bullish bias and result in a sharp decline. It is advised not to have an aggressive position size. Focus on the leading sectors and

RRG charts show that the Pharma index entered into the leading quadrant with an increased relative strength and momentum. The Auto, Consumption, Healthcare and Metal sectors are also in the leading quadrant and may outperform the broader market index Nifty 500

the stocks that have broken out of their bases.

(The author is partner, Wealocity Analytics, Sebi-registered research analyst, chief mentor, Indus School of Technical Analysis, financial journalist, technical analyst and trainer)