The Hans India

Business

Congratulations to the people of Andhra Pradesh, especially Uttarandhra, on the successful validation flight of the Bhogapuram Greenfield International Airport. Today marks a new milestone for aviation in the state, strengthening regional connectivity and giving a major boost to Uttarandhra as the region prepares to take off

- N. Chandrababu Naidu, Chief Minister, Andhra Pradesh

GEOPOLITICAL CUES LIKELY TO TRIGGER VOLATILITY

WEEKLY ROUNDUP

- BSE-SENSEX gained 720.56pts (+0.85%) to 85,762.01
- NSE-NIFTY advanced 286.25pts (+1.10%) to 26,328.55
- The Indian Rupee lost 33ps (-0.37%) to close at Rs 90.13

Progress in trade deal between US and India and conclusion of Russia-Ukraine war will impact markets

Arun Kejriwal

THE week gone by had many events rolled into one. It saw the expiry of December futures series, the end of trading for calendar year 2025 and a new all-time high on the benchmark indices. Let us evaluate and discuss each of them later in the article. BSE-SENSEX gained 720.56 points or 0.85 per cent to close at 85,762.01 points while NIFTY gained 286.25 points or 1.10 per cent to close at 26,328.55 points. BANK-NIFTY gained 1,139.60 points or 1.93 per cent to close at 60,150.95 points. It was a broad based rally and across the board. BSE-100, BSE-200 and BSE-500 gained 1.25 per cent, 1.38 per cent and 1.35 per cent respectively. BSE-MIDCAP was up 1.75 per cent while BSE-SMALLCAP gained 1.17 per cent. BSE-SENSEX gained on two of the five trading sessions, while NSE-NIFTY gained on three sessions. The gain or loss on Thursday was quite small and it could actually be termed as sideways. The top sectorial performer was BSE-METAL which gained 5.60 per cent.

The Indian Rupee lost 33 paisa or 0.37 per cent to close at Rs 90.13 to the US Dollar. Dow Jones lost 328.58 points or 0.67 per cent to close at 48,382.39 points. Dow gained on one of the four sessions and lost on three.

Coming first to December futures expiry which happened on Tuesday the 30th of December, it was a quiet affair. For the series, NSE-NIFTY gained 54.05 points or 0.21 per cent to close at 48,382.39 points. It closed at 25,938.85 points. The series had begun at 25,884.80 points.

Friday the 2nd of January saw fresh new all-time high indices being made on the NSE-NIFTY and BANK-NIFTY on an intraday and closing basis while BSE-SENSEX made only a closing high. The intraday high remains at 86,159.02 points which was made on 1st of December. The intraday highs on NIFTY and BANK-NIFTY are at 26,240 and at 60,203.75 respectively.

If Russia-Ukraine war ceases, tariffs on India halving from 50% to 25%. This would take care of a lot of uncertainty present in the markets. Hostilities are likely to cease in the next 15 days or so as all the sponsors of Ukraine are now fed up of funding it

BSE-SENSEX was impacted by ITC which bore the brunt of selling over the last two days on account of a new central excise announced which would come into effect from 1st of February. This would be over and above the GST which already exists. ITC lost Rs 54.15 or 13.39 per cent to close at Rs 350.15. The impact of this fall would translate to about 450 points on BSE-SENSEX. If one were to take this into account, even BSE-SENSEX would have made a new intraday high.

There was one mainboard IPO which listed during the week. Shares of Gujarat Kidney Hospital Limited which were issued at Rs 114 listed on Tuesday the 30th of December. The discovered price on BSE was Rs 120.75. They closed at Rs 104.65 on day one and lost marginally to close at Rs 102.90 on Friday, a loss of Rs 11.10 or 9.74 per cent. The issue from Coal India Limited subsidiary, Bharat Coking Coal Limited would open at the end of the coming week. Price band and roadshow would be held in Mumbai on Friday.

Markets have made a new high finally and this is even though there has been no news on geo-political side or trade deal between US and India. The most important news that can impact markets immediately is the coming to an end of the Russia-Ukraine war. This would automatically see tariffs on India halving from 50 per cent to 25 per cent. This would take care of a lot of uncertainty present in the markets. How soon can this happen? Your guess is as good as mine. On a more realistic note, the situation on the ground indicate that hostilities are likely to cease in the next 15 days or so as all the sponsors of Ukraine are now fed up of funding it. This could be a big trigger for the markets. Besides this, Union Budget is around four weeks away.

With last week's market moves, the trading zone has moved upwards. Support exists at levels of 26,000 and lower down at 25,800 points. Resistance is around 26,800 points and further up at levels of 27,000 points. Markets are not going to run away from these levels but they are going to have a grind upwards. The strategy would be to build on a portfolio with stocks which have performed on the financial front in the last few quarters.

The government has signaled its intent with levying excise duty on tobacco and cigarettes with a one month notice that they would ensure growth post the budget. With the new high on indices, behind us, it's time to concentrate on stocks in the market place. Trade cautiously.

(The author is the founder of Kejriwal Research and Investment Services, an advisory firm)

Nifty to touch 29,094 in 12 months: PL Wealth

New Delhi

"India's current macro configuration is among the most constructive we have seen in over a decade. While global uncertainties will continue to create short-term volatility, India's structural strengths—policy reform, financialisaton of savings and improving corporate balance sheets—position it well for sustained long-term growth

- Inderbir Singh Jolly, CEO, PL Wealth Management

INDIA'S benchmark index Nifty is expected to touch 29,094 in one year based on long-term valuation averages and earnings durability, a report said. Wealth management firm PL Wealth said in the report that India ended 2025 from a position of relative macro strength with record-low inflation, a dovish monetary stance, resilient domestic demand and improved corporate earnings visibility.

"In the near term, large-cap stocks remain preferred due to their earnings stability and strong balance sheets, while selective exposure to high-quality mid-cap names is being added as visibility improves," the wealth management firm cited in its strategy. Over the next 6 to 24 months, the earnings cycle is expected to broaden across consumption, financials, capex-linked sectors and select industrials, supported by benign inflation, lower interest rates and sustained domestic liquidity.

"India's current macro configuration is among the most constructive we have seen in over a decade," said Inderbir Singh Jolly, CEO, PL Wealth Management. While global uncertainties will continue to create short-term volatility, India's structural strengths—policy reform, financialisaton of savings and improving corporate balance sheets—position it well for sustained long-term growth, Inderbir added.

RBI's 25 basis-point cut to a 5.25 per cent policy repo rate lowered its CPI inflation projections and upgraded GDP growth estimates, signalling confidence in the sustainability of domestic demand, the report said. The firm also noted FY26 GDP growth projection of 7.3 per cent underpinned by robust infrastructure spending, resilient consumption and key policy measures such as GST rationalisation and income-tax cuts.

The FY26 September quarter earnings season delivered broad-based strength, with several sectors—including hospitals, capital goods, cement, electronics manufacturing services, ports, NBFCs and telecom—reporting double-digit growth in EBITDA and profits.

The firm noted that Nifty earnings per share estimates for FY26–FY28 imply an earnings CAGR of nearly 14 per cent.

Domestic institutional investors have anchored markets with record net inflows of over Rs 6.8 trillion year-to-date.

INDIA MAY OUTPERFORM GLOBAL MARKETS IN 2026

The country continues to offer one of the strongest growth stories over the next decade, supported by favourable demographics and long-term economic potential

Mumbai

Investors must focus on proper asset allocation rather than chasing short-term returns. Portfolios could have a slightly higher allocation to equities compared to early 2025, as Indian markets have underperformed many global markets over the past year

SHARING his annual outlook for the new year, S Naren, Executive Director and Chief Investment Officer at ICICI Prudential Mutual Fund said 2025 turned out to be a "year of hibernation" for Indian markets, even though the country's macroeconomic fundamentals remained strong. "India maintained low fiscal and current account deficits, controlled inflation and healthy economic growth," Naren mentioned.

Despite these positives, Indian equities failed to deliver strong returns and the rupee underperformed against most global currencies, including the US dollar. Looking ahead, Naren believes the situation could change in 2026. He said Indian markets are well placed to do better than most global markets in the coming year. "India continues to offer one of the strongest growth stories over the next decade, supported by favourable demographics and long-term economic potential," he mentioned.

Naren advised investors to focus on proper asset allocation rather than chasing short-term returns. He suggested that portfolios could have a slightly higher allocation to equities compared to early 2025, as Indian markets have underperformed many global markets over the past year. He said this creates an opportunity for investors who are willing to take measured risks.

At the same time, Naren cautioned investors about increasing exposure to precious metals.

He noted that gold and silver have been the best-performing asset classes over the past one year and even over longer periods, which has led to stretched valuations. Silver prices have more than doubled in the last year, while gold prices have risen over 70 per cent, far outperforming equity indices that delivered returns of around 10 per cent. Naren also highlighted that global risks remain high. He warned that many international markets appear overvalued, especially US technology stocks, and that precious metals are showing signs of excessive optimism.

In this environment, he stressed the need for a balanced and cautious investment approach, combining growth opportunities with risk management as markets head into 2026.

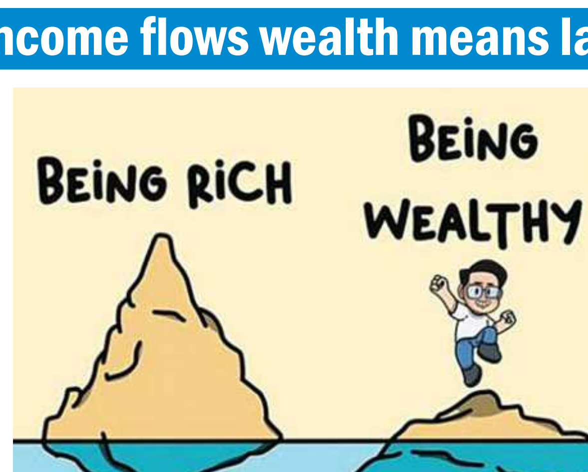
Illusion of riches and true currency of wealth

K NARESH KUMAR

Rich means income flows wealth means lasting freedom

WEALTH FLUCTUATIONS

- True wealth measured by time health relationships
- Buffett says money beyond comfort changes little
- Optionality choice defines genuine wealth not possessions
- Ultimate wealth equals peace purpose and time freedom



THE desire to build financial security i.e., to get rich through hard work, earnings, and investments is nearly a universal aspiration. It's a pursuit that can feel endless, a ladder with no visible top, where the goalpost of "enough" constantly shifts. Yet, history whispers a sobering truth that 'becoming rich is often easier than staying rich'. This is starkly illustrated by the well-documented fates of countless lottery winners, whose sudden windfalls frequently evaporate amidst mismanagement and lifestyle inflation.

This fragility extends even to generational wealth, with the proverbial "shirtsleeves to shirtsleeves in three generations" adage proving accurate more often than not. This repeated cycle points to a fundamental flaw in our understanding: we conflate being rich with being wealthy, and they are not the same.

To be rich is to have high cash flows, the ability to afford the trappings of success, viz., the luxury cars, designer labels, and exotic vacations. It is a state of abundant means relative to one's immediate desires. Riches are visible, quantifiable, and often consumable. But this condition can be precarious, tethered to a job, a market boom, or a singular event. It is an income statement, a snapshot of today.

Wealth, however, is a balance sheet built for tomorrow and all the days after. It is foundational, often invisible, architecture that supports a life of freedom. True wealth is measured not in the price of your possessions but in the most non-renewable resource we have, time.

As Warren Buffett has eloquently clarified, beyond a certain point of basic comfort, money ceases to change your daily lived experience. He explained during one of his annual meetings of Berkshire thatthere is very little difference between how a billionaire lives and how most people live. The food is similar, the clothes are similar, and the day-to-day routines are not dramatically different.

He pointed out that college students often live lives not far removed from his own. They eat the same meals, watch the same television, and enjoy the same basic comforts. The biggest difference, he joked, is that he flies better when he travels. The astronomical digits in a bank account do not multiply the hours in a day or the quality of a moment.

Buffett's profound insight is what he truly values that he would trade a significant portion of his fortune foradditional healthy years to spend doing what he loves with the people he cherishes. In this calculus, time, health, and relationships are the ultimate assets. For him everything else is extra. Money is merely a tool that, if used wisely, can protect and enhance those assets.

This is where the concept of optionality becomes the definitive hallmark of the wealthy. A wealthy person may not live in the largest house on the block or drive the newest car. Their net-worth statement might not dazzle. But they possess something far more powerful: choice. Their wealth has bought them the option to work on projects that fulfill them, not just those that pay them. It grants them the time to attend their child's school play without financial anxiety, the ability to take a sabbatical for health or learning, and the security to weather unforeseen storms without catastrophe.

This optionality is the quiet dividend of true wealth. It is the freedom to say "no" to demands that drain your spirit and "yes" to opportunities that enrich it, regardless of their immediate monetary return. It is the gap between being able to buy a life and being able to design a life.

Buffett also emphasized the importance of enjoying your work and the people you work with.Spending hours each day with people you trust and respect, he said, has a far greater impact on happiness than accumulating more possessions. Despite his wealth, Buffett has maintained the same lifestyle for decades. He still lives in the same home, enjoys simple routines, and avoids excess. His view is not that money is unimportant, but that chasing it endlessly will not create fulfillment once the basic needs are met.

The pursuit, then, should not be an endless accumulation for its own sake, a race where the finish line always moves. The wiser aspiration is to build enough capital—through those very channels of hard work and smart investments—to purchase your freedom. The goal is to convert the finite labor into lasting, income-generating assets that fund your most precious liabilities: time, health, and connection.

In the end, the wealthiest person is not the one with the most money in the bank, but the one with the most time on their hands and the most peace in their mind to enjoy it as they choose. It is a shift from asking, "How much do I have?" to asking, "What can I do with my life?" That is the ultimate return on investment.

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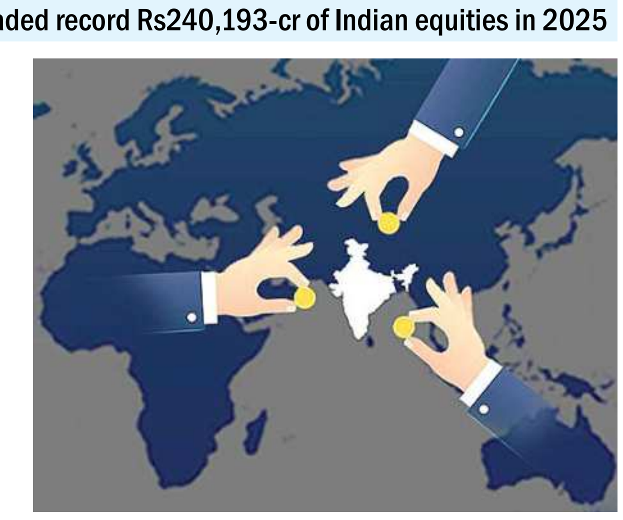
Improving fundamentals to spur reversal of FII outflows in 2026

Foreign investors offloaded record Rs240,193-cr of Indian equities in 2025

New Delhi



The relatively elevated valuations in India and the 'AI trade' were the principal factors that pushed the FIIs to sell mode in India. Robust GDP growth and prospects of improvement in corporate earnings in 2026 augur well for positive FII flows in 2026

THE year 2025 saw record foreign institutional investor (FII) selling in India but significant improvement in the country's fundamentals is likely to attract net FII inflows in 2026, analysts said on Saturday. In the month of December, FIIs sold equity worth Rs 30, 332 crore through the exchanges. This takes the total FII selling through the exchanges in 2025 to Rs 240,193 crore. FIIs have bought or invested equity for Rs 73,909 crore through the primary market, taking the total net sell figure for 2025 to Rs 166,283 crore, as per NSDL data.

"This is the worst selling by FIIs since they started investing in India. In 2024 also, FIIs have been selling through the exchanges. They sold equity for Rs 121,210 crores. However, for the year as a whole, the net FII inflow was positive since they had invested Rs 121,637 crore through the primary market. But for 2025, the net sell figure is a massive Rs 166,283 crore," said Dr. VK Vijayakumar, Chief Investment Strategist, Geojit Investments Ltd.

The relatively elevated valuations in India and the 'AI trade' were the principal factors that pushed the FIIs to sell mode in India. The sustained selling by FIIs have contributed significantly to the sharp depreciation of 5 per cent in the rupee vs the dollar in 2025.

"The year 2026 is likely to witness some changes in the FII strategy," Vijayakumar mentioned.

Robust gross domestic product (GDP) growth and prospects of improvement in corporate earnings in 2026 augur well for positive FII flows in 2026, said analysts.

On the other hand, domestic institutional investors (DIIs) did some heavy buying last year to offset the FII outflows.

A recent Motilal Oswal Financial Services Ltd report said that DIIs recorded robust inflows of $8.7 billion in the month of November, marking their 28th consecutive month of buying. In 2025 (year to date), DII inflows hit $81.3 billion, already surpassing the full-year 2024 levels, it added.