



MARKET ● SPOTLIGHT

June 2026



Range-Bound Markets Search for Direction

Following a sharp recovery in April, the Indian equity market shifted sideways in May, characterized by heightened volatility. Persistent geopolitical uncertainties and elevated crude oil prices continue to fuel market turbulence. A primary concern remains the record capital outflows from Foreign Institutional Investors (FIIs), which have intensified pressure on the rupee and contributed to Indian equities underperforming due to a distinct lack of momentum in the AI sector. The domestic currency is simultaneously bearing the brunt of high oil import costs.

However, severe downsides remain protected by robust buying from Domestic Institutional Investors (DIIs) alongside emerging optimism surrounding a potential US-Iran peace deal. Looking ahead, market direction will heavily hinge on developments regarding the US-Iran situation, fluctuating crude prices, and progress on a crucial India-US trade deal. Additionally, market chatter regarding impending policy actions by the Indian government and the Reserve Bank of India (RBI) to incentivize and attract foreign capital has helped spark late pullbacks from lower levels.

On the domestic macroeconomic front, the rising probability of a weak monsoon and the subsequent risk of resurgent inflation are introducing further instability. Caught in a web of domestic and global crosscurrents, the market is currently consolidating as investors actively search for stability and a definitive directional catalyst.

“ The market is actively searching for stability and direction amid rising macroeconomic risks ”

MAY MONTH WRAP-UP

▼ Nifty	23,262.45(-1.87%)
▼ Sensex	74,775.90(-2.78%)
▼ Banknifty	54,239.25(-1.14%)
▲ Nifty PHARMA	24,345.90(+4.63%)
▼ NIFTY OIL & GAS	11,200.35(-4.23%)
▲ Nifty METAL	13,873.45(+4.73%)
▲ Nifty Midcap	61,723.35(+3.24%)
▲ Nifty Smallcap	18,138.90(+0.73)

KEY HIGHLIGHTS OF MAY

- **Volatile Consolidation:** Markets traded in a range after April's rally, with volatility driven by geopolitical tensions and crude oil fluctuations.
- **FII Selling, DII Support:** Heavy FII outflows pressured markets, while strong DII buying helped cushion the downside.
- **Global Triggers in Focus:** Developments around the US-Iran situation and the India-US trade deal guided market sentiment.
- **Macro Headwinds Persist:** Rising crude prices, rupee weakness, and monsoon-related inflation concerns kept investors cautious.

TECHNICAL OUTLOOK

NIFTY

- Nifty remains stuck in an indecisive range of 23,150–23,800, indicating lack of clear directional momentum.
- On the upside, 23,800, 24,100, and 24,500 are key resistance levels.
- On the downside, 23,150 is a crucial support; a break below this could open the path towards 22,800.

BANK NIFTY

- Banknifty remains stuck in an indecisive range of 53,200–55,500, indicating lack of clear directional momentum.
- On the upside 55,500, 56,600, and 57,400 will act as key resistance levels, likely to cap any recovery.
- On the downside, 54,000 is an immediate support; a break below this could open a downside window towards 53,200 and 52,800.

IPO's PERFORMANCE MAY 2026

IPO Name	Issue Price (INR)	Listing Price (INR)	Listing Gain (%)	Subscription
Bagmane Prime Office	100	103	3%	3.4X

EXPECTED IPO's JUNE 2026

- Hexagon Nutrition

SME IPO's PERFORMANCE MAY 2026

IPO Name	Issue Price (INR)	Listing Price (INR)	Listing Gain (%)
Value 360 Communications Ltd.	98	78.4	-20%
Recode Studios Ltd.	158	213	34.87%
Simca Advertising Ltd.	183	156	-14.75
Goldline Pharmaceutical Ltd.	43	59.75	38.95%
RFBL Flexi Pack Ltd.	50	52.5	5%
NFP Sampoorna Foods Ltd.	55	54.5	-0.91%
Teamtech Formwork Solutions Ltd.	68	75	19.05%
Vegorama Punjabi Angithi Ltd.	77	118.1	53.38%
Bio Medica Laboratories Ltd.	139	111.2	-20%
Autofurnish Ltd.	41	43	4.88
Q-Line Biotech Ltd.	343	452	31.78%
Yaashvi Jewellers Ltd.	83	83	0%

EXPECTED SME IPO's JUNE 2026

- Vahh Chemicals
- UHM Vacation
- Genxai Analytics

KEY TRIGGERS FOR JUNE



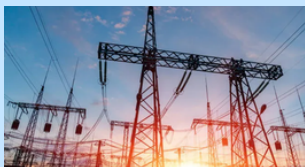
- **India–US Trade Deal Progress:** Any breakthrough or delay in negotiations could significantly influence investor sentiment, foreign capital flows, and sector-specific opportunities.
- **US–Iran Geopolitical Developments:** Progress toward a peace agreement may ease concerns over global oil supply disruptions, while renewed tensions could increase market volatility.
- **Crude Oil Price Movement:** Sustained elevation in crude prices may worsen inflationary pressures, impact corporate margins, and weigh on the rupee due to higher import costs.
- **FII Flow Trend & Rupee Stability:** A reversal in FII outflows could provide support to equities, while continued selling pressure may keep the rupee and broader market sentiment under stress.
- **Monsoon & Inflation Outlook:** Concerns over a weaker-than-expected monsoon could raise food inflation risks, influencing RBI policy expectations and market direction.

SECTORS TO WATCH



Auto ancillaries may benefit from progress on the India-US trade deal and improving export opportunities.

FMCG may remain in focus as investors monitor monsoon progress and rural demand.



Power sector may show resilience amid strong demand outlook.

Banking & Financials stocks may stay in focus amid RBI policy expectations and FII activity.



TOP PICKS FOR JUNE

BUY

Adani Energy



CMP 1520

SL 1400

TGT 1800

BUY

RBL BANK



CMP 353

SL 329

TGT 390

BUY

VIJAYA



CMP 1360

SL 1255

TGT 1520

INVESTMENT IDEA

THERMAX LTD



CMP **4875**

TGT **6800 (40%)**

Duration **1 Year**

TOP MUTUAL FUNDS



Largecap/
Bluechip Fund

**ICICI PRU
LARGE & MID
CAP FUND**



Multicap Fund

**Nippon
India Multi
Cap Fund**



SmallCap

**HDFC Small
Cap Fund**



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Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

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