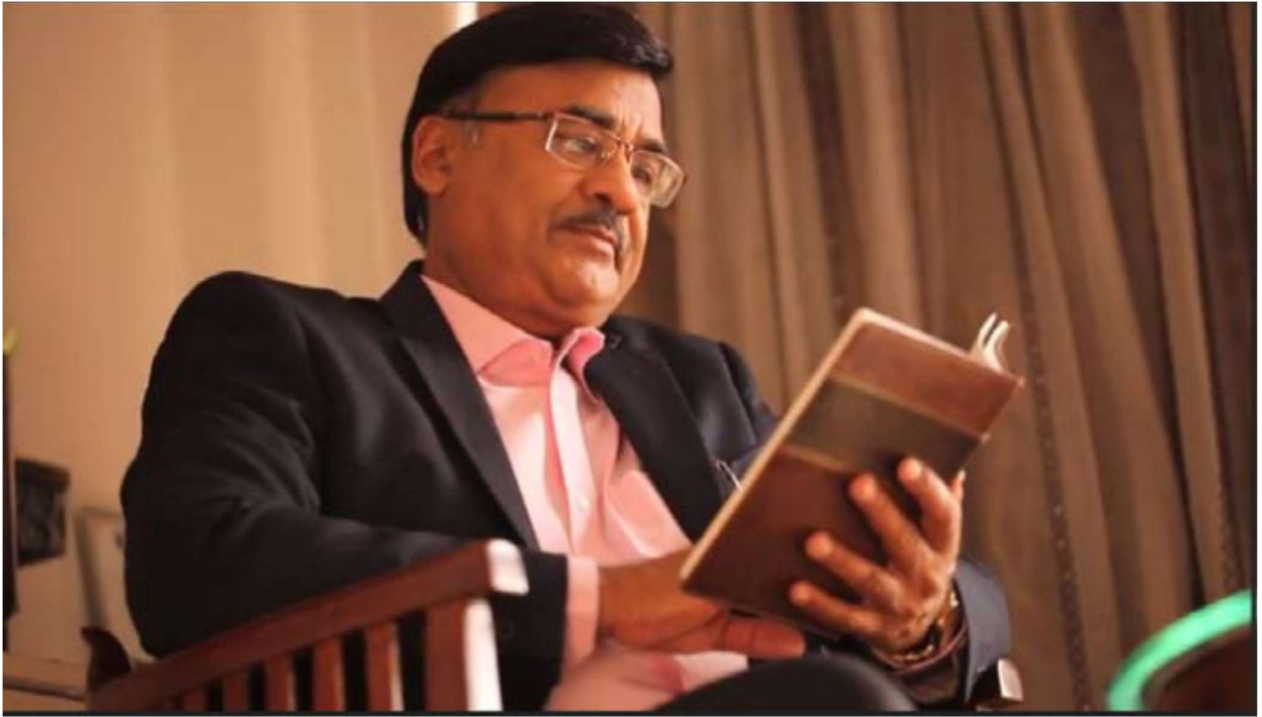




**AJCONGLOBAL**  
YOUR FRIENDLY FINANCIAL ADVISORS



**CA (Dr.) Ashok Ajmera's Weekly Column as on January 03rd, 2026**

---

**"Indian equities posted modest gains in Holiday shortened week"**

## CA (Dr.) Ashok Ajmera's Weekly Column

Indian equity markets ended the holiday-shortened week on a firm note, with benchmarks closing higher despite foreign fund outflows. The Nifty 50 rose about 1%, while the BSE Sensex gained around 0.9%, driven by broad-based buying across most sectors except FMCG. Power, banking, auto, and metal stocks saw particularly strong demand amid expectations of robust Q3 earnings. The rupee remained largely stable, trading in a narrow range of ₹89-90 per U.S. dollar as investors awaited clarity on new-year flows.

The top gainers in the Nifty 50 index were NTPC (up 8.64%), Tata Steel (up 8.14%), JSW Steel (up 7.89%), Coal India (up 6.40%) and Hindalco (up 6.05%). The major losers in the Nifty 50 index were ITC (down 13.39%), HCL Tech (down 1.25%), Max Healthcare (down 1.09%), Dr Reddys Lab (down 1.04%) and Bajaj Fin (down 0.96%).

### FII and DII activity

In the week gone by, FIIs were net sellers of Rs. 13,180.09 Crores and DIIs were net buyers of Rs. 17,766.57 Crores. In the previous week FIIs were net sellers of Rs. 12,020.00 Crores and DIIs were net buyers of Rs. 24,674.19 Crores. In the month of December 2025, FIIs net sellers of equities worth Rs. 34,349.62 Crores and DIIs were net buyers of equities worth Rs. 79,619.91 Crores.

### Sector Movement

The Outperforming sector was Nifty Metal, up by 5.70% and the worst performing sector was Nifty FMCG, down by 3.72% in the week.

### Global Market and Major Developments

#### US

US equity markets ended the holiday-shortened week lower, though major indices still closed 2025 with a third consecutive year of double-digit gains. The Nasdaq Composite underperformed, followed by the Russell 2000 and S&P 500, while the Dow Jones Industrial Average and S&P MidCap 400 were relatively more resilient despite modest declines. Within the S&P 500, the energy sector stood out with positive returns, supported by higher oil prices amid elevated geopolitical tensions. Trading volumes were light as markets remained closed on Thursday for the New Year's Day holiday.

U.S. economic data painted a mixed but generally supportive picture. Pending home sales rose 3.3% in November—the strongest monthly increase since February 2023—reflecting improving affordability driven by lower mortgage rates and wage growth outpacing home prices. House prices also rebounded, rising 0.4% month on month in October and 1.7% year on year, with strength concentrated in the Middle Atlantic and East North Central regions. Meanwhile, initial jobless claims fell for a third straight week to 199,000, one of the lowest readings of the year, signalling continued labor market resilience.

The Federal Reserve's December meeting minutes highlighted divisions among policymakers following a 25 bps rate cut, with most officials open to further easing if inflation moderates, while some favored holding rates steady for a period. Market reaction was muted, and expectations for a January rate cut remained low. In fixed income markets, Treasury yields were mixed, investment-grade corporate bonds posted negative returns, and high-yield bonds outperformed on thin trading volumes, reflecting cautious but selective risk appetite.

Particulars	Close (02/01/2026: Friday)	Open (29/12/2025: Monday)	Previous Close (26/12/2025: Friday)	Change (%)
<b>Nifty 50</b>	26,328.55	26,063.35	26,042.30	<b>1.10</b>
<b>Sensex</b>	85,762.01	85,004.75	85,041.45	<b>0.85</b>
<b>Nifty Midcap 100</b>	61,365.90	60,397.50	60,314.45	<b>1.74</b>
<b>Nifty Small cap 100</b>	17,832.05	17,756.55	17,695.10	<b>0.77</b>
<b>Sectoral Indices</b>				
<b>Nifty Bank</b>	60,150.95	59,007.05	59,011.35	<b>1.93</b>
<b>Nifty Auto</b>	28,803.65	27,738.90	27,739.85	<b>3.83</b>
<b>Nifty IT</b>	38,320.30	38,622.60	38,572.30	<b>-0.65</b>
<b>Nifty PSU Bank</b>	8,699.90	8,257.85	8,287.45	<b>4.98</b>
<b>Nifty Fin Services</b>	27,899.15	27,464.05	27,430.75	<b>1.71</b>
<b>Nifty Pharma</b>	22,790.90	22,697.25	22,684.65	<b>0.47</b>
<b>Nifty FMCG</b>	53,078.80	55,143.25	55,132.05	<b>-3.72</b>
<b>Nifty Metal</b>	11,421.85	10,921.60	10,806.15	<b>5.70</b>
<b>Nifty Realty</b>	898.80	883.90	883.15	<b>1.77</b>
<b>Nifty Media</b>	1,462.90	1,411.50	1,410.95	<b>3.68</b>
<b>Nifty Energy</b>	36,275.65	35,096.60	35,058.80	<b>3.47</b>
<b>Nifty Private Bank</b>	28,902.90	28,432.05	28,403.85	<b>1.76</b>
<b>Nifty Infra</b>	9,765.75	9,561.55	9,564.45	<b>2.10</b>
<b>Nifty Commodities</b>	9,734.65	9,353.50	9,332.35	<b>4.31</b>
<b>Nifty Consumption</b>	12,256.50	12,237.75	12,231.55	<b>0.20</b>
<b>Nifty PSE</b>	10,130.05	9,786.35	9,759.50	<b>3.80</b>
<b>Nifty Serv. Sector</b>	34,044.95	33,748.60	33,720.85	<b>0.96</b>
<b>Nifty Healthcare</b>	14,725.65	14,708.85	14,699.00	<b>0.18</b>
<b>Nifty Oil &amp; Gas</b>	12,340.05	11,943.75	11,958.15	<b>3.19</b>
<b>Nifty INDIA MFG</b>	15,623.35	15,272.60	15,241.55	<b>2.50</b>
<b>US Indices</b>				
<b>Dow Jones</b>	48,382.39	48,636.63	48,710.97	<b>-0.67</b>
<b>S&amp;P 500</b>	6,858.48	6,903.60	6,929.05	<b>-1.03</b>
<b>NASDAQ 100</b>	25,206.17	25,462.25	25,644.39	<b>-1.17</b>
<b>Commodities</b>				
<b>Gold (in Rs./ 10 gram)</b>	1,35,761	1,39,808	1,39,873	<b>-2.94</b>
<b>Brent Crude oil</b>	60.79	60.62	60.34	<b>0.75</b>

## Europe

European equity markets advanced over the week, with the STOXX Europe 600 hitting a fresh high and ending up 1.26% in local currency terms amid an improving economic backdrop. Major indices posted gains, led by Italy's FTSE MIB, while the UK's FTSE 100 briefly crossed the 10,000 mark for the first time. The benchmark closed 2025 with an annual price return of nearly 17%, marking its strongest yearly performance since 2021.

On the macro front, Spain's inflation cooled in December, with the EU-harmonised annual rate easing to 3.0% from 3.2% in November, helped by lower fuel prices, while core inflation remained steady at 2.6%. In France, registered unemployment fell by 21,500 to 3.129 million in November, though it was still up 197,300 year on year. Meanwhile, UK house prices surprised on the downside, with the Nationwide index declining 0.4% m/m in December versus expectations of a 0.1% increase.

Policy signals remained largely steady, with Sweden's Riksbank indicating that its key policy rate is likely to remain unchanged at 1.75% through 2026 before gradually rising thereafter. The guidance reinforced expectations of a prolonged pause in monetary policy across parts of Europe as central banks balance easing inflation against fragile growth dynamics.

## Japan

Japanese equities declined in the holiday-shortened week, with the Nikkei 225 falling 0.8% and the TOPIX down 0.4%, though markets still posted a third straight year of gains in 2025, led by AI-linked technology, semiconductor, and construction stocks. The yen traded around ¥156 per dollar, hovering near its weakest levels since January 2025, keeping expectations of possible currency intervention elevated amid limited impact from verbal warnings by authorities.

In fixed income, the 10-year JGB yield rose to 2.07% from 2.04%, its highest level since 1999, driven by expectations of gradual monetary tightening and concerns over fiscal expansion. The BoJ raised its policy rate by 25 bps to 0.75% at its December meeting, with policymakers citing strong corporate profits, wage growth, and easing U.S. tariff risks as factors supporting further normalization.

## China

Mainland Chinese markets ended the holiday-shortened week mixed, with the CSI 300 slightly down and the Shanghai Composite edging higher, while Hong Kong's Hang Seng gained about 2.0%.

China's manufacturing activity showed improvement in December, with the PMI rising to 50.1 from 49.2 in November, ending an eight-month contraction streak. The data suggests Beijing is likely to adopt a measured stimulus approach in 2026, though some analysts advocate for more aggressive measures to boost domestic consumption.

## Major Developments in Domestic Markets

1. India has approved electronic component manufacturing projects worth \$46 billion to boost domestic production and reduce import dependence. The move supports the government's push to strengthen the electronics supply chain and attract global manufacturers.
2. India's fiscal deficit for April–November stood at ₹9.8 trillion (\$109.1 billion), accounting for 62.3% of the full-year estimate, according to government data. For FY26, the government has pegged the fiscal deficit at 4.4% of GDP, or ₹15.7 trillion.
3. India has imposed a three-year safeguard duty of 11%–12% on select steel imports to curb low-priced shipments, particularly from China, according to a finance ministry order. The duty will be levied at 12% in the first year, 11.5% in the second, and 11% in the third year.
4. India has asked state refiners to submit weekly data on Russian crude imports as it reviews energy sourcing while pursuing a trade deal with the US. The move signals closer monitoring of oil flows amid geopolitical and trade negotiations.
5. Indian states are expected to borrow a record ₹5 trillion in the January–March quarter as higher spending and debt refinancing needs rise toward the end of the fiscal year. The surge could tighten bond market liquidity and keep state bond yields elevated.
6. India has imposed a new excise duty on cigarettes effective February 1, 2025, covering all cigarette categories. The government did not disclose the exact duty hike percentage, but the move is expected to raise prices and impact volumes for tobacco companies.
7. Mahindra & Mahindra reported a 23% year-on-year rise in December SUV sales, driven by strong demand for its new and refreshed models. The performance highlights continued momentum in India's utility vehicle segment.
8. India has imposed a provisional anti-dumping duty of \$60.87–\$130.66 per tonne on low-ash metallurgical coke imports from Australia, China, Colombia, Indonesia, Japan and Russia, effective for six months, as per an order issued on Wednesday.
9. India's GST collections rose 6% to ₹1.75 lakh crore in December, reflecting steady consumption and economic activity. This marks continued resilience in the country's indirect tax revenues.
10. India's power consumption rose nearly 7% in December to 138.39 billion units, led by higher use of heating appliances amid severe North Indian cold. Peak demand climbed to 241.20 GW, with steady consumption expected as temperatures remain low.
11. India has surpassed Japan to become the world's fourth-largest economy with a size of \$4.18 trillion, and is poised to overtake Germany to become the third-largest by 2030, the government has said. With continuing good growth numbers, India is also the world's fastest-growing major economy.
12. India's defence acquisition council has cleared proposals worth 790 billion rupees (\$8.78 billion) to buy radars, radios, automatic take-off landing recording systems and other equipment for its army, navy and air force, the defence ministry said.

## Ajcon Global's observations and view:

### Short term view:

1. Indian equity markets are expected to remain cautiously positive in the near term, supported by strong domestic liquidity and optimism around Q3 earnings, particularly in banking, auto, metals, and power sectors. The continued participation of domestic investors is likely to offset pressure from foreign fund outflows, which may cap sharp upside in the short term.
2. Macro-economic factors such as stable crude prices, a steady rupee and manageable inflation should provide a supportive backdrop for equities. Sectors like IT, financials, defence and infrastructure may see selective buying, while defensive sectors such as FMCG could underperform as risk appetite improves.
3. However, near-term volatility could rise due to global cues, including U.S. monetary policy signals, crude price fluctuations and geopolitical developments. Investors are likely to maintain a balanced approach, favoring fundamentally strong companies with visible earnings growth and resilient cash flows.

### Long term view

1. We believe that in spite of whatever is happening around, Indian equities are expected to remain attractive, supported by strong domestic growth, rising consumption, favorable demographics, and continued policy reforms. While global volatility and geopolitical risks may cause short-term swings, the underlying fundamentals - robust corporate earnings, improving governance and a resilient economy, provide a better foundation for sustained wealth creation for long-term investors.
2. Our faith remains in the Equity as the best asset class in the World but advice caution to the investors to be selective & remain invested in fundamentally strong companies at every fall.

### Disclaimer

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Ajcon Global Services Limited is a SEBI registered Research Analyst entity bearing registration Number INH000001170 under SEBI (Research Analysts) Regulations, 2014.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provides any assurance of returns to investors.

Individuals employed as research analyst by Ajcon Global Services Limited or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and within five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations, 2014.

Subject to the restrictions mentioned in above paragraph, We and our affiliates, officers, directors, employees and their relative may: (a) from time to time, have long or short positions acting as a principal in, and buy or sell the securities or derivatives thereof, of Company mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage.

Ajcon Global Services Limited is a fully integrated stock broking, investment banking, merchant banking, corporate advisory, commodity and currency broking Company. It may therefore have commercial relationship for the above said services with the Company covered in this Report. Ajcon Global Services Limited research analysts responsible for the preparation of the research report may interact with trading desk personnel, sales personnel and other parties for gathering, applying and interpreting information.

Ajcon Global Services Limited encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Limited or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Ajcon Global Services Limited nor Research Analysts have any material conflict of interest at the time of publication of this report.

Ajcon Global Services Limited or its associates may have commercial transactions with the Company mentioned in the research report with respect to advisory services.

The information and opinions in this report have been prepared by Ajcon Global Services Limited and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Ajcon Global Services Limited. While we would endeavor to update the information herein on a reasonable basis, Ajcon Global Services Limited is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Ajcon Global Services Limited from doing so. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.



This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Ajcon Global Services Limited will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Ajcon Global Services Limited accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Ajcon Global Services Limited or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

It is confirmed that CA (Dr.) Ashok Ajmera or any other Research Analysts of this report has not received any compensation from the company mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Ajcon Global Services Limited or its subsidiaries collectively or Directors including their relatives, Research Analysts, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Ajcon Global Services Limited may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Neither the Research Analysts nor Ajcon Global Services Limited have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on Ajcon Global Services Limited by any Regulatory Authority impacting Equity Research Analysis activities.

#### **Analyst Certification**

I, CA (Dr.) Ashok Ajmera, research analyst, author and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. I also certify that no part of compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view (s) in this report.

#### **For research related queries,**

**Contact:** Divya Makwana - Research Analyst at - [research@ajcon.net](mailto:research@ajcon.net)

**Website:** [www.ajcononline.com](http://www.ajcononline.com)

#### **Registered and Corporate office**

408 - (4<sup>th</sup> Floor), Express Zone, "A" Wing, Cello – Sonal Realty, Near Oberoi Mall and Patel's, Western Express Highway, Goregaon (East), Mumbai – 400063. Tel: 91-22-67160400, Fax: 022-28722062