Centricity
Together Forward

Market Outlook

September 2026



INDEX

01
Economic Outlook

02
Equity Outlook

- Broad Market Performance
- Sectoral Performance
- Institutional Activities
- Global Markets
- Equity Outlook

03
Debt Outlook

- Global Debt Outlook
- Indian Debt Outlook
- In-House View
- Commodity Outlook

04
Investing Ideas

- Products

CEO's desk



The Indian economy continued to show resilience in Q1 FY27, recording stronger-than-expected real growth of 7.8%. The recovery began taking shape from Q2 FY26 and was driven by tax measures, GST rationalisation and an accommodative monetary environment. The strength of domestic demand continues to provide an important cushion against external risks.

Indian equities have remained resilient, supported by GDP performance, favourable liquidity conditions and improving earnings expectations. With the economy entering the festive season, broader consumption and improving activity could support earnings. However, valuations remain an important consideration, particularly if inflationary pressures persist and global markets remain volatile.

While domestic liquidity conditions remain supportive, elevated global yields and persistent price pressures could limit the softening in Indian yields. Fiscal pressures are also becoming important, as rising debt levels across major economies keep long-term yields elevated. This could prove challenging for Indian bonds as any further rise in global yields can filter through to domestic markets through portfolio flows, currency dynamics and the broader interest-rate channel.

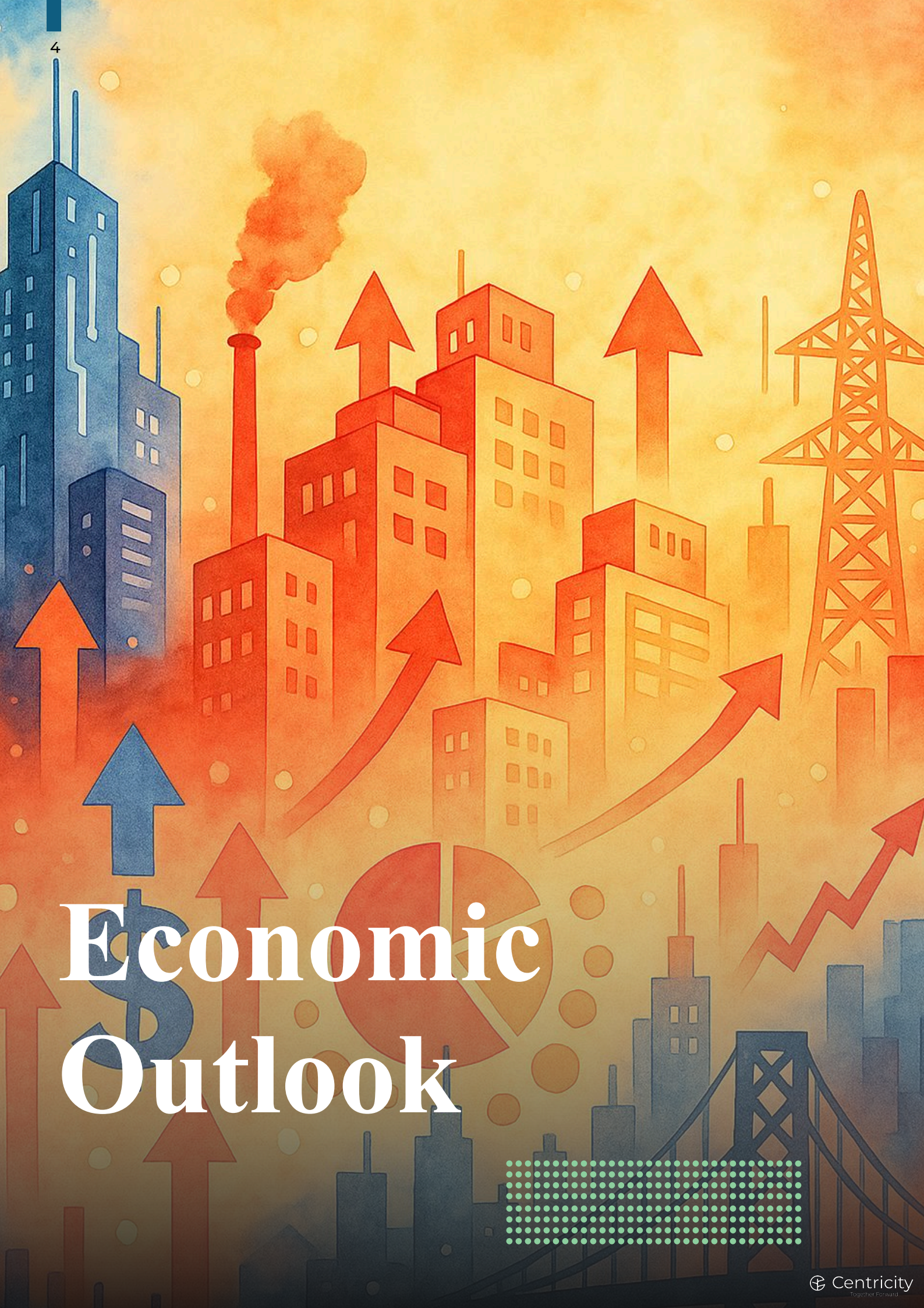
The key question for the remainder of FY2027, therefore, is less about the economy's ability to absorb the shock and more about the durability of this momentum. Consumption will be particularly important to watch as food and fuel pressures begin to feed through more meaningfully in the latter part of the year. Sustaining household purchasing power, while keeping inflationary pressures contained, will be critical to preserve the breadth of the recovery.

For now, the evidence remains encouraging. India has demonstrated resilience even when the external environment remains unsettled. The focus going forward will be on whether this momentum can broaden and sustain. For investors, this calls for a balanced approach, remaining constructive on India's long-term growth prospects while staying mindful of valuations, inflation and global risks.

Manu Awasthy

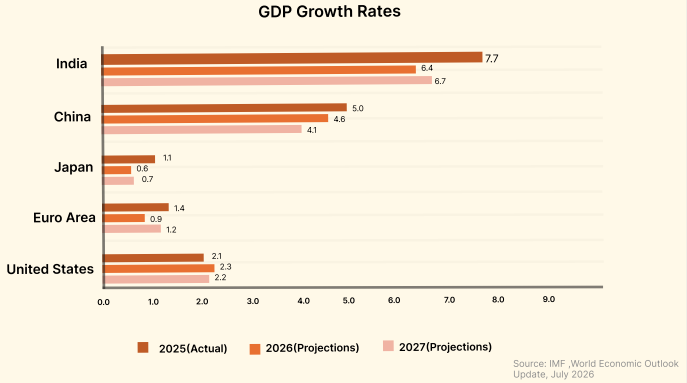
Manu Awasthy

CEO & Founder
Centricity

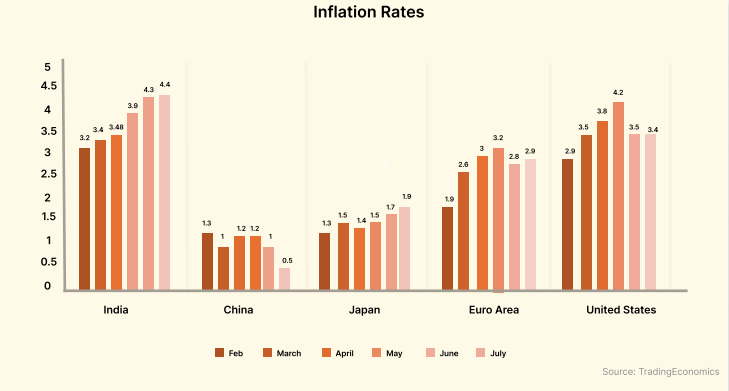


Economic Outlook

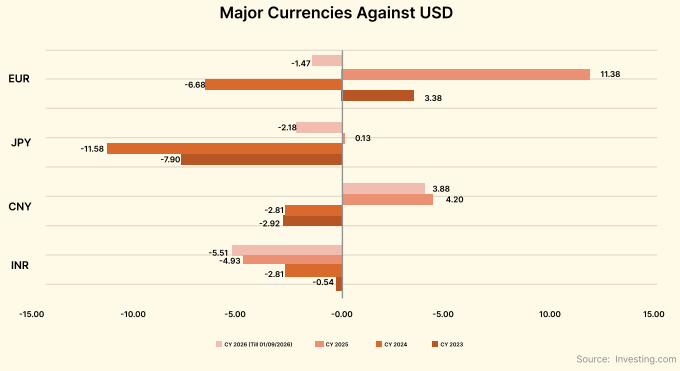
Economic Outlook



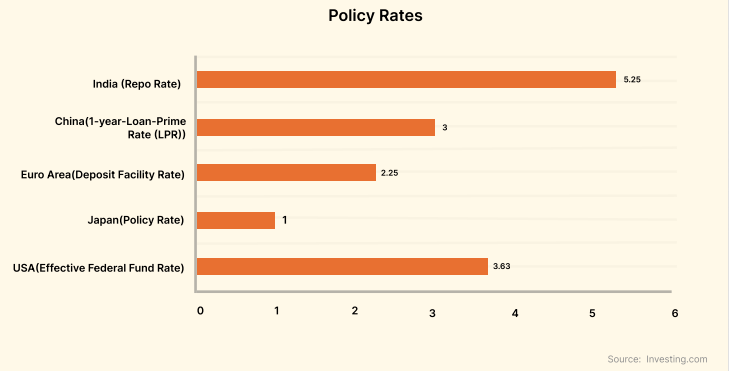
Global growth expectations have improved at the margin as markets gain greater clarity of ongoing geopolitical disruptions. India's Q1 FY27 growth of **7.8%** also exceeded expectations, supported by resilient consumption and investment, with stronger exports providing an additional growth impulse. **The strength of domestic demand, alongside improving external demand, points to a relatively well-anchored Indian growth cycle despite a still uncertain global environment.**



Inflationary pressures remain uneven across economies. In India, the impact remains relatively concentrated, with the sharpest increases largely confined to fuel-linked components rather than a broad-based acceleration in prices. The US presents a more persistent inflation challenge, with around 49% of the PCE basket recording price increases above 3%.



Major currencies have remained under pressure against the US dollar, reflecting the combined impact of tariff uncertainty in 2025 and renewed geopolitical stress in the first half of 2026. **The Indian rupee stands out among the selected currencies, having recorded depreciation across each of the periods shown**, highlighting persistent external pressures despite relatively resilient domestic growth.This highlights the continued sensitivity of the rupee to external factors, with currency performance likely to remain closely tied to energy prices, capital flows and global risk sentiment.



Major central banks have broadly kept policy rates unchanged in recent meetings, reflecting a more cautious approach as policymakers balance persistent inflation risks against potential growth moderation.

DOMESTIC HIGH-FREQUENCY INDICATORS

India, year-on-year% unless stated

Weak / Negative | Strong | Not Yet Out

Indicator	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Growth & activity - % YOY													
GST E-way bills (Volume)	25.8	22.4	21	8.2	27.6	23.5	15.8	18.8	12.9	11.8	10.9	14.5	6
GST revenue (₹ lakh crore)	8.2	6.9	10	7.6	0.7	6.1	6.2	8.1	8.8	8.7	3.2	13.9	15.4
Digital Payments – Volume	30.9	31.1	28.1	21.5	30.2	26.8	25.4	23.5	21	22.3	21.3	21.7	16.6
Digital Payments – Value (₹ lakh crore)	16.6	5.3	13.4	8.8	14.7	15.2	11.3	17.9	12.6	14.4	10.8	20.2	18.2
Automobile Production (Volume)	10.7	8.1	10.8	-2.8	22.3	37.1	15	22.1	20.2	26	13.4	27.5	24.8
Index of Core Industries	3.2	0.2	3.1	0.8	3.5	5.6	5.2	3.2	2.9	2.7	3.2	6	5.4
IIP-Headline	5.4	4.7	6.1	-0.9	7	6.7	4.1	4.4	3	4.9	5	7.3	6.7
Domestic air cargo (Tonnes)	4.8	7.1	2.8	-2.3	20.5	4.3	8.7	18.5	10.8	7	10.7	0.4	
International air cargo (Tonnes)	4.2	4.5	2.3	-2.3	12.7	12	8.4	17.5	0	11.6	10.4	19.4	
Steel consumption (Million tonnes – MT)	7.3	10	8.9	2.4	6	5.4	4.9	12.8	13.7	8.1	0.4	7.4	6.5
Cement production (Million tonnes – MT)	11.6	5.4	5	5.2	14.6	13.7	11.3	9.1	-4.7	8.3	8.4	9	13.1
Sentiment - index, 50=flat													
PMI Services	60.5	62.9	60.9	58.9	59.8	58	58.5	58.1	57.5	58.8	59.8	57.4	53.3
PMI Manufacturing	59.1	59.3	57.7	50.2	56	55	55.4	56.9	53.9	54.7	55	54.2	53.5

Sources: RBI Bulletin August 2026, GSTN - NPCI/RBI - SIAM - MoSPI - Ministry of Steel - DPIIT - S&P Global/HSBC PMI

Latest available data as of 31st August ; July-26 retained as the latest common month, as August data is not yet available across all indicators



Equity Outlook

Broad Market Performance

NIFTY Indices Returns

NIFTY 50	NIFTY NEXT 50	NIFTY SMALLCAP 250	NIFTY MIDCAP 150	NIFTY 500
−8.32 % YTD	+5.10 % YTD	+10.62 % YTD	+3.70 % YTD	−2.49 % YTD
1M: -1.14% | 5Y Avg: +7.11%	1M: +0.26% | 5Y Avg: +12.26%	1M: +2.62% | 5Y Avg: +15.07%	1M: +1.79% | 5Y Avg: +16.01%	1M: +0.05% | 5Y Avg: +9.67%

Source: NSE, Trendlyne

- **Broader market leadership strengthened in August**, with **Midcap 150 and Smallcap 250 outperforming the Nifty 50,** while Nifty Next 50 and Nifty 500 reflected relatively better breadth.
- **This broader market resilience was increasingly supported by earnings.** Q1 FY27 results indicated a broadening of profit growth across sectors and market segments, with **stronger earnings momentum in several mid- and small-cap companies** supporting the sustained outperformance beyond large caps.
- **Valuations remain the key constraint to further upside in SMIDs, specifically for smallcaps.** Small-cap segments continue to trade at a premium against its 5-year average.
- **Nifty Next 50 offers the clearest valuation comfort** particularly as the segment remains exposed to structural domestic growth themes.

Valuations Across NIFTY Indices

NIFTY Indices	P/E TTM (As on Aug 31st, 2026)	P/E 5 Yr Average	P/B TTM (As on Aug 31st, 2026)	P/B 5 Yr Average
NIFTY 50	20.36	22.10	2.92	3.90
NIFTY Next 50	19.50	23.10	3.28	4.20
NIFTY Smallcap 250	33.90	27.10	3.59	3.60
NIFTY Midcap 150	29.44	31.00	4.46	4.30
NIFTY 500	22.73	23.80	3.27	3.90

Source: NSE



Sectoral Performance

NIFTY Sectoral Indices	RETURNS (%)				P/E (x)		P/B (x)	
	1M	3M	1Y	5Yr Avg	Current	5Yr Avg	Current	5Yr Avg
Pharma	2.5	12.04	25.45	15.13	42.09	34.0	5.11	4.9
IT	1.59	7.61	-9.44	-2.23	19.9	28.2	5.49	8.0
Energy	-1.93	-6.84	14.04	11.44	14.72	13.7	2.06	2.3
Metal	3.77	-1.28	45.64	19.97	16.06	18.2	2.71	2.4
FMCG	-6.27	-6.32	-17.26	5.33	31.93	41.7	7.68	10.5
India Defence	4.23	6.86	31.84	—	58.65	45.4	11.55	10.0
Oil & Gas	-1.19	-0.57	3.72	9.13	10.99	11.1	1.37	1.8
Consumer Durables	0.91	15.99	5.16	7.93	65.84	68.0	12.46	12.2
Auto	0.5	10.3	16.77	21.62	33.51	35.6	4.4	5.0
Financial Services	-0.97	4.34	3.77	8.73	16.13	18.3	2.43	3.3
Realty	0.39	16.01	4.34	11.42	38.4	49.6	3.95	4.4
Bank	1.49	7.51	8.85	16.51	13.73	16.5	1.74	2.5

Source: NSE, Trendlyne

- **Metals and banks are right now being supported by actual earnings momentum rather than just valuation.** Q1 FY27 Nifty 50 PAT growth reached an 18% 10-quarter high, with B**FSI and metals among the key contributors.** Lenders benefited from stronger loan growth, low credit costs and operating leverage, while metals saw improved pricing.
- **FMCG's near-term weakness looks more cyclical than structural.** Q1 data indicated resilient consumption, supported by urban demand, rural recovery and premiumization, but rising costs of sugar, crude-linked inputs and edible oils continue to pose a risk to margins.
- In IT sector, after a sharp de-rating, valuations are attractive, but softer global tech demand and AI-related disruption continue to limit earnings visibility. A stronger recovery will need clear earnings upgrades.
- India Inc delivered **19.4% YoY revenue growth in Q1 FY27**, the strongest in nine quarters, while Nifty 500 earnings grew **13%.** Earnings upgrades in August were concentrated in metals, **NBFCs and oil & gas,** while consumer and auto estimates were revised down. This points to a market increasingly favoring **sectors with improving earnings and reasonable valuations** over purely defensive plays.

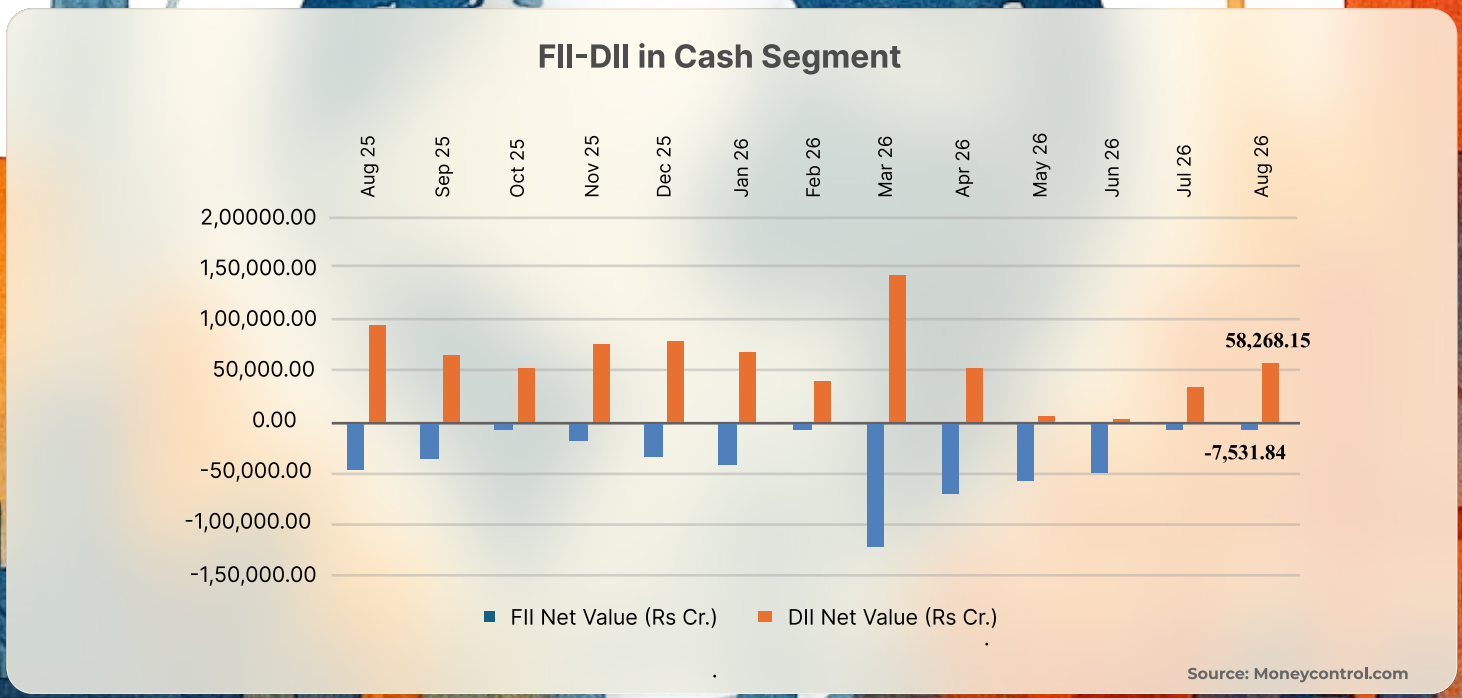


Institutional Activities

IN INR Cr.				
Sectors	Net Investment June, 2026	Net Investment July, 2026	Net Investment Aug, 2026	Net Inflow/Outflow in Equity (YTD)
Automobile & Auto components	-10,368	-4,564	4,405	-31,044
Capital Goods	-4,028	-6275	-1,556	13,323
Chemicals	-610	418	315	-1395
Construction & Construction Materials	-195	1,246	-20	-12054
Consumer Durables	1,930	7,342	1,472	4667
Consumer Services	1,229	10,201	3,398	-6763
FMCG	-5,537	-628	-189	-27987
Financial Services	3,371	-694	6,535	-105614
Healthcare	-3,066	7,755	2,910	-10273
Information Technology	-7,466	3,358	2,530	-28359
Publication	-359	-265	-6	-1083
Metals & Mining	-9,093	4,937	720	18478
Oil, Gas & Consumable Fuels	-13,277	-255	490	-28411
Power	-6,320	-2863	-1,164	-3062
Realty	800	1,793	-1,014	-7558
Services	2,894	2404	590	9084
Telecommunication	-347	-5,725	-3,322	-26470
Textiles	95	454	1	-315
Utilities	223	-44	7	12

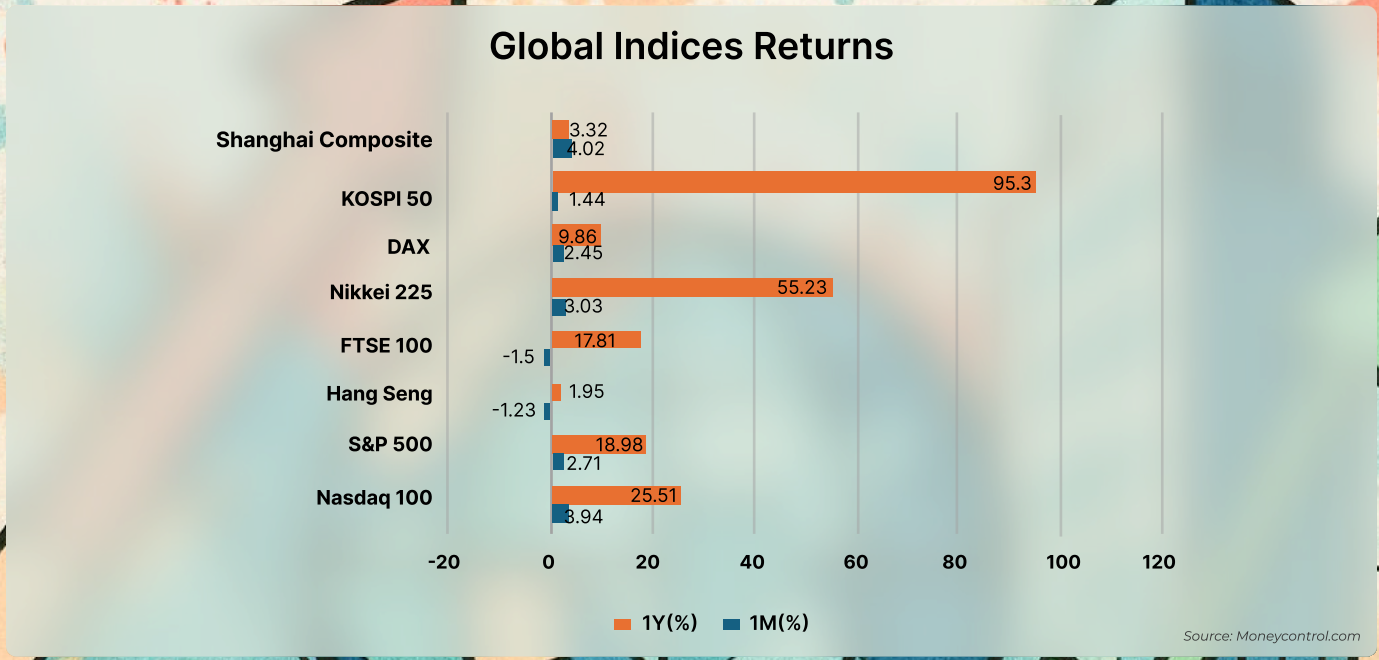
Source: NSDL

- FIIs were **net sellers of ₹7,532 crore in the cash market**, yet were **net buyers of ~₹30,919 crore across total equity flows.** Of the latter, **₹18,790 crore came through exchanges and ₹12,128 crore through primary-market/ other transactions,** indicating that foreign participation was increasingly routed through IPOs, OFS and other non-secondary-market transactions.
- **Domestic institutions remained the key support in the secondary market, with DII cash buying of ₹58,268 crore,** nearly 8x the FII cash selling. This continued domestic absorption helped sustain market liquidity even as foreign investors remained net sellers in listed stocks.
- **FPI flows became more broad-based in August compared with the previous month.** However, the **YTD pattern shows foreign investors continue to favor capital-expenditure and structural-growth themes** such as capital goods, metals & mining and services, which are closely aligned with India's ongoing investment cycle and areas of stronger economic activity.



Source: Moneycontrol.com

Global Markets



- US equities extended their rally, with the **S&P 500 +2.7% and Nasdaq +3.9% in August,** their strongest August performances since 2021. The rally remained earnings- and AI-led, with Nvidia +10% after strong results.
- **Japanese equities gained 3.0% in August,** despite significant intra-month volatility. The pullback around **18–19 August** was due to profit-taking after the strong run-up, alongside concerns over higher global yields and the outlook for **BoJ normalization and yen strength**.
- **Korean equities remained supported by the AI semiconductor cycle.** The fundamental backdrop strengthened further as **August exports surged 68.7% YoY to a record $98.3bn**, while semiconductor exports jumped **209% to $46.7bn.**
- **Chinese equities outperformed regional peers, with the Shanghai Composite gaining 4.0%,** while the **Hang Seng declined 1.2%**. The A-shares benefitted from **liquidity and policy optimism** while **Hang Seng (-1.2%)** faced greater pressure from its **large technology and internet weighting.**
- **European equities remained positive but more measured**, with the **DAX gaining 2.5%,** while the **FTSE 100 declined 1.5%** in August. German equities benefited from expectations of supportive monetary conditions, whereas UK equities faced greater pressure from higher yields and renewed inflation concerns.

MSCI Indices	USD Net Returns (%)				Fundamentals	
	1M	YTD	5Y (Annualised)	10Y (Annualised)	P/E	P/BV
U.S.A	2.73	12.79	11.85	14.80	25.80	5.69
India	-0.33	-8.64	3.08	7.87	23.25	3.25
South Korea	5.90	91.90	18.80	15.55	10.17	2.26
Japan	3.35	20.88	10.05	9.58	19.50	2.03
Europe	1.42	11.10	9.43	9.77	17.52	2.52
China	-0.34	-7.64	-2.20	4.10	13.96	1.45

Source: MSCI

Equity In-House View

August saw broader-market participation strengthens, with mid- and small-caps outperforming large caps. Global equities continue to benefit from the AI-led investment cycle, but the earnings contribution is increasingly broadening beyond the largest technology names. However, rising global bond yields and a less accommodative monetary-policy backdrop are making equity valuations more sensitive, which could keep markets range-bound in the near term.

What to watch for?

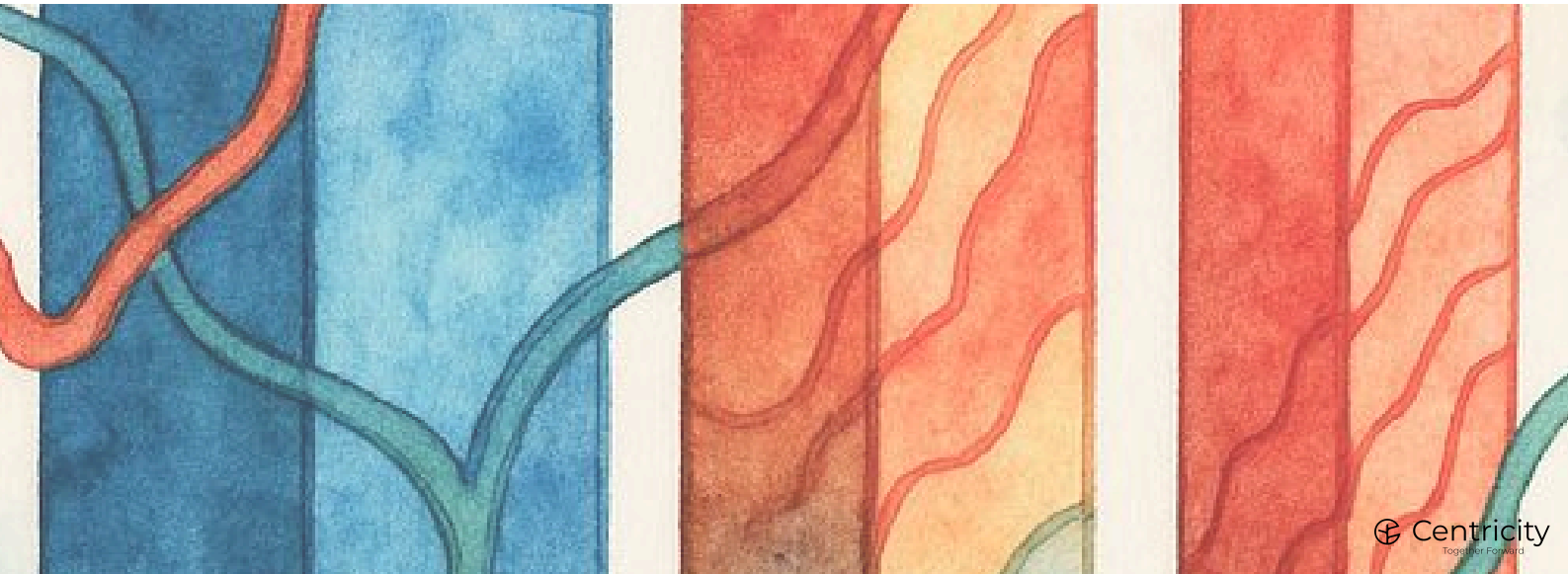
- **Global yields & Fed–BoJ decisions:** Elevated bond yields remain a key risk for equity markets apart from AI induced volatility. A Fed hold with a probable hawkish stance, or further BoJ tightening, could push US Treasury and Japanese yields higher.
- **FPI flows & India's relative appeal:** FPIs returned strongly in August supported by improving earnings and domestic fundamentals. However, sustained FPI buying will depend on India's relative earnings outlook, valuation comfort and global yield movements.
- **Gold's rising strategic role:** Strong central-bank buying and efforts by countries to repatriate or hold more gold within domestic reserves is reinforcing gold's shift from a traditional hedge to a strategic reserve asset. Any change in this trend could materially alter the structural demand outlook for gold.

Domestic Outlook

Indian equities remain constructive, supported by resilient earnings, strong domestic demand and sustained liquidity. The 7.8% Q1 FY27 GDP growth, ahead of the RBI's 7% estimate, reinforces the earnings outlook, with investment growth of 11.9%. Record FCNR(B) deposits have added to banking-system liquidity and could support credit growth in the coming months, providing a supportive backdrop for banks and financials as consumption remains resilient. Defence and aerospace remain important structural themes, supported by rising strategic priorities and India's push towards greater domestic capabilities. With the festive season approaching, consumer discretionary could also see stronger demand, supported by the improving consumption environment.

Global Outlook

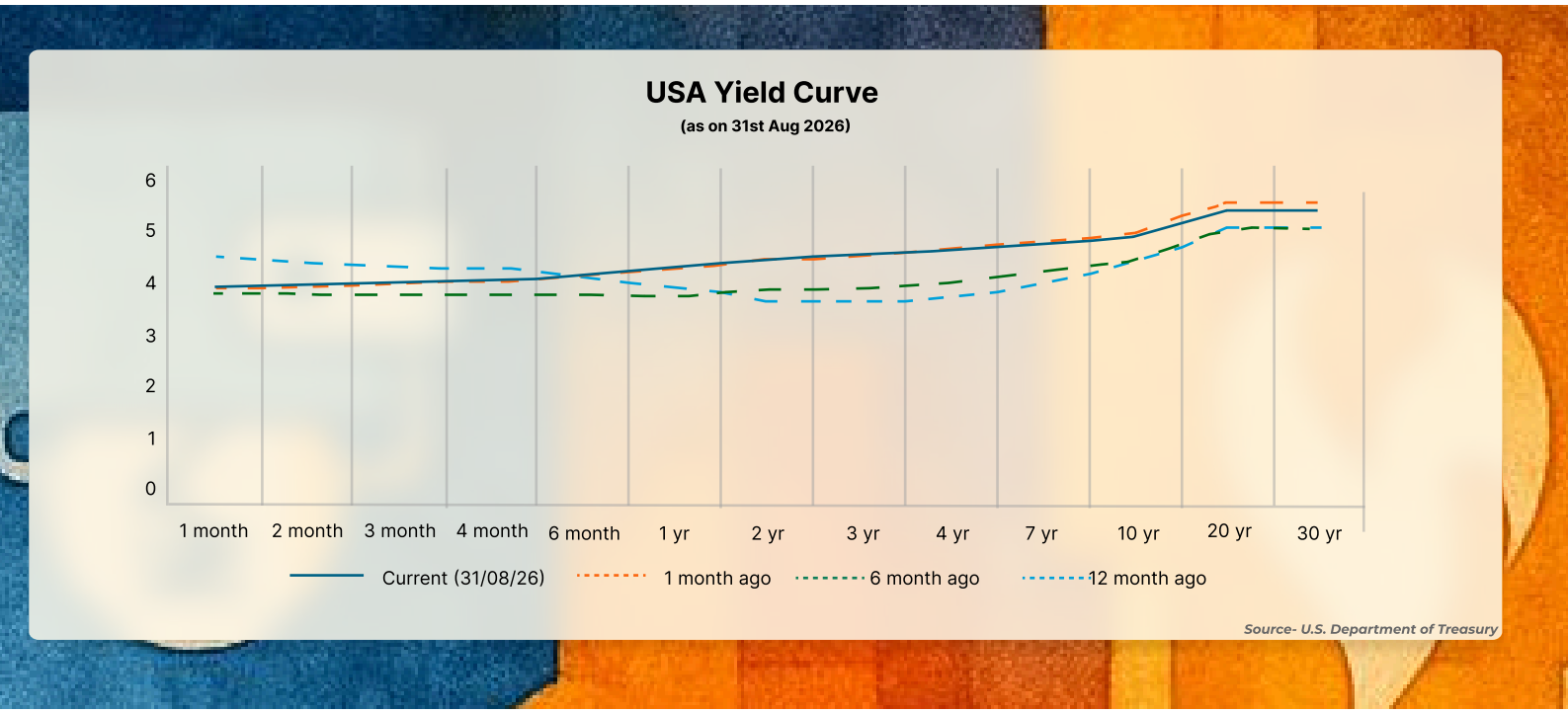
USA equities remain firmly AI- and capex-led, but the return base is broadening as earnings growth spreads beyond mega-cap technology; median Russell 3000 EPS growth reached 15% YoY, its strongest since 2021. China's policy support and improving confidence have lifted A-shares, although softer domestic demand and property-sector weakness keep the recovery fragile, while H-shares remain more exposed to global flows and volatility. Japan and Korea continue to benefit from the global semiconductor and AI hardware cycle, with Korea particularly leveraged to chip exports. Europe looks comparatively less stretched, with defence spending and infrastructure investment providing support, although weaker growth remains a constraint.





Debt Outlook

Global Debt Outlook



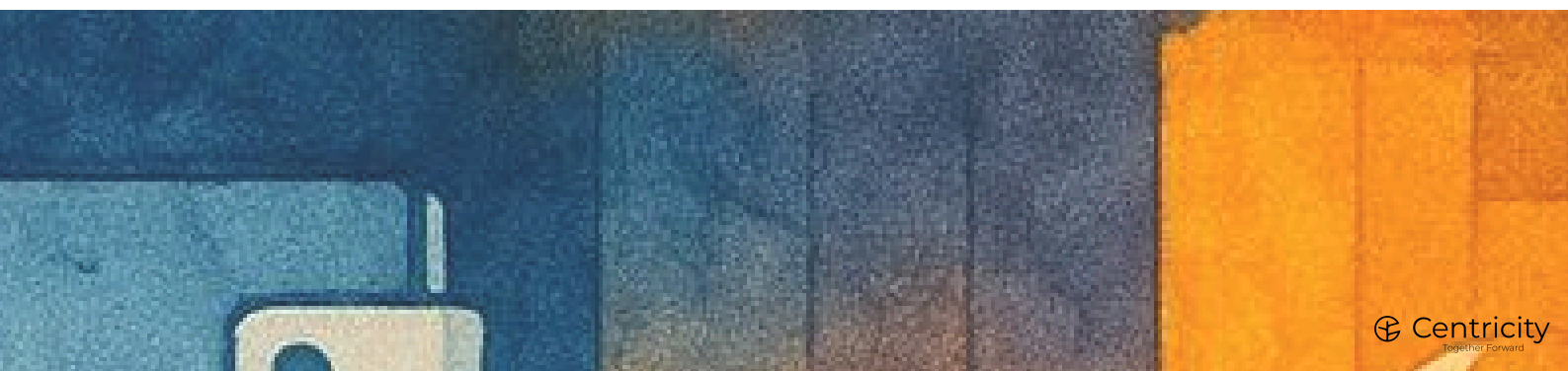
USA Debt Outlook

- **The 2Y moved higher through August as expectations of a September hold were gradually pared back and the probability of a hike increased.** The key shift came after *Warsh's Jackson Hole remarks,* which highlighted limited progress on inflation and pushed the 2Y up by around 12 bps on the day.

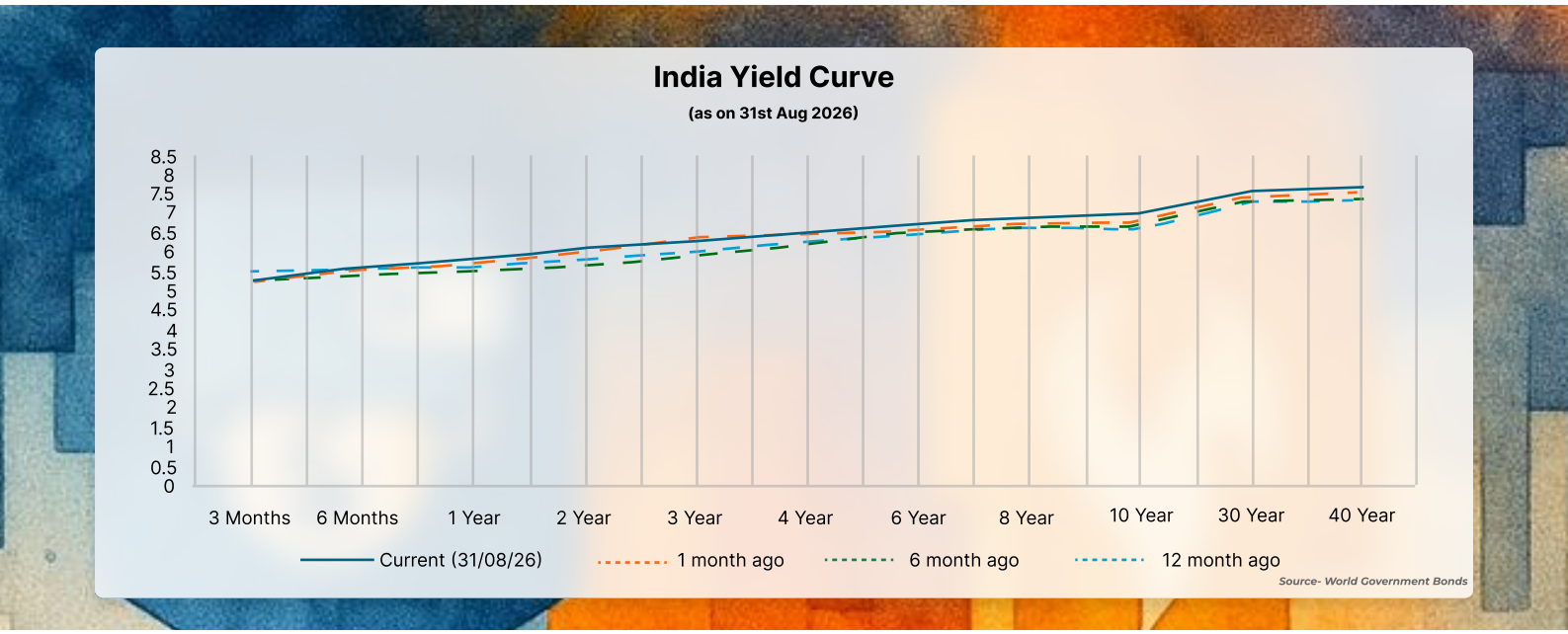
- **Sticky inflation keeps the front end vulnerable to repricing.** PCE inflation remained elevated at **3.7% YoY and 4.1% on a six-month annualised basis,** with core inflation also firm. **Further disinflation could unwind hike pricing, while renewed stickiness could push yields higher.**

- **Long-end pressure remains more structural.** With U.S. federal debt above **$40tn,** Treasury supply remains elevated. The increase in long-end buybacks from $2bn to $4bn offered near-term relief, but the 10Y returned to **~4.75%** by month-end. **This suggests buybacks can ease liquidity pressure but are unlikely to materially lower the term premium amid elevated borrowing.**

- **Japan's Treasury holdings have been declining since April, as rising JGB yields improve domestic bond attractiveness.** With Treasury supply elevated, weaker Japanese demand could mean **higher yields as the market requires greater returns to absorb supply.**



Indian Debt Outlook



- **The front end repriced higher as the RBI's reaction function turned more two-sided.** The repo was kept unchanged at 5.25%, but the August MPC minutes flagged the potential risk of broader inflation and left room for a rate hike if price pressures persist. The 2Y yield rose ~16 bps, suggesting markets are increasingly pricing a higher terminal rate.

- **FCNR(B) inflows pushed banking-system liquidity sharply higher, with WACR falling below the repo rate, but the 2Y continued to rise.** The scale of FCNR inflows has created a new liquidity-management challenge for the RBI. FCNR(B) mobilisation reached $127.2bn by end-August, forcing the RBI to step up absorption operations. While VRRR can manage the immediate surplus, sustained sterilisation through CRR, or OMO sales could eventually create a more headwind for G-sec yields..

- **The long end remained vulnerable to global yields and inflation risks.** The 10Y yield moved from ~6.83% at end-July to 6.95% by month-end, with elevated crude prices and higher global yields adding pressure..

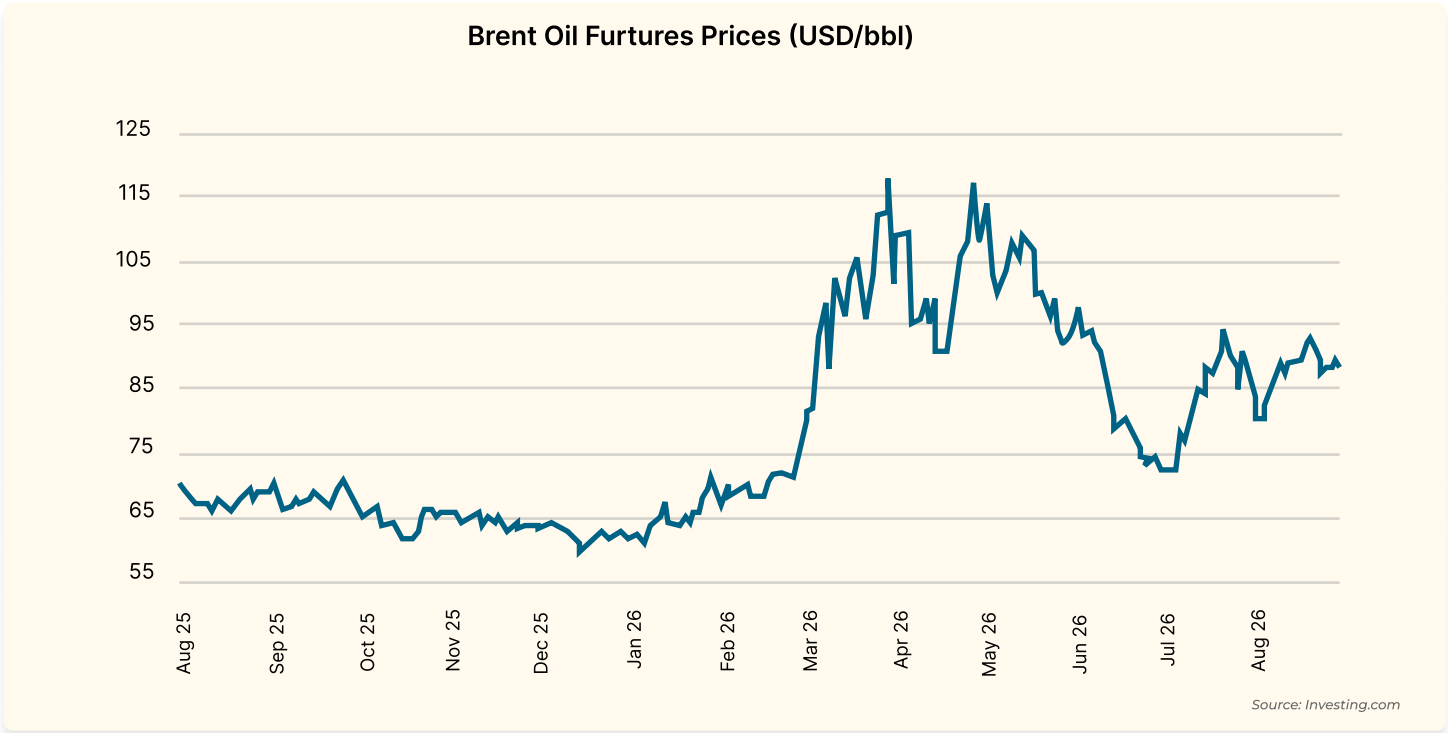
- Near term, we expect the 10Y to trade within the ***6.5–6.9% range,*** with RBI liquidity management and strong domestic demand providing support, while global yields and inflation risks cap the downside.

Debt In-house View

1. **United States:** We maintain a preference for the front segment of the Treasury curve, where sticky inflation and expectations of a hawkish Fed stance should keep yields relatively anchored. Elevated fiscal borrowing, higher term premia and uncertain foreign demand warrant greater caution at the long end, despite the support from Treasury buybacks.

2. **India:** We continue to favour the short-to-intermediate segment of the G-Sec curve, where elevated liquidity and domestic demand provide support. Selective exposure in this segment, complemented by diversified credit allocations through AIFs, NCDs, are expected to remain the key driver of fixed income returns. At the long end, global yields, crude and inflation risks warrant greater caution, with the 10Y likely to remain range-bound around 6.5–6.9% in the near term.

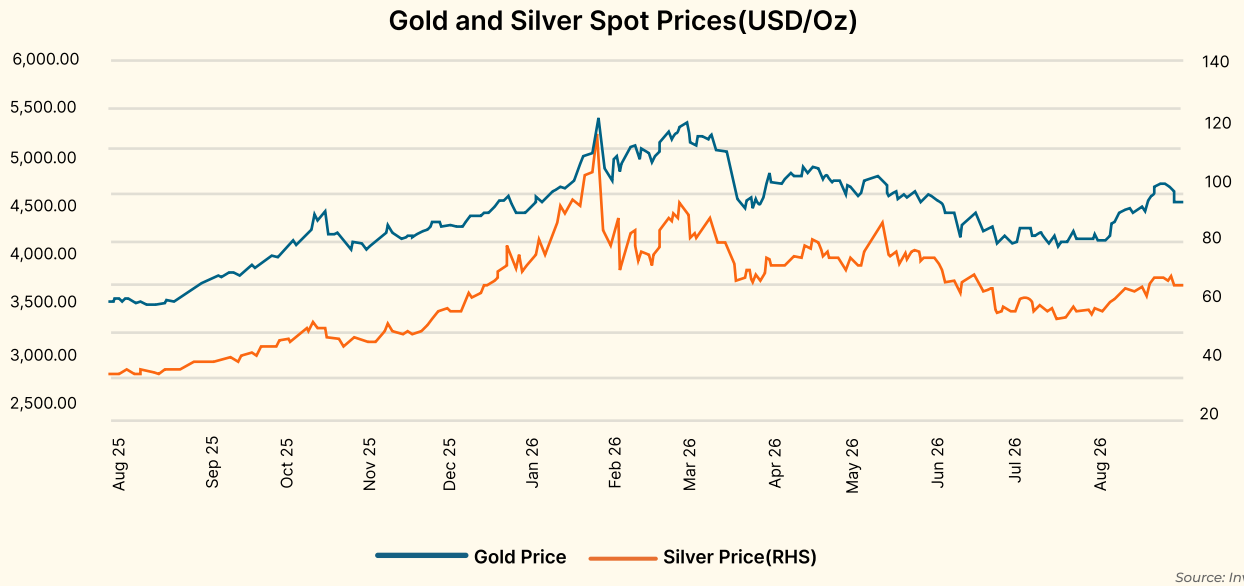
Commodity Outlook



- Oil prices remained highly volatile (again) in August, **swinging from lows of around $78/bbl to highs near $94/bbl, before falling back to around $85/bbl.** Prices, however, have since risen again to levels of ~$97/bbl amid renewed US–Iran tensions.
- **Global oil demand is forecast to decline by 1.6 mb/d in 2026, 510 kb/d more than the previous estimate,** as the prolonged closure of the Strait of Hormuz and higher fuel prices weigh on consumption. However, demand is expected **to rebound by 2.4 mb/d in 2027.**
- **Global oil supply is projected to fall by 4.3 mb/d in 2026,** before recovering strongly by 8.3 mb/d in 2027.
- Refinery crude throughput rose further in July to 80.9 mb/d, but remained nearly 5 mb/d below year-ago levels. Ongoing disruptions to Middle East product exports and attacks on Russian refineries led to a further 370 kb/d cut in estimated 3Q26 refinery runs.
- **Globally, observed oil inventories fell sharply by 69 mb in July**, as renewed disruptions reduced the volume of oil in transit.
- **OPEC+ paused further production increases for October after raising output by 188,000 bpd in September**, offering some support to crude prices. However, near-term direction remains more dependent on actual supply disruptions and flows through the Strait of Hormuz than on quota decisions alone.
- **India has also seen a sharp rise in crude costs, with the Indian Crude Basket averaging $90.19/bbl in August, up from $82.04/bbl in July. Prices rose further to nearly $99/bbl as of September 2.**







Source: Investing.com

Gold & Silver

- **Precious metals prices saw an uptick in August,** with **gold gaining around 15% and silver around 21%,** despite some volatility during the month.

- **Gold's role as a reserve asset continues to strengthen.** Central banks recorded net purchases of 23 tonnes in July. **China bought 20 tonnes, marking its 21st consecutive month of purchases,** while **Poland** added 8 tonnes and **remained the largest buyer in 2026,** with 90 tonnes purchased so far.

- **The Bank of Korea announced its first gold allocation in 13 years,** while several central banks are increasing domestic gold holdings and diversifying where their reserves are stored.

- Additionally, central banks are also reassessing the location of their gold reserves. **The Netherlands moved 86 tonnes of gold from the US and Canada to London** between March and August, citing geopolitical risks and the need for faster access to reserves during a crisis. This further supports gold's role as a strategic and neutral reserve asset.

- **Silver, on other hand, is expected to benefit from its industrial demand.** However, recent softening of global manufacturing activity could weigh on near-term demand.

Commodity In-house View

Crude Oil

Oil remains primarily a geopolitical trade rather than a fundamentals-driven trade. **Volatility is the only thing constant, we reiterate, and it is likely to remain the defining characteristic of oil price movements in the near term.** Brent was moving sharply between the highs of $70s and mids-$90s in August with escalation again making headlines early in September. With the Strait of Hormuz still facing significant disruption, the risk remains skewed to the upside although any meaningful progress on negotiations (less likely to happen though) could quickly bring prices lower.

For India, the key concern is the higher cost of imported energy. The Indian crude basket reached $99.35/bbl on September 2 however have not reflected in domestic prices yet. The net oil and gas import bill has already risen 43% YoY during April–July. At the same time, India is increasingly diversifying its energy sources, with higher US LPG/LNG imports and greater reliance on Russia, Venezuela and other suppliers as Gulf supply remains disrupted. This suggests that **even if Hormuz eventually reopens, the conflict could leave a lasting impact on India's energy sourcing and import costs.**

Gold & Silver

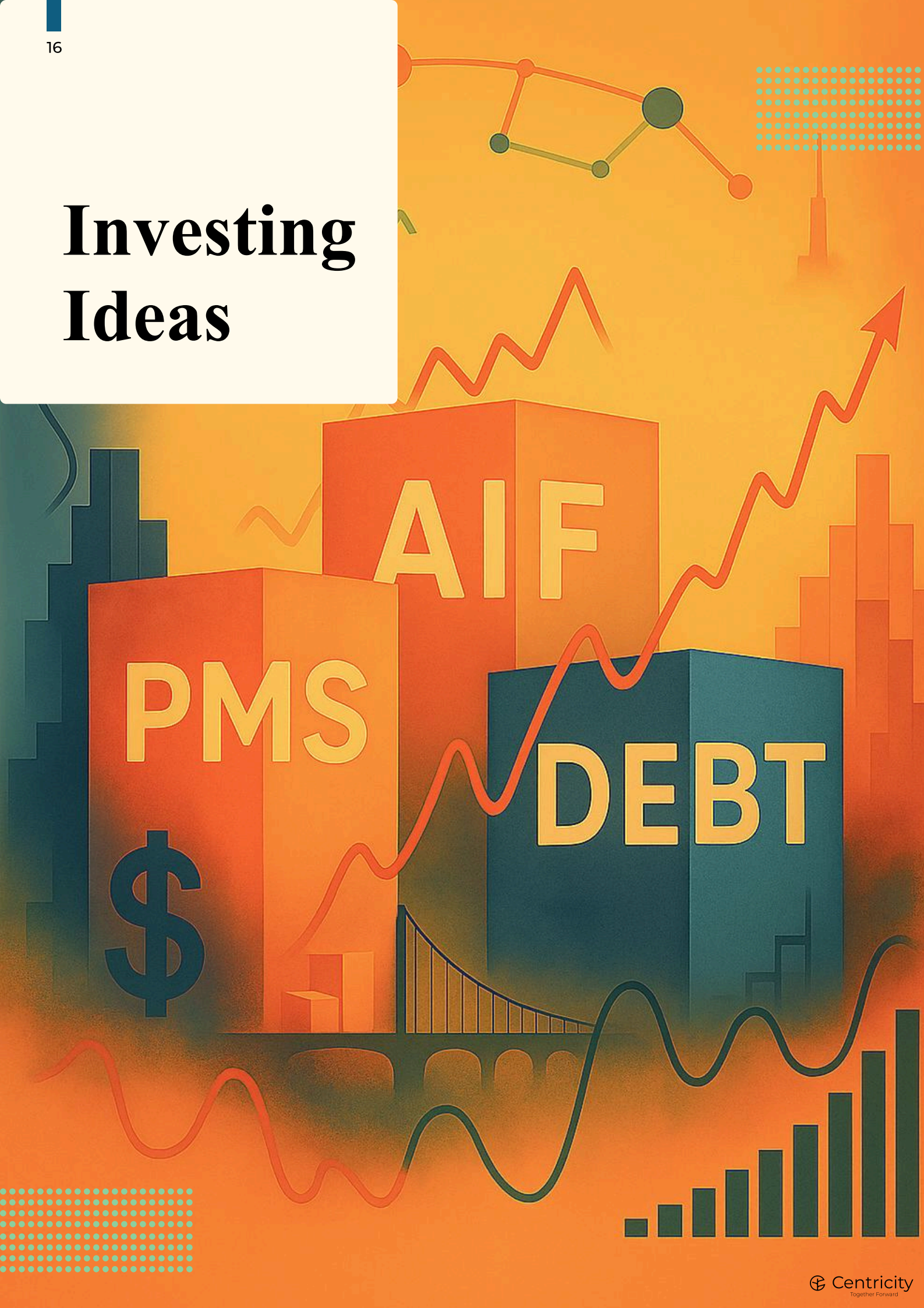
We remain bullish in both the near and long term for gold, as its role is increasingly shifting from a traditional safe-haven hedge to a strategic reserve asset. Sustained central-bank purchases, diversification away from traditional reserve currencies and rising sovereign debt are strengthening gold's structural appeal. In the near term, however, higher yields and the upcoming FOMC decision could drive some volatility in gold prices. Gold ETF flows will also be an important indicator to watch, with a sustained return of Western institutional inflows providing stronger confirmation that the rally is broadening beyond central-bank and Asian demand.

For silver, our outlook is constructive, given its increasingly important role in industries that are both rapidly growing and strategically important, including AI, data centres, green energy and defence. The supply response is also worth watching, with higher silver prices incentivising mine restarts and expansions. Projects such as Mallay and Reliquias in Peru are moving towards production, while in the US, the Bunker Hill mine has been restarted in 2026 after 45 years of closure. However, it is important to note that the supply response remains gradual because silver projects have long development timelines and high capital requirements. **The softer near-term industrial environment and elevated volatility warrant holding off on increasing silver exposure for now. However, we remain positive on its long-term upside.**

Asset Class Summary

Asset Class	Positioning	Deployment	Rationale
Equity	Neutral on Large Cap and Overweight on Mid and Small Cap	50% allocation to large caps & 25% each to mid and small-cap Staggered investment in MF & AIF and lumpsum in PMS.	• Large caps offer better valuation comfort with earnings resilient as well; Nifty 50 profits grew 18% YoY in Q1 FY27, the strongest growth in 10 quarters. • Mid- and small-caps have delivered stronger earnings momentum and improving margins provide further support; however, relatively richer valuations leave less room for execution.
Fixed Income	Overweight on Short-to-Intermediate G-Secs and Indian Credit.	100% lumpsum	• The Short-to-Intermediate segment is supported by comfortable liquidity and expectations of a stable, data-dependent policy path. • Selective exposure to AIFs, NCDs and infrastructure-linked opportunities is expected to remain a key driver of fixed income returns. • At long end, yields could remain range-bound, although elevated fiscal borrowing, global interest rates and bond yields could limit yield compression.
Commodity	Constructive on Gold. Hold on Silver	100% lumpsum in Gold	• Gold remains a preferred allocation, backed by central-bank buying, reserve diversification and rising sovereign debt. • Near-term gold may remain volatile on higher yields and FOMC guidance; stronger ETF inflows would confirm broader demand. • Silver's long-term outlook remains constructive, supported by structural demand from AI, data centres, green energy and defence. • Near-term silver exposure should remain measured amid softer industrial demand and elevated volatility, despite favorable long-term fundamentals.

Investing Ideas



Products

India continues to exhibit relative macro strength. Easing inflation, a supportive policy environment, and targeted fiscal measures are reinforcing domestic demand and earnings visibility, providing resilience against external headwinds.

At the same time, global uncertainties, ranging from geopolitical tensions to trade disruptions, call for a more measured and diversified investment approach. Accordingly, the strategies presented reflect opportunities across business cycles, selective equity exposure across market capitalisations, and performing debt and special credit solutions, with a clear emphasis on risk-adjusted returns and portfolio resilience in uncertain times.

Category	Sub-Category	Category Rationale	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Equity	Mutual Fund	Large & Mid Cap Mutual Funds are core equity allocations, combining the stability of established large-cap companies with the growth potential of emerging mid-cap businesses. As diversified mutual funds, they offer liquidity, cost efficiency, and the potential to compound wealth over the long term.	Bandhan Large & Mid Cap Fund	Managed by Manish Gunwani, this fund strategically blends the stability of large-cap stocks with the growth potential of mid-caps, while selectively adding small-cap exposure to enhance returns. With a 3-year CAGR of ~18%, it has consistently outperformed both its benchmark (15%) and the category average (14%).	>3 years	14-16%
	PMS- Multi Cap	PMS is well placed in the current market as it has the flexibility to invest across large, mid, and small-cap category. This unconstrained approach can help capture changing market leadership and generate alpha over a full market cycle. As returns, particularly in the mid- and small-cap segments, become increasingly driven by selective stock picking rather than broad market gains, a benchmark-agnostic PMS offers the flexibility to capitalize on differentiated opportunities.	Buoyant Capital-Opportunities Strategy	Since inception, the fund has delivered a ~21% IRR across market cycles, supported by its investment approach of balancing core and satellite portfolios. By actively shifting between defensive and aggressive positions based on market phases, it is well-positioned for today's dynamic environment.	>3 years	15-17%

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	PMS- Mid & Small Cap		Carnelian Shift Strategy PMS	A concentrated portfolio of ~25 high-conviction ideas, pruned rigorously to retain only the best performers. It has delivered strong returns, with a 3-year CAGR of 20% and since-inception CAGR of 32%, far ahead of the BSE 500 TRI. The fund is led by founder Vikas Khemani, a veteran with 27+ years in capital markets and a proven track record in building market-leading businesses.	>3 years	17-19%
	PMS- Mid & Small Cap		Abakkus Emerging Cap Approach	With over three decades of experience, Sunil Singhania brings deep market insight and a proven ability to generate long-term alpha in the mid and small cap space. His strong experience across market cycles positions the fund well to navigate current market complexities, delivering an impressive ~26% return since inception	>3 years	17-19%
	AIF - Listed Equity	Listed Equity AIFs offer greater investment flexibility, with the ability to invest in special situations, out-of-favour companies, selectively hedge market risk, and blend listed with select unlisted opportunities. Their relatively smaller AUMs enable more efficient allocation to mid- and small-cap stocks, while fund-level tax filing provides added convenience for investors.	Vedartha India Opportunities Fund III	This fund follows a contra investing strategy focused mainly on mid- and small-cap stocks. It aims to generate alpha by identifying 25-30 fundamentally strong but currently undervalued, mispriced or out-of-favor companies caused by market cycles, investor sentiment, or behavioral biases, with the goal of benefiting from future valuation re-rating as market perceptions improve.	5 years (+1 +1)	16-18%
			Alchemy Long Term Ventures Fund 3	The fund invests across listed (small to micro-cap) and unlisted companies with a long-term, growth-oriented approach. It focuses on emerging structural themes such as Data Centres & AI, Defence, Semiconductors, Green Energy, and Biotech, targeting opportunities driving India's next phase of economic growth. The fund has delivered an impressive ~17% CAGR since inception.	> 3 years	19-21%

Category	Sub-Category	Category Rationale	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Equity	AIF-Private Equity	Private equity AIFs capture value created before a company reaches public markets — from late-stage growth to early-stage venture. With companies staying private longer, this is the access route to new-age themes not yet available in listed markets. These are long-horizon, illiquid commitments, suited to investors who can stay invested for the full fund life.	Carnelian Private Growth & Innovation Fund	Designed to capture value across key growth and liquidity inflection points, the fund invests in high-growth, late-stage/pre-IPO and listed businesses, with a focus on accelerating earnings, strong fundamentals, and quality management. It follows a 50–60% Growth, 20–25% Late Stage/Pre-IPO, and 20–25% PIPE allocation, supported by Carnelian's MAGIC framework and CLEAR Forensic and Quality & Growth disciplines.	6 years and 9 Months	>20%
			360 One Early Stage Fund I	The fund invests in early-stage companies (Seed to Series A) across Fintech, Consumer Tech, Deep Tech, and Defence in India, focusing on businesses with proven product-market fit. It deploys ₹15–20 crore per investment for a 10–20% ownership stake, supported by a team with strong founder networks, institutional relationships, and platform expertise.	10 (+2) years	>25%
Debt	AIF-Debt	Debt AIFs provide access to private credit opportunities that offer higher accrual yields than traditional fixed-income investments. As banks have become more selective in lending, private credit has emerged as an attractive source of collateral-backed lending. While these investments involve lower liquidity, they can enhance portfolio income through contractual cash flows and diversified credit exposure.	Neo Infra Income Opportunities Fund II	The fund follows a proven infrastructure strategy, allocating ~80% to operating solar and road assets with creditworthy counterparties, targeting ~20–21% annual returns. The remaining ~20% is invested in InvITs and opportunistic infrastructure segments, aiming for ~18–19% returns through pricing and access advantages.	7 years	14-16%
			Mosaic Multiyield Fund Series II	Targeting a 14-16% gross IRR, the fund builds a granular, fully secured credit portfolio across 25–35 profitable and bankable firms. With multi-manager, multi-strategy diversification and a strong risk framework, it offers high-yielding, collateral-backed exposure in performing credit, without venturing into distressed or venture-style debt.	~5 years	13.5-14.5%

Category	Sub-Category	Category Rationale	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Hybrid	SIF-Hybrid	Hybrid Long-Short strategies within SIFs use derivatives to hedge market risk while combining equity, fixed income, and arbitrage strategies to target stable, low-volatility returns. They can provide stability within a portfolio and offer more tax-efficient treatment of derivative gains than Long-Short AIFs, improving post-tax outcomes for investors.	Edelweiss Altiva Hybrid Long Short Fund	Targeting a 9–10% gross return, the strategy blends multiple low-volatility strategies to generate consistent arbitrage-plus yield. The portfolio is constructed with 20–40% in arbitrage, 40–60% in fixed income, 0–10% in special situations, and 10–20% in derivative strategies. It is a balanced, low-volatility, multi-strategy approach designed for stable returns.	> 2 years	7-8% (Post Tax)
			Tata Titanium Hybrid Long Short Fund	The strategy aims to deliver Balanced Advantage plus 2% returns with lower volatility than broader markets through a diversified allocation of 50% cash equities, 25% debt, and 25% derivative strategies. Managed by Suraj Nanda, who earlier generated 2 to 3% alpha over the Nifty 50 with significantly lower volatility in his previous fund, ICICI Enhanced Dynamic, the fund suits investors seeking equity like returns with moderated risk.	> 2 years	9-11% (Post Tax)



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