

November'2026

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EMBRACE FINANCIAL FREEDOM

(AMFI Registered Mutual Fund Distributor)
ARN 321370

Bazaar Beats

Monthly Market Outlook

KEY HIGHLIGHTS

- Risk appetite weakened late in October in global markets, amid concerns over the sustainability of AI-linked capital expenditure, elevated energy prices and tighter financial conditions
- Major global markets underperformed primarily on the concerns on very high capital investments in AI, increased cost of capital to fund these investments and real business returns
- September CPI inflation rose to 5.5% YoY from 4.8% in August. Core-core inflation also rose to 3.2% from 2.9%. Though IIP growth moderated to 6.7% YoY, but mfg. momentum remained robut.
- RBI raised its FY27 GDP growth forecast to around 7.0-7.1%. Credit momentum remained strong, with non-food bank credit growth at 19.1% YoY in September.
- Better-than-expected IT results and rotation into large-cap technology supported headline market index recovery in October. IT was clear out performer (up by 17.7%) while capital goods and metals were main losers

Global Markets

Index	Sept Close (30 Oct 2026)	Monthly Change (MoM)
S&P 500 (USA)	7651.54	-0.93%
Nasdaq (USA)	26861.06	-5.30%
Nikkei 225 (Japan)	66753.72	-5.19%
Hang Seng (China)	24574	-5.21%
FTSE 100 (UK)	10606	+1.17%

Indian Market

Index	Sept Close (30 Oct 2026)	Monthly Change (MoM)
Nifty 50	22620.45	+1.91%
Sensex	72480.29	+2.73%
Bank Nifty	54633.05	+0.10%
Nifty Midcap 100	59332.05	-3.42%
Nifty Smallcap 100	19245.70	-4.06%

Key Economic Indicators

Indicator	Previous (Sep 2026)	Latest (Oct 2026)
CPI Inflation	5.54%	6.09%
Service PMI	55.2	55.8
Manufacturing PMI	55.1	54.7
Repo Rate	5.25 %	5.50 %
Brent Crude	116.80	112.32
Rupee (USD)	95.98	94.91

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Economic Factors Impacting Indian Financial Market

The Indian financial market remains supported by strong domestic consumption, resilient economic activity and improving corporate earnings. However, rising inflation, particularly in food, fuel and wholesale prices, has prompted the RBI to adopt a tighter monetary policy stance, reducing expectations of near-term rate cuts.

Foreign investors continued to withdraw funds (around US$4 billion), while strong DII inflows of US$6.5 billion provided market support. Global uncertainties, including AI investment concerns, higher US interest-rate expectations and geopolitical tensions, also weighed on sentiment. Meanwhile, mid- and small-cap corrections have moderated valuations, although they remain above historical averages.



Global Developments Influencing Indian Financial Market

Global growth remains uneven amid geopolitical tensions, persistent inflation and policy uncertainty. While the US economy is supported by resilient consumption and AI-led investments, elevated energy prices, higher interest rates and bond yields are tightening global financial conditions. Ongoing tensions in West Asia and risks to energy supplies further add to uncertainty, influencing global investor sentiment and market volatility.

Intensifying competition for capital, rising government borrowing and increased AI-related investments are pushing up global funding costs and real yields. Strong US economic growth and expectations of continued Federal Reserve policy tightening could keep financial conditions tight, affecting global liquidity, currency movements and capital flows. These developments may influence foreign investment and risk appetite towards emerging markets, including India.



Indian Equity Market

Indian equity markets ended October on a positive note, with the Nifty 50 gaining 1.9% and the Sensex rising 2.7%, supported by strong IT earnings and resilient domestic fundamentals. However, mid- and small-cap stocks remained under pressure, declining 3.4% and 4.1%, respectively. Sectoral performance was mixed, with IT and Telecom gaining while Capital Goods, Metals and Consumer Durables witnessed notable declines. Persistent FPI outflows, elevated crude oil prices, geopolitical tensions and global uncertainty weighed on market sentiment, while strong DII inflows and healthy corporate earnings provided support.

Indian equities remains constructive from a medium- to long-term perspective, supported by resilient economic growth, improving earnings and domestic investment opportunities. . Opportunities are emerging across banking, consumer discretionary, manufacturing, infrastructure, defence and electronics. Investors should remain selective and disciplined, focusing on quality businesses, sustainable cash flows and earnings visibility, while viewing market corrections as potential opportunities for gradual investment.

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- Elevated crude oil prices, rising global bond yields and geopolitical tensions may keep markets volatile in the near term.
- Large-cap stocks may remain relatively attractive, supported by stronger balance sheets, better liquidity and earnings visibility.
- Financials, manufacturing exporters and premium consumption sectors appear well-positioned to benefit from India's growth trajectory.
- Healthy corporate earnings and resilient domestic demand are expected to remain key market support factors.
- Focus on quality businesses, sustainable cash flows and reasonable valuations, while remaining cautious on mid- and small-cap valuations.

TACTICAL VIEW

Stay positive on equities with a preference for quality large caps, disciplined valuations and selective sector opportunities amid near-term market volatility.

LINAC INSIGHT

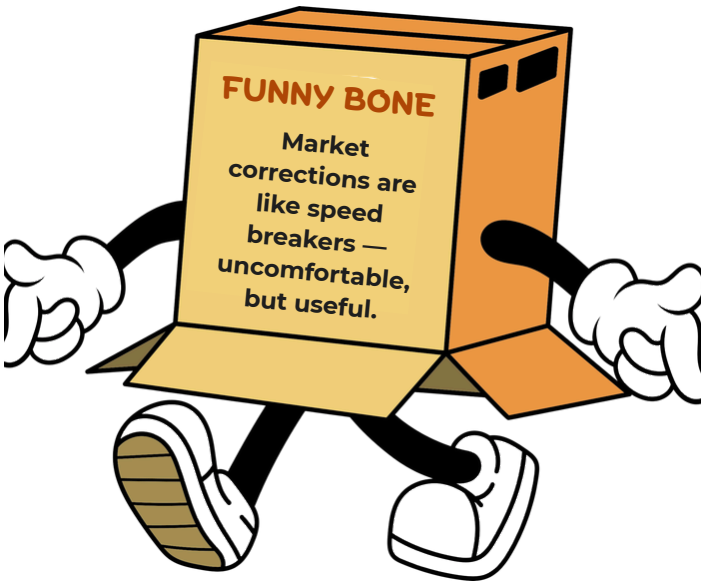
Market opportunities remain promising, with a growing emphasis on earnings strength, business quality and valuation discipline.

THE CORE

Mismatch between investment horizon and product choice is a common error. Match every allocation with the time horizon of its intended goal.

QUOTE OF THE MONTH

Alpha is not luck; it is preparation meeting opportunity.



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