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Equity Research Desk

MORNINGER

Subdued Opening Seen For Nifty Today

Trends in the GIFT Nifty index futures for December delivery, which was trading at 26,200 at 7:30 am, indicates a subdued opening for Nifty today.

Nifty Technical Outlook

The Nifty opened gap-down on Tuesday and slipped below 26,100, even testing the 26,000 mark before closing slightly above it. This marked the index's third straight decline, with losses in Reliance, HDFC Bank, and ICICI Bank dragging the index lower. Private banks remained under pressure due to index weightage changes, which hurt HDFC Bank and ICICI Bank while benefiting Yes Bank and Union Bank of India. Indigo was the top loser on concerns over a weaker rupee and soft air-traffic trends, while Asian Paints topped the gainers after a positive brokerage call. Indian Rupee continued to slide, inching toward 90. Except for Pharma, all sectoral indices ended in the red. The Nifty slipped 143.55 points closing at 26,032.20. The Nifty formed a bearish candlestick pattern on the daily chart, but we expect the buying interest to emerge at lower levels. The volatility index IndiaVIX has closed below 12 and we expect the volatility to ease in the short term. The Nifty short-term trend remains bullish and the trend will turn bearish only below 25,900 levels. The 9-day simple moving average is placed at 26,104.

Domestic & Global Indices

Index	Last Close Price	CMP	Daily Change (%)
NIFTY	26175.75	26032.20	-0.55%
NIFTY BANK	59681.35	59273.80	-0.68%
INDIA VIX	11.63	11.23	-3.42%
DOW 30	47289.33	47474.46	0.39%
NASDAQ 100	23275.92	23413.67	0.59%
FTSE 100	9702.53	9701.80	-0.01%
DAX	23589.44	23710.86	0.51%
NIKKIE 225	49303.23	49303.40	0.00%
Brent Crude ($)	63.32	62.38	-1.48%
Gold ($)	4230.43	4205.75	-0.58%

U.S. Stocks swung throughout Tuesday's session but held a positive tone, with major averages recovering Monday's losses. A strong rebound in Bitcoin and gains in Nvidia signalled renewed risk appetite, while semiconductor stocks led the rally, pushing the Philly Semiconductor Index up 1.8%. The Dow index moved up by 185 points to close at 47,474.46 and the S&P 500 index moved up by 16 points to close at 6,829.37.

Index Levels

Index Levels	S2	S1	Close	R1	R2
NIFTY	25850.00	25950.00	26032.20	26150.00	26250.00
NIFTY BANK	58800.00	59000.00	59273.80	59650.00	59860.00

Sectors in Focus (Intraday)

Bias	Sector
Positive Bias	Pharma
Negative Bias	Capital Markets, Financials, Defence & Private Bank

Intraday Recommendation

Script	Buy/Sell	Entry Price	Target	Stop Loss
EIDPARRY	Buy	1043.00	1059.00	1034.00
KIMS	Buy	701.00	712.00	695.00

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ALPHA

Pick of the Week

Stock Name	Upside Potential	Report
Fiem LIGHT UP THE WORLD	20%	Click Here

Trading Activity (Cash) - 02/12/2025

Category	Buy Value	Sell Value	Net Value
FII / FPI	15234.08	18876.38	-3642.30
DII	15194.77	10548.83	4645.94

Derivatives Watch

- Based on Open Interest in Futures, FII's have decreased their long position by 3052 contracts and have increased their short position by 9637 contracts. FII's are net bearish by 12689 contracts.
- Based on Open Interest in Options, FII's were net bearish by 14078 contracts. In Nifty, the highest PUT OI was seen at 26000 and the highest CALL Open Interest was seen at 26200 strike.
- Based on Open Interest, we are bullish on Asian Paints, Motherson, Vodafone Idea, Glenmark, KEI, Angel One, Naukri, IDFC First Bank, Siemens and Indus Tower. We are bearish on Indian Bank, Nuvama, NBCC, 360 One, Adani Energy Solutions, SRF, Delhivery, SAIL, BHEL and HDFC AMC.

Economy & Stocks to Watch

- The **Nifty Bank index** is set to add two new stocks from this month-end, with Yes Bank Ltd. and Union Bank of India Ltd. entering the index, in compliance with the new weightage guidelines issued by the Securities and Exchange Board of India (SEBI), the market regulator. With this, the two lenders are set to bring in cumulative inflows worth $249 inflows together, as per analysts. Of this, **Yes Bank's** cumulative inflow is estimated to be $140 million for over 550 million shares and **Union Bank** is set to receive inflows worth $109 million for 63 million shares. The flows will be received over four tranches over the next four months, as per Nuvama Alternative & Quantitative Research.
- The Narendra Modi government on Tuesday (December 2) confirmed that it has no proposal to increase the **Foreign Direct Investment (FDI) limit** in public sector banks beyond the existing threshold of 20%. The clarification was issued in a written reply by the Minister of State for Finance, Pankaj Chaudhary, to an unstarred question in the Rajya Sabha. The Minister stated that the current framework governing foreign investment in banks is defined under the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970/80 and the Foreign Exchange Management (Non-Debt Instruments) Rules 2019. Under the regulations, the FDI limit in public sector banks remains capped at 20%, while private sector banks can receive up to 74% foreign investment.
- **Canara Bank** on Tuesday (December 2) said it has mobilised ₹3,500 crore through the issuance of 7.55% Basel III-compliant additional tier I bonds. The fundraise comprises a base size of ₹1,000 crore and a green shoe option of ₹2,500 crore, both fully subscribed. The unsecured, subordinated, listed, rated, non-convertible, perpetual and fully paid-up bonds carry a face value of ₹1 crore each. The issue opened and closed on November 28, 2025, with 3,500 bonds placed with 37 allottees. Allotment was completed today, December 2, 2025.
- **Indian Hotels Company Ltd (IHCL)** on Tuesday (December 2) announced the signing of a 90-key greenfield Ginger hotel in Shillong, marking the brand's debut in Meghalaya. "Shillong, with its vibrant spirit, resonates with Ginger's philosophy of blending work and play. Under the Smart City program, Shillong is evolving into a significant administrative and economic hub. We are delighted to partner with Khongsngi for this project," IHCL Executive Vice President – Real Estate and Development, Suma Venkatesh said in a statement.
- **Indian Railway Finance Corporation Ltd (IRFC)** on Tuesday, December 2, said it has signed a loan agreement with Sumitomo Mitsui Banking Corporation, GIFT City Branch, Gandhinagar, Gujarat, for raising an external commercial borrowing (ECB) of JPY (yen) equivalent $300 million. The agreement was executed on December 2, 2025, marking IRFC's return to the ECB market after more than three years. The ECB facility has a tenure of five years and is benchmarked to the overnight TONAR (Tokyo overnight average rate).
- **India Cements Ltd** said its subsidiaries — PT Coromandel Minerals Resources, Indonesia, and Raasi Minerals Pte Ltd, Singapore — have entered into a share sale and purchase agreement to divest their entire equity investment in PT Adcoal Energindo, Indonesia, for a proposed consideration of IDR 10 billion (approximately ₹5.4 crore). Once completed, PT Adcoal will cease to be a subsidiary, and PT Mitra Setia Tanah Bumbu, in which PT Adcoal holds a 49% stake, will also cease to be an associate company. PT Adcoal is not a material subsidiary and contributed only 0.5% to the company's turnover in FY25. India Cements said the sale agreement was signed on December 2, 2025 and is expected to be completed within six months.

*Sources : Business Standard, Money Control, Business Line, Reuters, NSE, TradingView

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