Centricity

Together Forward

Market Outlook

June 2026

INDEX

CEO's desk

This month's Market Outlook provides an overview of the key market developments and emerging trends that continue to shape the investment environment.

Global markets continue to grapple with multiple sources of uncertainty. Trade negotiations, geopolitical developments, and shifting capital flows have kept volatility elevated across asset classes. For India, these external pressures have manifested in the form of a weaker rupee, a widening merchandise trade deficit, and renewed concerns around imported inflation, particularly amid higher energy prices.

While these developments warrant close monitoring, the external sector remains supported by several structural strengths. A healthy services trade surplus, steady remittance inflows, and a sizeable foreign exchange reserve buffer continue to provide stability. Unlike many export-dependent economies, India retains meaningful policy flexibility, allowing policymakers to respond to domestic economic conditions while navigating periods of external volatility.

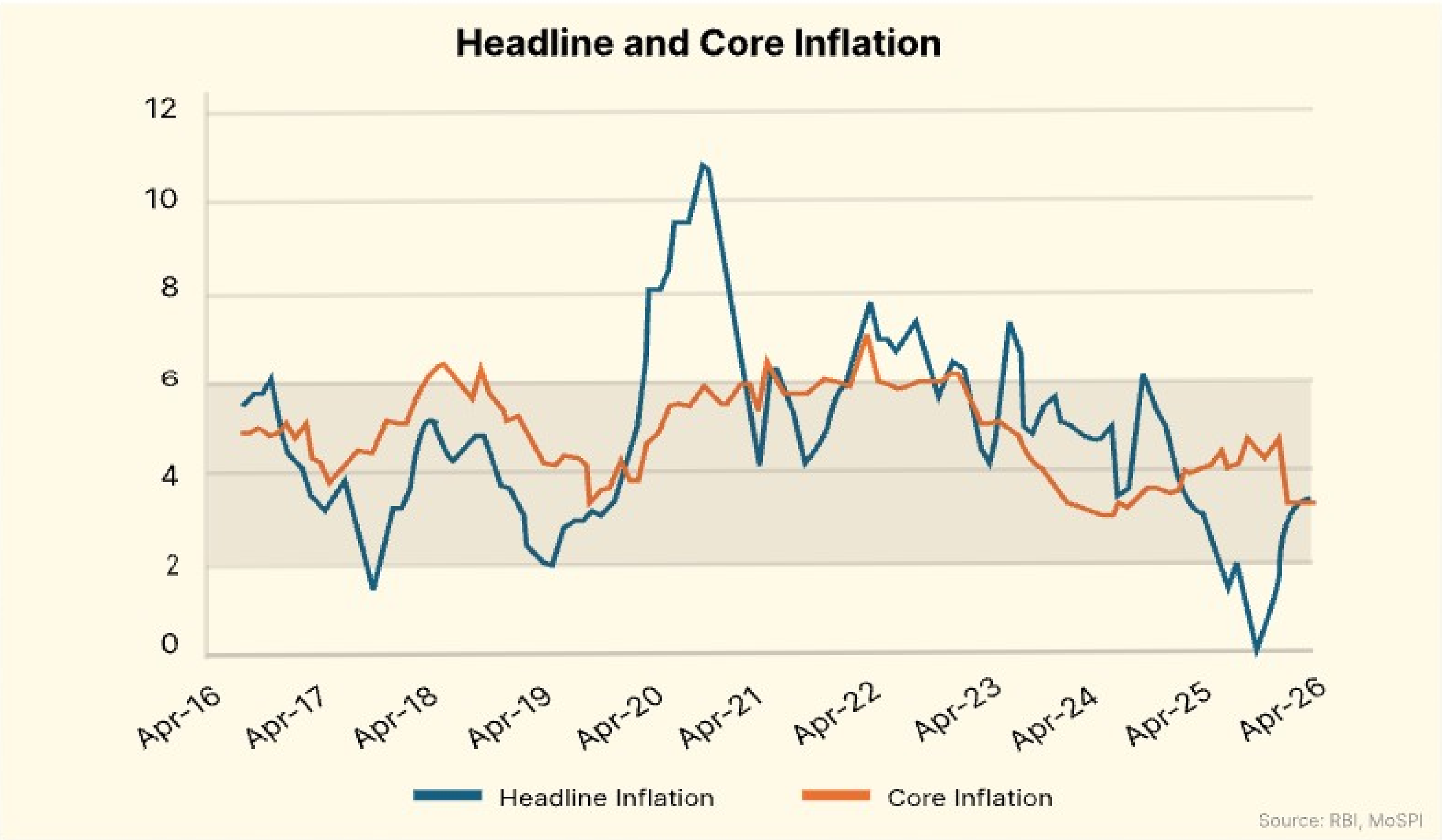
From a market perspective, the current environment appears reflective of a cycle hampered by multiple headwinds rather than a broad-based deterioration in fundamentals. The post-pandemic expansion delivered strong and widespread returns across sectors. More recently, however, leadership has become increasingly selective. Export-linked sectors have faced headwinds from trade-related uncertainty, while recent developments in West Asia have raised risks for industries exposed to higher energy and import costs. Although the direct impact remains concentrated, prolonged uncertainty could result in second-order effects spilling over into a wider set of sectors.

That said, domestic demand conditions remain resilient, liquidity has improved meaningfully, and economic activity continues to be supported by both public and private sector spending. These factors are expected to provide an important cushion against external shocks. As the cycle evolves, market performance is likely to be driven less by broad-based expansion and increasingly by earnings resilience, sectoral differentiation, and underlying fundamentals. While near-term risks remain, the longer-term foundations of the Indian growth story continue to remain intact.

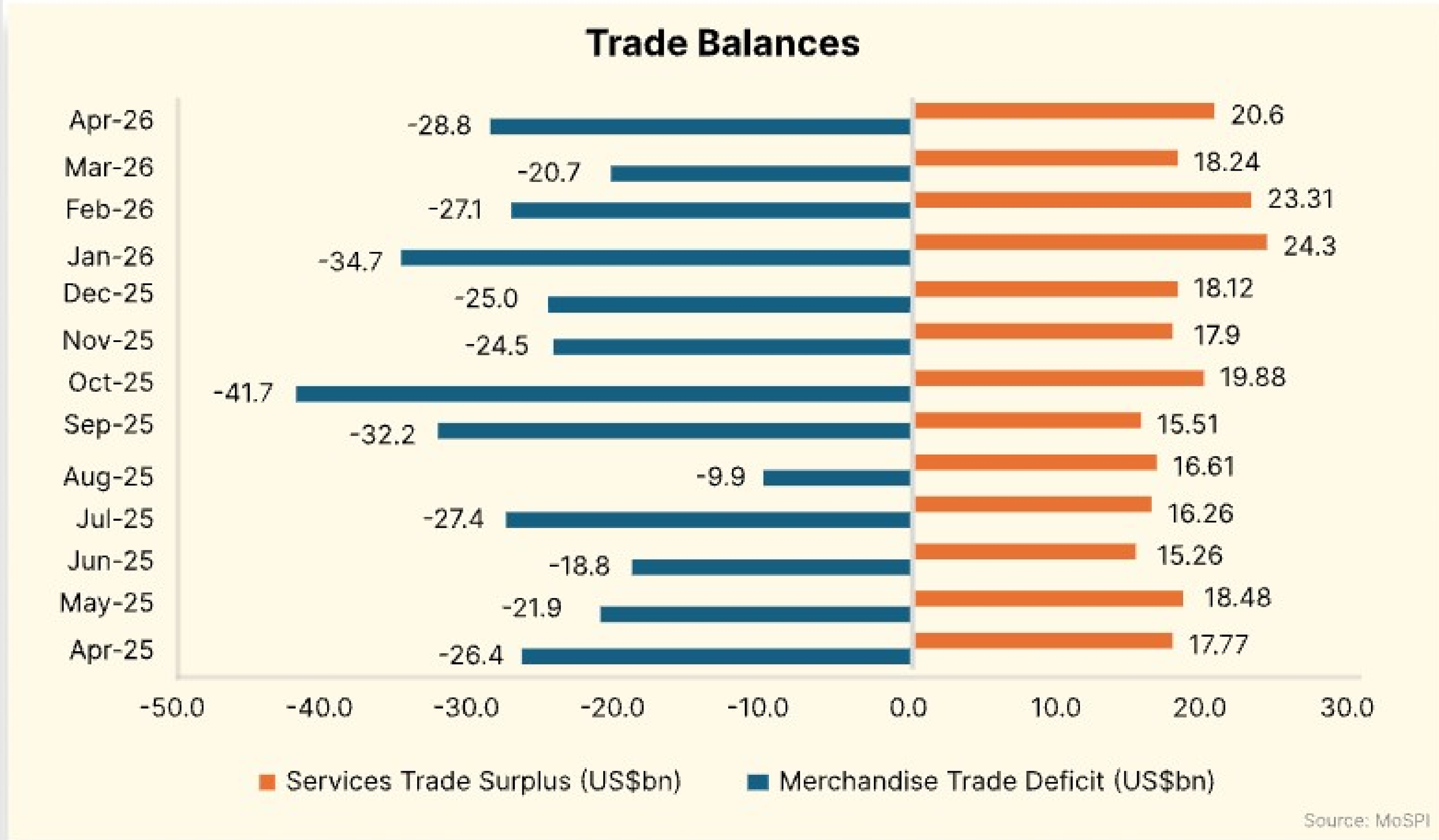
Manu Awasthy

CEO & Founder
Centricity

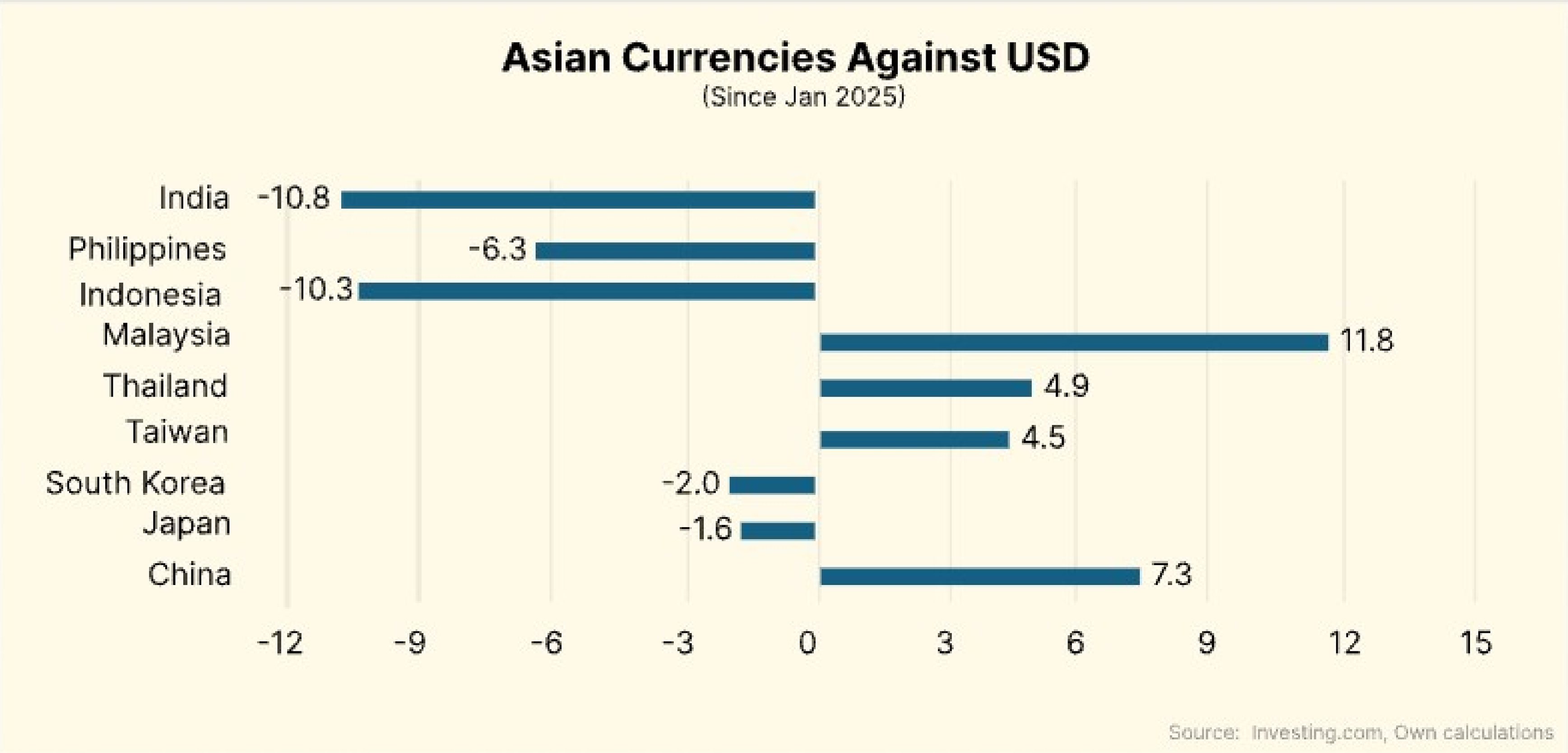
Economy Review



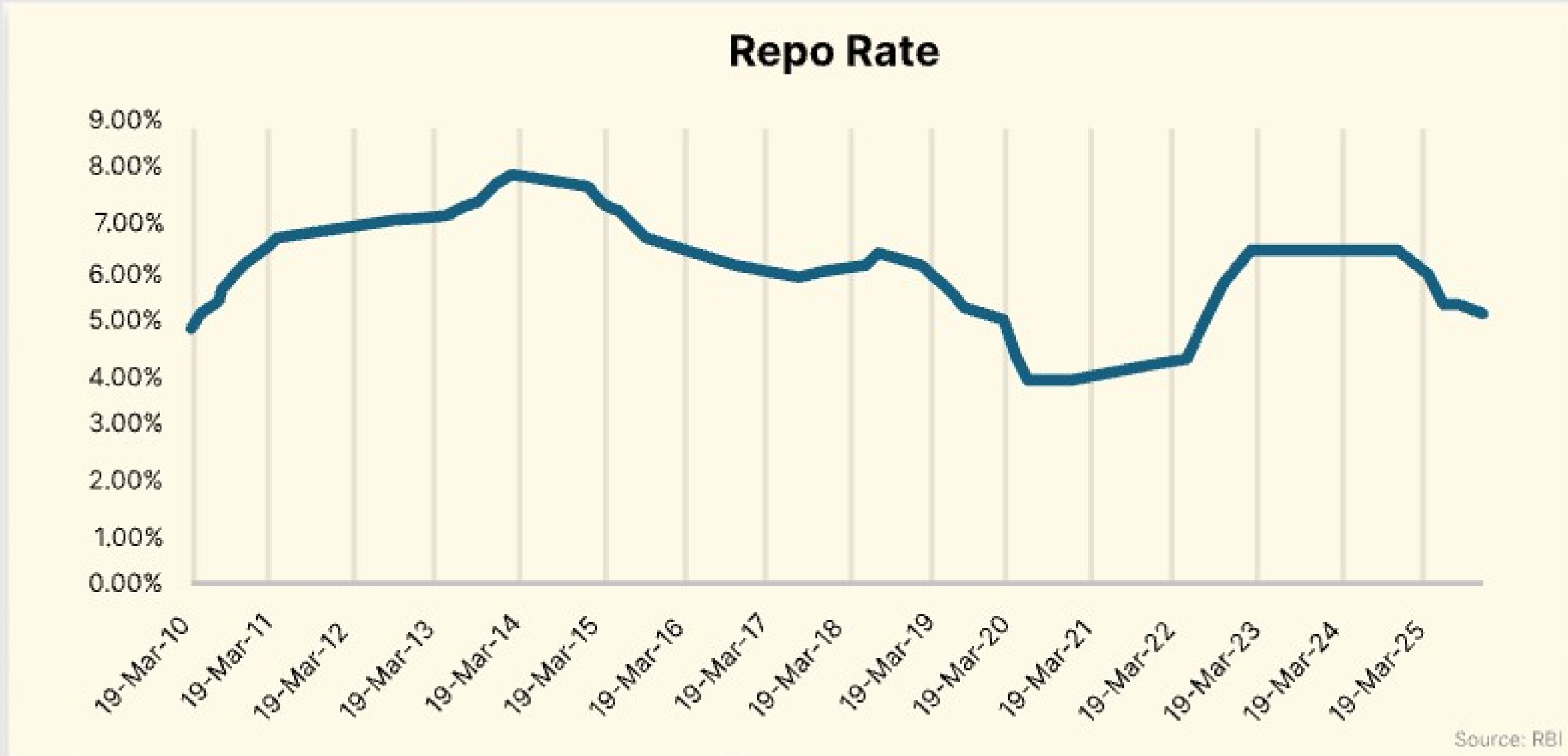
The CPI print after the West Asia crisis, is yet to show the effects of the inflation pass through. The latest fuel price hike and the possible food price pressures are expected to reflect in the coming months, we expect a 40-50 bps increase in the next couple of months with the print hovering around 5.7-5.8% towards the end of the calender year.
The core inflation showing a stable trend, underlines the fact that apart from the food and fuel, the underlying pressures remain contained, thus limiting the second order effects for now.



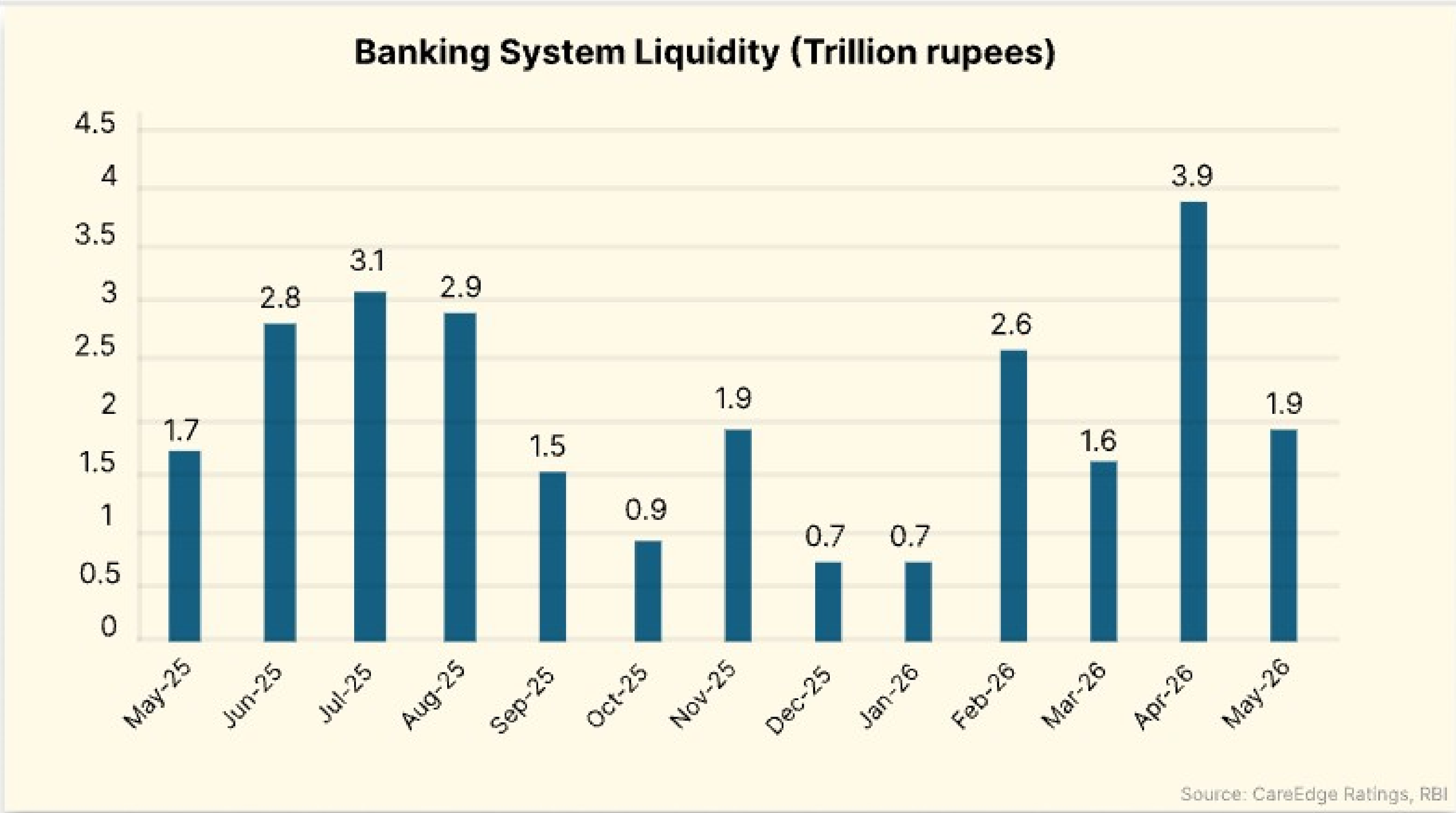
On the external front, the merchandise trade deficits have seen consistent pressure, first from the tariff cycle and later by the heightened import bill due to elevated crude prices and limited trade routes. While the diversification of destinations and the trade agreements with key trade partners, did help in offsetting some pressure, the merchandise trade is still reeling from the effects of currency weakening. While a depriciating currency is supposed to be beneficial for the exports, the rising import bill, is something which puts a dent in the picture. This "J curve" effect is something India will be undergoing for a while.



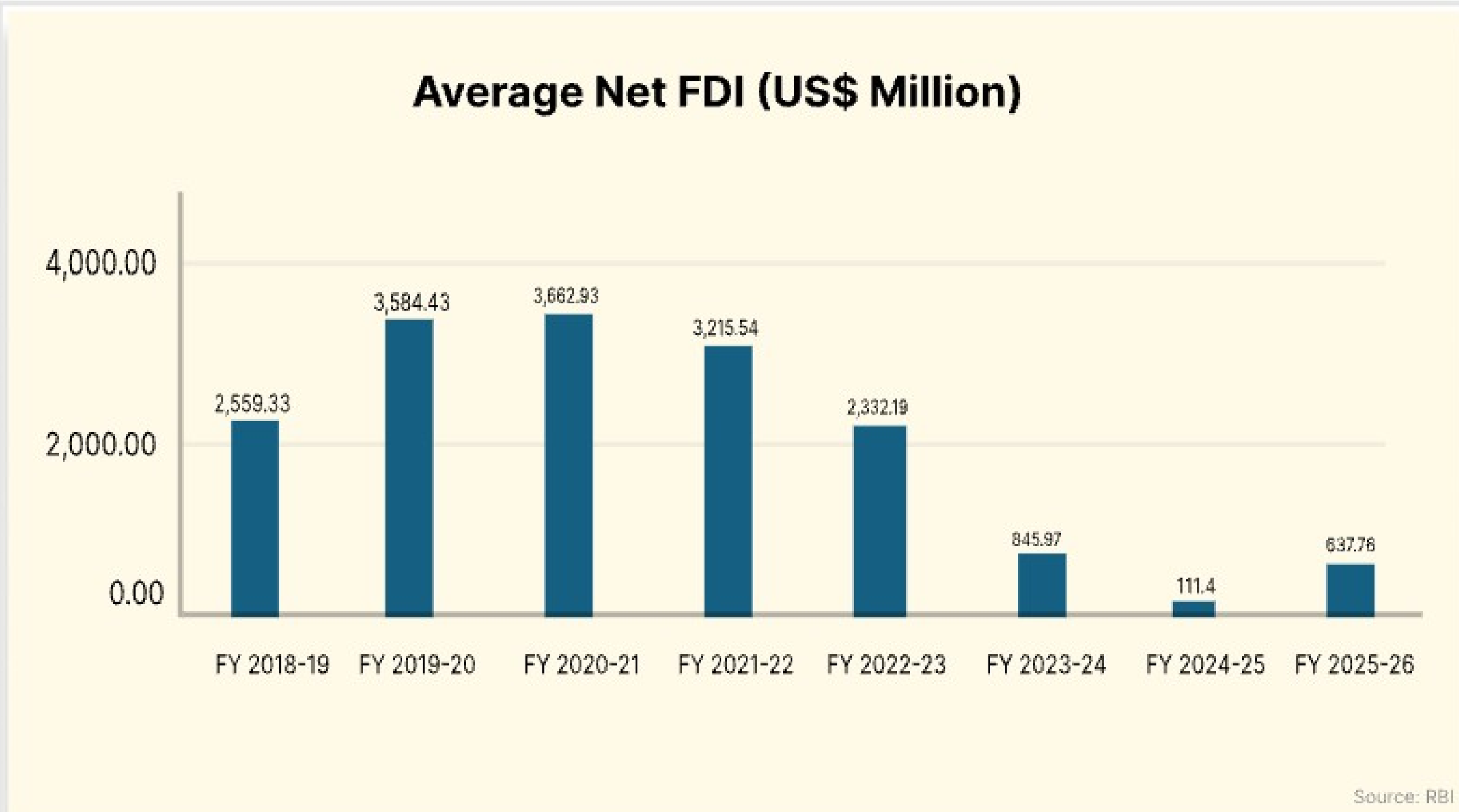
The rupee has remained under pressure since the start of CY2025, following a depreciation of nearly 5% in the previous year. While the RBI has sought to manage volatility through liquidity measures and forex swaps, persistent foreign investor outflows have continued to weigh on the currency. Recent measures aimed at enhancing the attractiveness of India's sovereign debt market could support capital inflows and provide some stability to the rupee going forward.



The RBI has maintained the policy repo rate unchanged since the onset of the West Asia crisis, following a cumulative 125 bps reduction in CY2025. While persistent inflationary pressures and the risk of second-round effects may warrant policy tightening in the coming months, the substantial easing undertaken last year continues to provide support to economic activity. Accordingly, we expect the RBI to remain data-dependent, with the possibility of a rate hike at the October policy meeting should incoming data validate these concerns.



The banking system has been operating with an average daily liquidity surplus of ₹2.63 lakh crore since the last central bank meeting , up from around ₹2.30 lakh crore in April. Credit from all sources grew by 15.4% YoY, compared with 12.1% a year earlier, while bank credit growth has strengthened to over 16% across sectors. The RBI's liquidity measures have helped ensure ample system liquidity, easing pressure on the debt market and keeping yields relatively anchored, particularly at the shorter end of the curve.



The moderation in net FDI highlights the growing impact of capital outflows, particularly repatriation and overseas investments, on India's external financing dynamics. Although foreign investor interest remains supported by healthy gross inflows, the net capital retained within the economy has weakened materially.

Equity Outlook

Market Performance: May 2026

Sector rotation map

Mar 2026	Apr 2026	May 2026
Pharma -3.14	India Defence 24.38	Metal 4.76
IT -5.04	Realty 21.87	Pharma 4.66
Energy -5.91	Energy 17.01	Auto 1.77
Metal -8.79	Media 15.39	India Defence 1.49
Infrastructure -10.17	Metal 15.27	Energy 0.26
Media -10.86	FMCG 12.17	Infrastructure -0.58
FMCG -10.96	Consumer Durables 12.87	IT -0.60
India Defence -11.15	Infrastructure 10.03	Bank -0.97
Oil & Gas -11.93	Bank 9.13	Financial Services -1.02
Consumer Durables -12.14	Financial Services 9.09	Realty -1.37
Auto -15.55	Auto 9.04	FMCG -3.23
Financial Services -15.57	Oil & Gas 8.4	Media -3.28
Realty -16.58	Pharma 4.66	Oil & Gas -4.23
Bank -16.94	IT 1.23	Consumer Durables -6.12

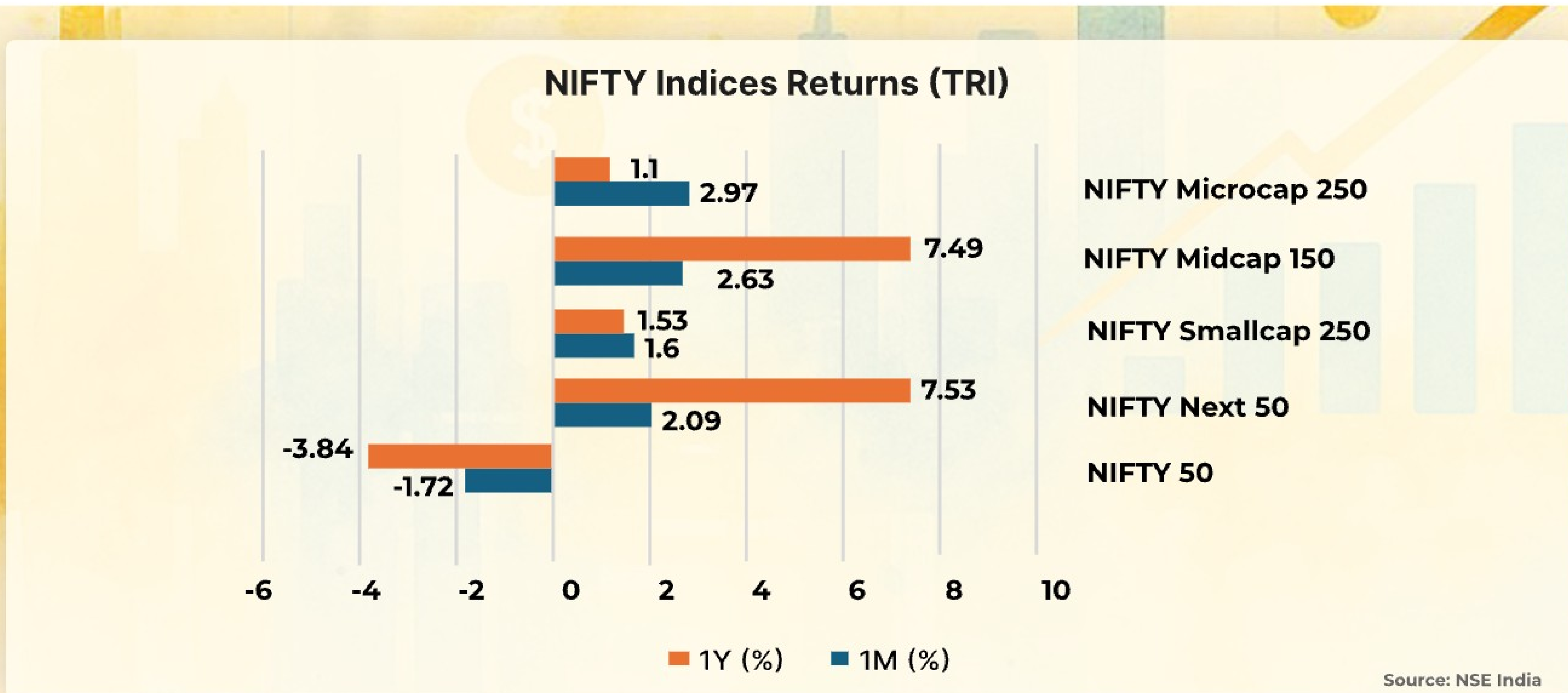
Top 3 Sectors

Bottom 3 Sectors

Note: Values are 1month % change

Source: NSE India

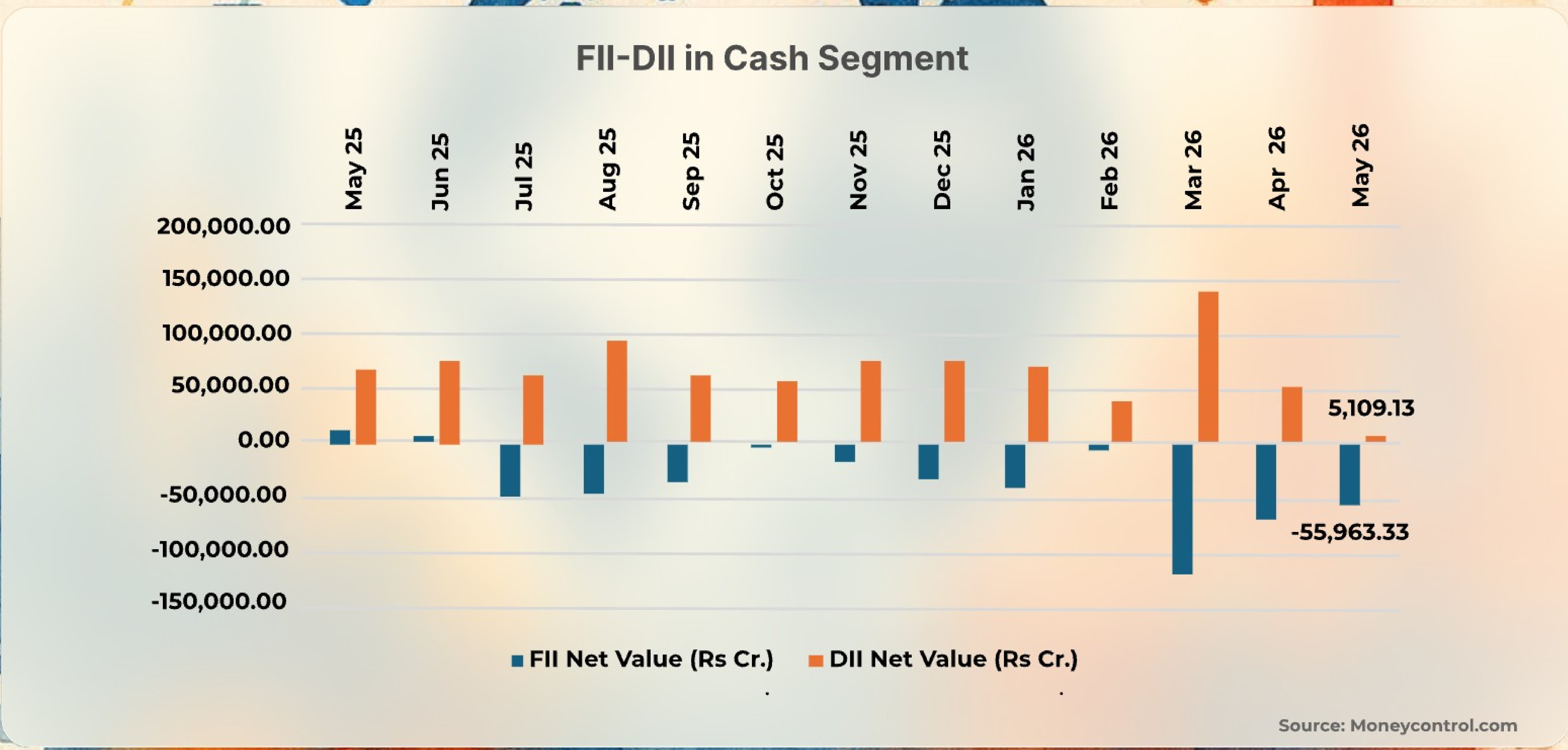
- Markets witnessed a decline after the Prime Minister urged citizens to contribute in preserving forex by reducing gold purchases and other non-essential spending. **The announcement temporarily weakened investor sentiment, though markets recovered some of the losses later in the month.**
- **The micro- and mid-cap segments continued to outperform, gaining nearly 3% during the month**, supported by relatively attractive valuations and sustained investor interest in broader market opportunities.
- **Nifty 50 was the only major index to end the month in the red, primarily due to weakness in large-cap heavyweights**. Investor preference shifted towards mid- and small-cap stocks, where earnings growth expectations and domestic growth themes appeared more attractive, leading to broad market outperformance.
- Global uncertainties, elevated crude oil prices, and foreign investor selling weighed more heavily on large-cap stocks, resulting in Nifty 50 lagging. **Heavyweight banking and financial stocks have acted as a drag on the index.**
- Also, **investors rotated away from IT and other index heavyweights toward domestic growth themes** such as capital goods, defence, manufacturing, power and select consumer sectors, many of which have greater representation in mid- and small-cap indices.
- Looking at sector performances, **the auto segment entered the top performing sectors in May**, supported by robust sales growth across major manufacturers and sustained demand in both passenger and commercial vehicle segments.



Institutional Activities

Sectoral FPI Flows (INR Cr.)				
Sectors	Net Investment April 16-30, 2026	Net Investment May 01-15, 2026	Net Inflow/Outflow in Equity	Net Inflow/Outflow in Equity (YTD)
Automobile and Auto Components	-1,775	-357	-2,132	-18,342
Capital Goods	4,667	2,645	7,312	25,082
Chemicals	-121	-700	-821	-931
Construction & Construction Materials	1,529	-2,198	-669	-12,431
Consumer Durables	441	-1,162	-721	-5,790
Consumer Services	-2,434	-365	-2,799	-19,961
FMCG	-229	-1,625	-1,854	-19,697
Financial Services	-11,704	-17,960	-29,664	-73,725
Healthcare	-2,445	-418	-2,863	-18,473
Information Technology	-2,887	-1,643	-4,530	-26,513
Media, Entertainment & Publication	-149	-12	-161	-343
Metals & Mining	2,416	1,698	4,114	16,951
Oil, Gas & Consumable Fuels	-3,351	-6,885	-10,236	-13,276
Power	4,956	-1,157	3,799	6,809
Realty	-206	-430	-636	-9,167
Services	-362	7,019	6,657	3,011
Telecommunication	-1,908	-2,542	-4,450	-19,203
Textiles	-48	-112	-160	-904
Utilities	-12	-28	-40	-115
Others	837	-808	29	2,608

Source: NSDL



Source: Moneycontrol.com

- FPI outflows continued in May, although at a slower pace, as heightened geopolitical tensions and rising crude oil prices have been increasing the concerns around inflation.
- The sharp depreciation of the rupee has also been weighing on foreign investor returns in dollar terms, reducing the attractiveness of Indian equities despite resilient domestic fundamentals.
- Persistently high US bond yields and relatively expensive Indian market valuations against other emerging economies encouraged global investors to rotate capital towards developed markets and other economies exposed to AI-opportunities and growth prospects.
- Sectorally, halfway through May, we saw a similar pattern of most outflows from financial services.
- YTD, service segment became positive in May with inflows of approx. INR 7000 crore along with metals & mining, power and capital goods.

Valuations

Valuations Across NIFTY Indices

	TTM P/E (Peaks in Sep - Oct 2024)	TTM P/E (As on 30th May 2025)	TTM P/E (As on 29th May 2026)
NIFTY 50	24.40	22.32	20.27
NIFTY Next 50	27.60	21.85	19.27
NIFTY Smallcap 100	36.00	31.65	30.54
NIFTY Midcap 100	35.10	32.84	29.76
NIFTY 500	28.00	24.59	22.45

Source: NSE

- Valuations across all major market segments have moderated meaningfully from the Sep–Oct 2024 peak levels, with the sharpest correction seen in the NIFTY Next 50 (27.6x to 19.3x).
- Large-cap indices appear relatively attractive on a historical basis. The NIFTY 50 is now trading at ~20.3x earnings versus 24.4x at the peak, while the NIFTY 500 has compressed to 22.5x from 28.0x.
- Mid- and small-cap valuations have also corrected but continue to trade at a premium to large caps

Distribution of Companies Across 52-Week High–Low Ranges

Range Up/Down	% of Companies down from 52-week high	% of Companies up from 52-week low
<10%	21.73	15.87
10-20%	23.87	20.67
20-30%	23.87	22.00
30-40%	17.73	12.80
40-50%	8.80	7.73
>50%	4.00	20.93

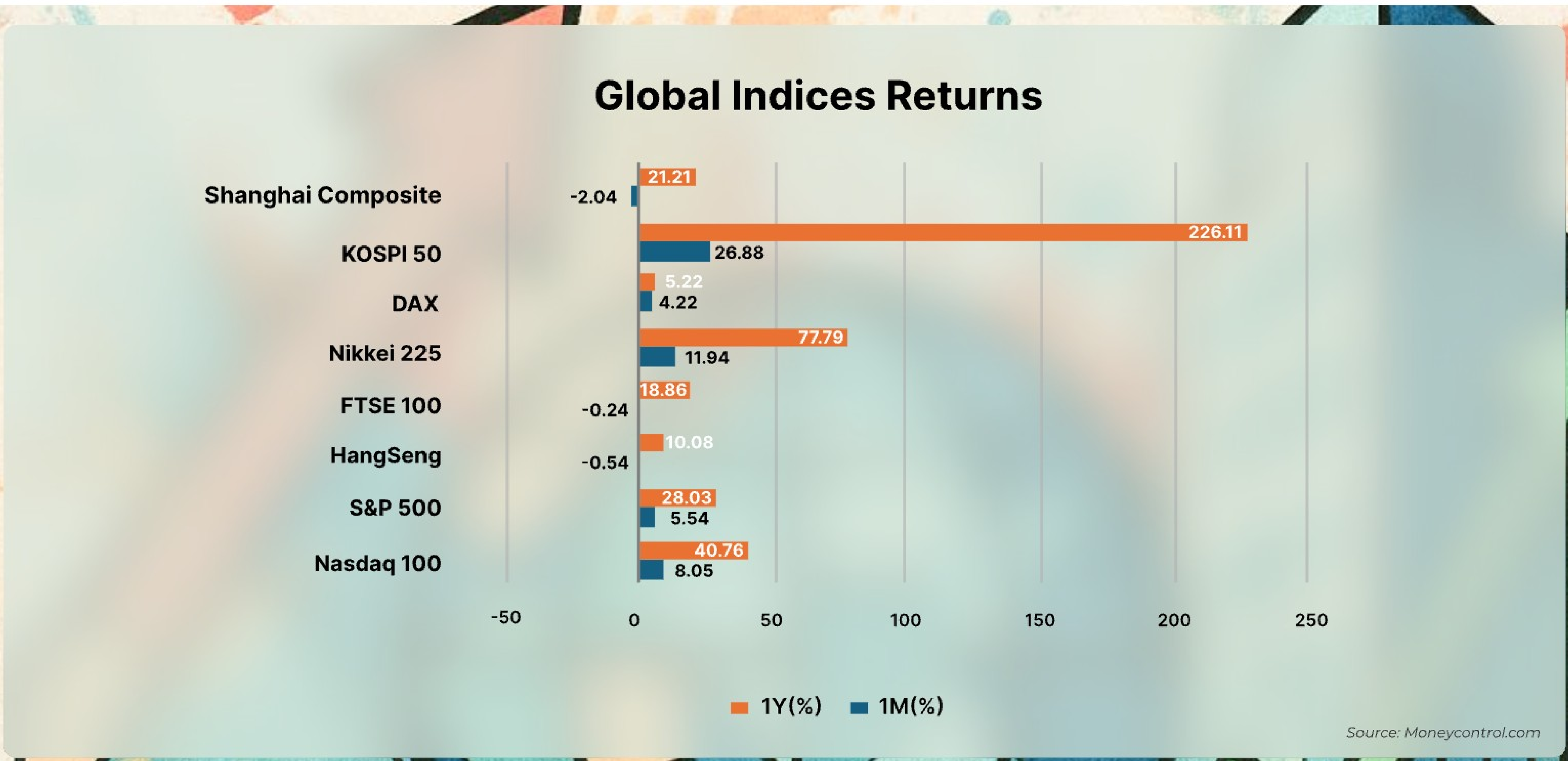
Last month, almost 22% companies were close to their 52-week lows (up <20% from low). This percentage has increased to ~36%. However, still a good chunk of companies (~45%) are still only <20% down from their 52- week high.

Market breadth seems to have seen some correction with especially with high foreign outflows happening.

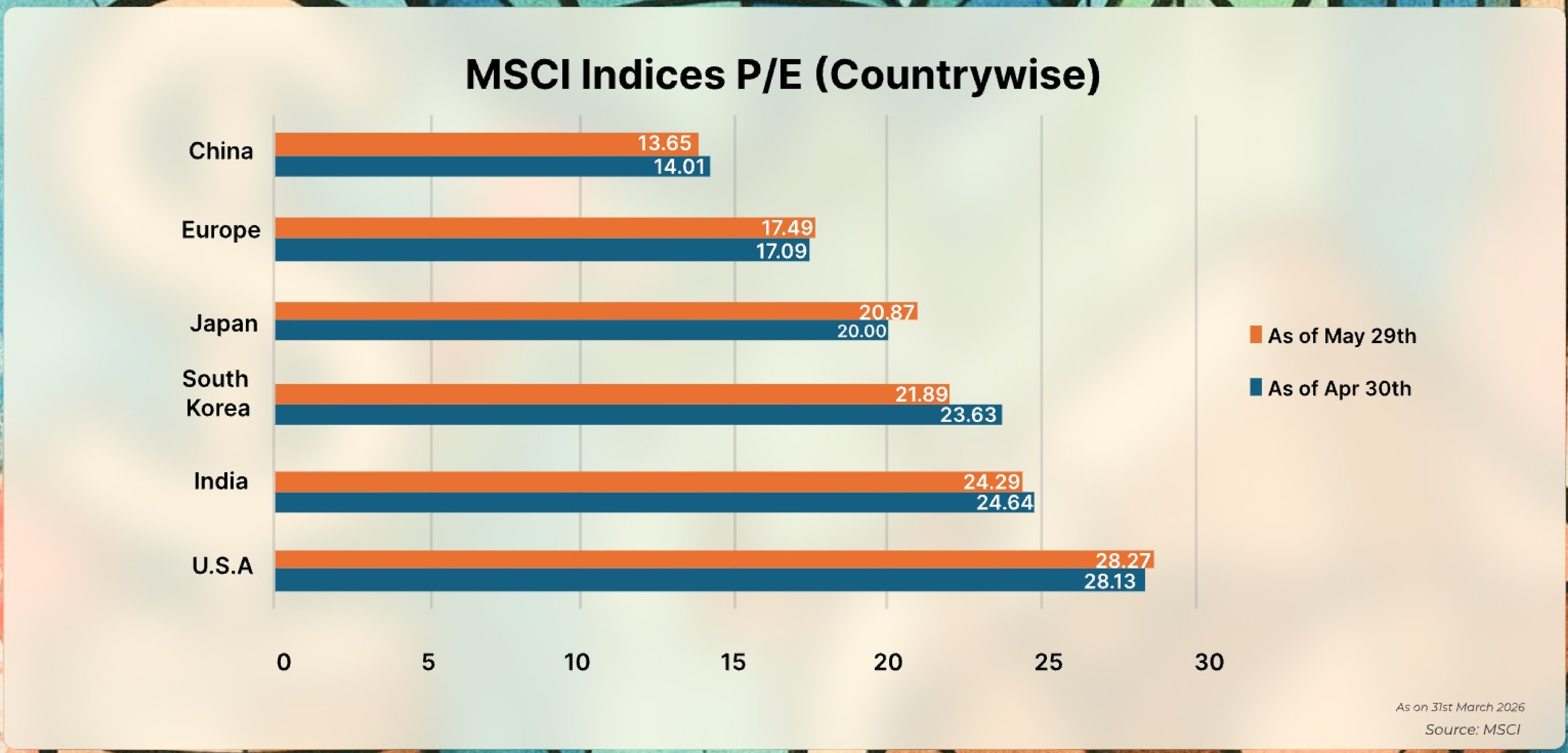
Earnings

- **India Inc closed FY26 on a strong note, with aggregate earnings growing about 21.5% YoY in Q4FY26** (as per data for total of 1,762 companies with market cap >Rs.100 crore), marking the third consecutive quarter of double-digit profit growth.
- **The earnings recovery was led by metals**, as by excluding metals, overall earnings growth moderates to roughly 17%, highlighting the sector's outsized contribution this quarter.
- Even looking at companies under Motilal Oswal's coverage, **earnings growth exceeded expectations and posted growth of 16% YoY as BFSI sector surprised with 18% YoY** rise in profits.
- **The midcap segment emerged as the strongest performers in Q4FY26, delivering nearly 36% earnings growth**, comfortably ahead of both large-cap and small-cap peers.
- Despite margin pressures, corporate confidence remained strong. Listed companies' capital expenditure rose to nearly **₹10.5 trillion in FY26**, up around **15% YoY**, with spending concentrated in power, defence, energy and metals.

Global Markets



- **Global leadership remains concentrated in AI, semiconductors and technology-related sectors**, with South Korea, Japan and the US continuing to benefit from this theme.
- **South Korea emerged as the standout performer, supported by robust momentum in memory chips and electronics.** The rally has also brought some valuation re-rating, with MSCI South Korea P/E expanding from 21.9x to 23.6x in a month.
- **Japan continued to benefit from strong corporate earnings and foreign investor interest**, while valuations remain relatively reasonable at ~20x earnings compared with the US at ~28x.
- **Chinese equities remained subdued despite being among the cheapest major markets globally at ~14x earnings.** Persistent concerns around domestic demand and economic growth continue to limit investor participation.
- The US **market maintained its leadership in AI and technology** and the valuations remain the richest among major markets.



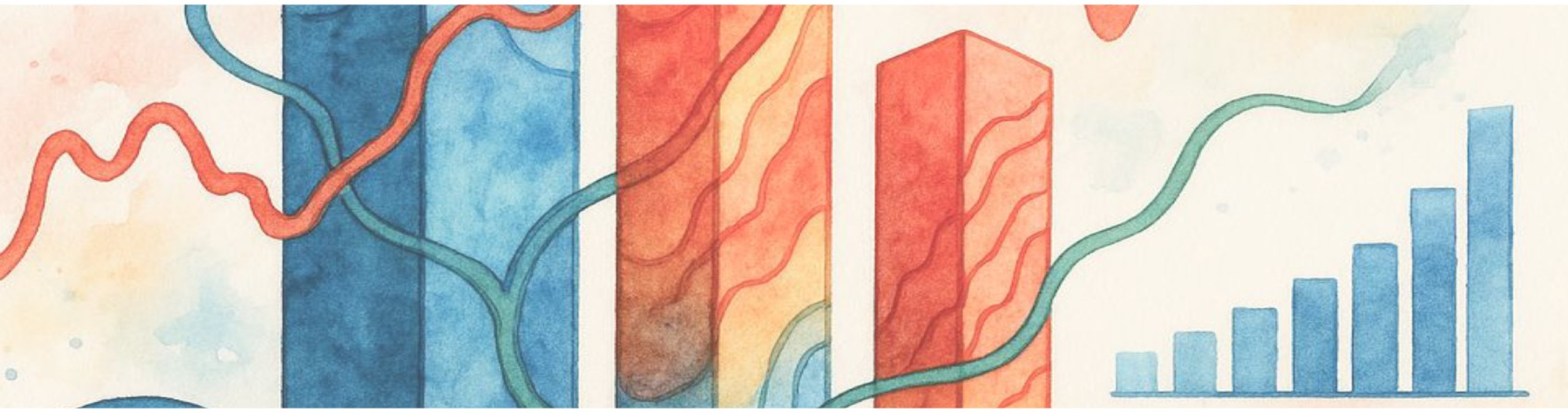
Equity In-House View

Domestic Outlook

While Q4FY26 GDP growth remained robust at 7.8%, the impact of higher crude prices and West Asia-related supply disruptions is yet to fully reflect in growth and inflation data. Inflation remains at ~3.5%, but elevated energy prices and a weaker rupee could create pressure in the coming months. RBI continues to hold rates and revised their inflation outlook to approx. 5.9% in Q3.

Corporate earnings have been encouraging recently, though not broad-based. Metals led the earnings season, while mid-caps continued to outperform large caps on profit growth. At the same time, valuations across market-cap segments have moderated. The domestic capex story remains intact. Continued government spending, coupled with the sizeable RBI dividend transfer, should support infrastructure, manufacturing and capital goods sectors.

Overall, we continue to favor capex theme along with some balance through defensive segments like consumer staples and Pharma. Selective exposure to mid- and small-caps appears justified given stronger earnings momentum and improving valuations, while a more measured approach towards large-caps may be warranted for now.



Global Outlook

Global markets continue to be driven by two dominant themes: geopolitical uncertainty in West Asia and the ongoing AI investment cycle. While elevated oil prices and supply disruptions have increased inflation risks, equity markets have largely remained focused on earnings resilience and the strength of AI-related capital spending.

US currently remains the strongest market from an earnings perspective. S&P 500 companies delivered robust earnings growth in the high-20% range, comfortably exceeding pre-season forecasts. South Korea's exports rose around ~53% YoY (strongest in four decades) in May, driven largely by semiconductor shipments, while Japanese corporate earnings remain supported by automation, industrial equipment and advanced manufacturing demand. What has changed, however, is that markets are becoming more selective. Periodic corrections like KOSPI index falling ~9% (on June 8th) have highlighted concerns around stretched valuations and concentration risks.

China's economy continues to grow close to the government's ~5% growth target, however, domestic demand remains subdued. Consumer prices have struggled to gain momentum; property activity remains weak and consumer confidence has yet to show a sustained recovery. As a result, growth continues to rely disproportionately on exports and state-supported investment.

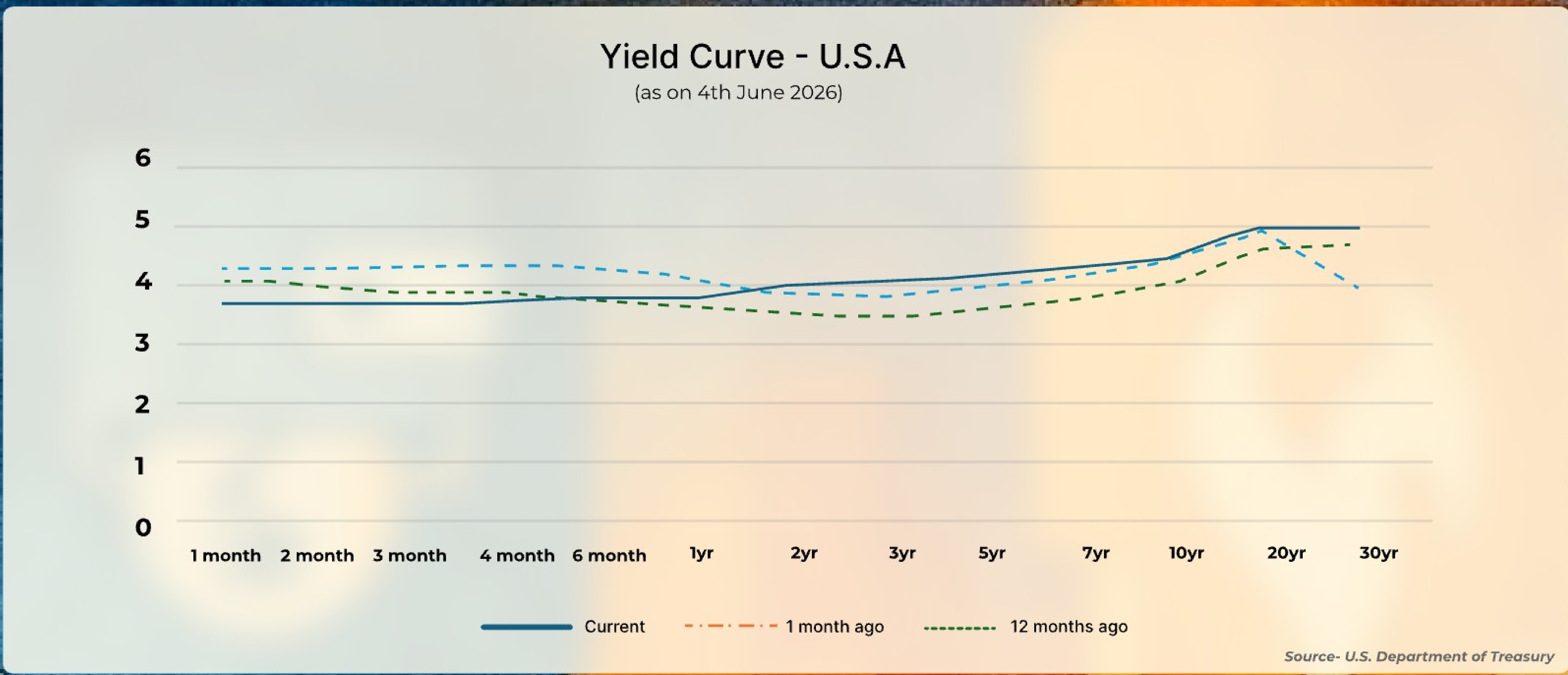
While AI remains a compelling long-term theme, exposure should remain selective and focused on market leaders with strong earnings visibility. China, despite structural challenges, need not be underweighted. It has strategic position in critical minerals and supply chains, making exposure reasonable from both diversification and valuation perspectives.

Debt Outlook

Global Debt Outlook

Short end

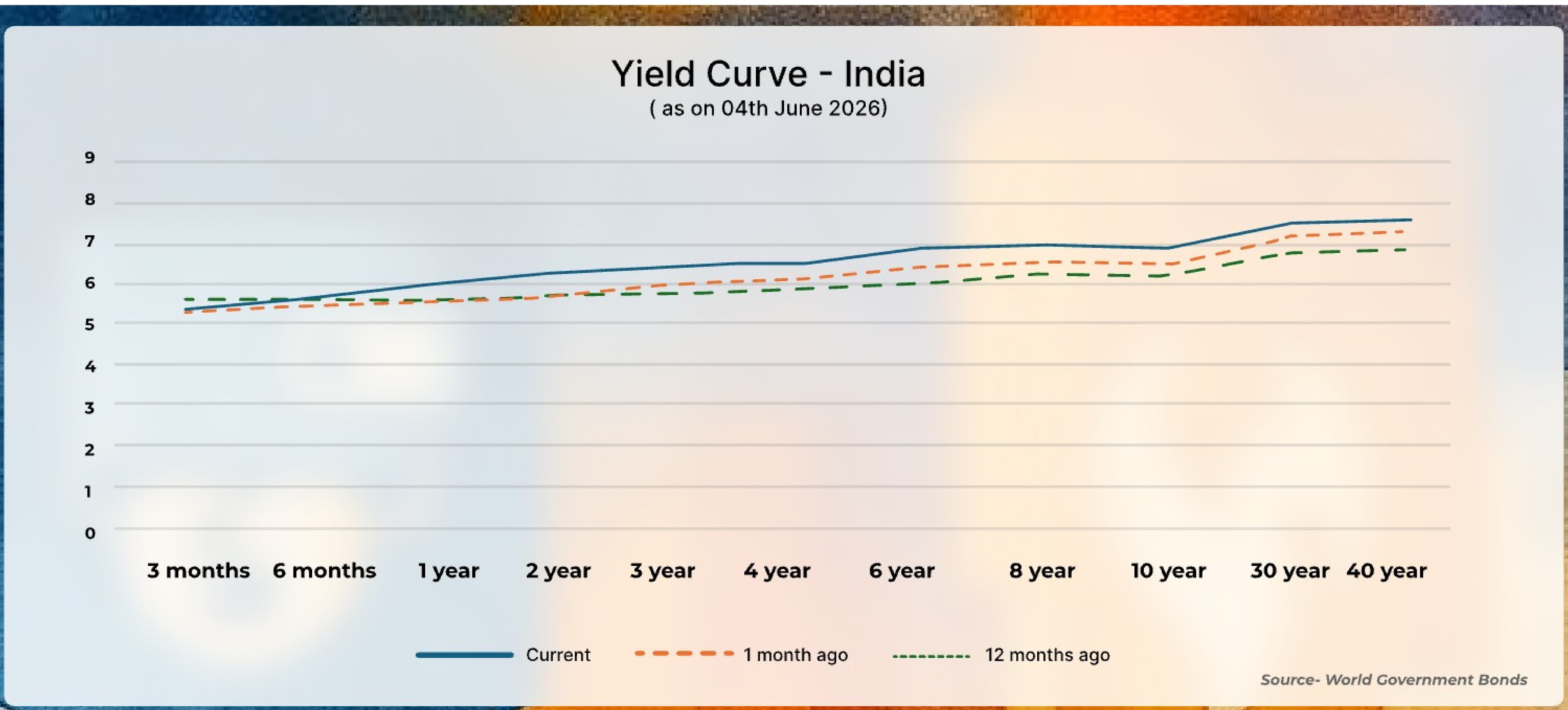
- The shorter end of the yield curve remained range bound, largely reflecting expectations that the Federal Reserve will keep rates unchanged at its June meeting. This would mark the first policy decision under Fed Chair Kevin Warsh, with markets closely watching for any shift in policy guidance.
- Chair Warsh has inherited an economy still facing above-target inflation. **April 2026 PCE inflation stood at 3.8%, while core PCE was 3.3%, both well above the Fed's 2% target**. Persistent inflation has kept markets from pricing in near-term rate cuts, limiting further declines at the front end of the curve.



Long end

- U.S. GDP growth for **Q1 2026 was revised to 1.6% in the second estimate, improving from 0.5% in Q4 2025.** However, growth remains below the pace seen through much of the previous expansion, refreshing concerns over the medium-term outlook.
- Longer-dated Treasury yields have remained above 4.3–4.4%, supported by elevated inflation expectations and growing uncertainty around growth. *The University of Michigan's one-year inflation expectation rose to 4.8%, while consumer sentiment fell to a record low of 44.8, contributing to higher term premium expectations.*
- Labour market conditions remain resilient despite subdued hiring activity being in the **"no hire, no fire"** zone. Recent JOLTS data showed job openings once again exceeding the number of job seekers, while the unemployment rate held steady at 4.3%, below its 10-year average of 4.6%. The labour market therefore does not yet signal an immediate need for policy easing.
- Longer-term yields have also been supported by supply-side factors. Major holders of U.S. Treasuries, including China and Japan, have gradually reduced their exposure, while a narrowing yield differential versus international markets has weighed on demand. *Another factor that could support higher long-term yields is Fed Chair Warsh's preference for balance sheet reduction.* If pursued, quantitative tightening would require private investors to absorb a larger share of Treasury issuance, potentially placing upward pressure on longer-dated yields and term premiums.

Indian Debt Outlook



Short End

- The short end of the curve has seen limited movement over the past month. Through May, the front end remained largely anchored as markets had broadly priced in an unchanged policy rate from the Reserve Bank. It was not the rate decision itself this time around, but rather the tone of the policy and the revised inflation and growth projections that markets were closely watching.
- At its June meeting, the Reserve Bank revised its FY27 **inflation projection upwards by 50 bps to 5.1%, placing it towards the upper end of its FIT framework.** At the same time, the growth outlook has moderated, with the FY27 real GDP forecast lowered from 6.9% to 6.6%. While the policy rate was kept unchanged, the revised projections indicate to keep the front-end firm.
- Keeping in mind the potential inflation pass-through from higher commodity and energy prices, the evolving growth outlook and the second-order effects that could become more visible through Q2 and Q3, ***we continue to expect a rate hike in the October policy meeting, subject to incoming data.***

Long End

- The long end of the curve has remained elevated over the past few months, with the 10-year benchmark yield continuing to trade above the 7.00% mark. The middle and longer end of the curve have witnessed an upward shift, reflecting a repricing of inflation expectations and higher term premia amid elevated geopolitical uncertainty.
- Further, the **RBI has revised its FY27 GDP growth forecast lower to 6.6% from 6.9%** in the previous meeting, indicating a softer growth trajectory in the near term before a gradual recovery through the second half of the year. In the recent data release, **Real GDP Growth for Q4 FY26 was estimated at 7.8%, while nominal GDP growth stood at 9.1%,** highlighting the resilience of domestic economic activity. However, the full impact of the West Asia conflict is expected to be reflected in the coming quarters through higher energy prices, inflation pass-through effects and potential second-order impacts on growth and inflation expectations.
- ***We expect the 10-year G-Sec yield to trade in the range of 6.88%–7.15% over the coming months, with risks skewed towards the upper end should inflationary pressures remain persistent.***

Debt In-house View

Global bond markets have remained under pressure over the past few months as the Middle East conflict has introduced a fresh supply-shock inflation risk at a time when growth momentum is already moderating across several economies. The on-again, off-again nature of the conflict has further heightened uncertainty.

In the United States, Treasury yields continue to face upward pressure from persistent price pressures, a stalled labour market, elevated fiscal deficits and concerns surrounding the sustainability of government debt. Additionally, the possibility of reduced foreign demand for U.S. Treasuries, could increase the supply-demand imbalance at the longer end of the curve and keep long-dated yields elevated.

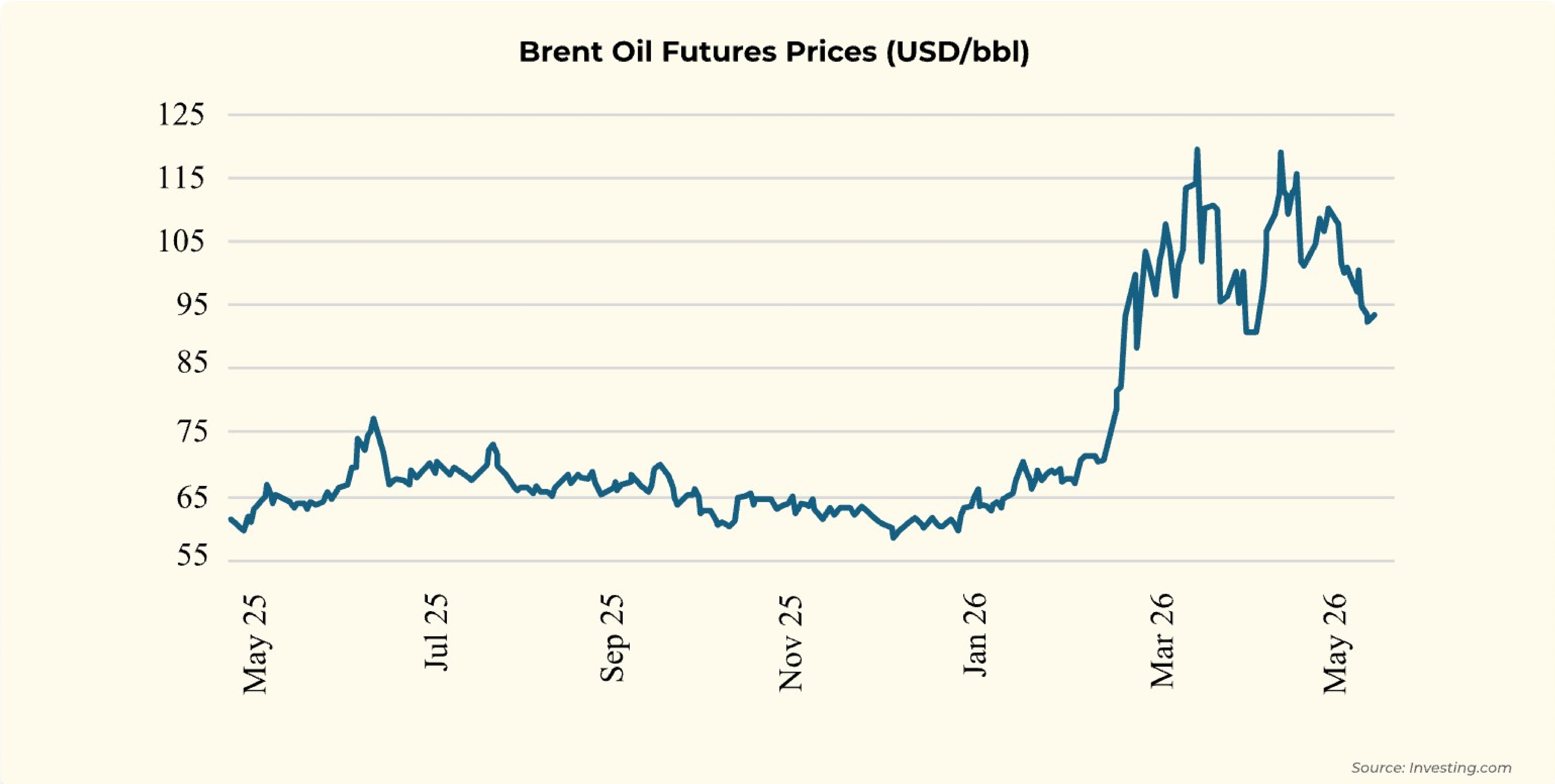
In Japan, markets are increasingly pricing in a rate hike at the June policy meeting. Elevated inflation expectations and continued weakness in the yen are expected to keep upward pressure on yields across the curve. While the short end remains sensitive to further policy rate hikes, the long end is likely to face persistent pressure from higher inflation risk premia.

In India, inflation concerns, geopolitical developments and currency-related pressures continue to create uncertainty for the domestic bond market. However, the measures announced by the RBI in the June policy meeting are expected to enhance the attractiveness of Indian sovereign bonds among global investors. The expansion of the Fully Accessible Route (FAR) framework, the decision to exempt eligible foreign investors from tax on interest income and capital gains arising from specified Government Securities is likely to provide an additional boost to foreign participation.

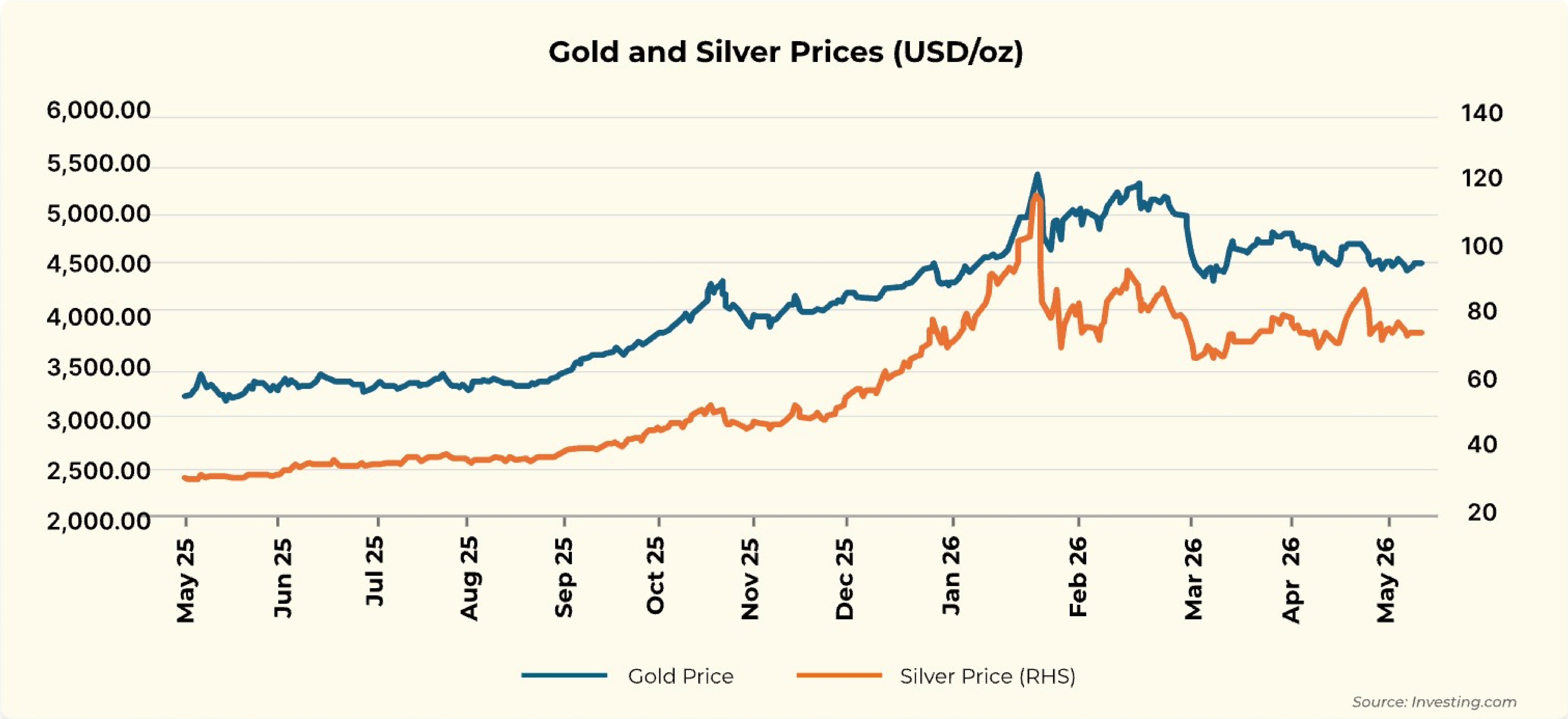
Against this backdrop, we maintain a preference for the **short-to-intermediate segment of the curve across both global and domestic markets**, where visibility on rates and inflation remains relatively higher. While the long end offers value from an absolute yield perspective, uncertainty around the inflation trajectory, policy rates and geopolitical developments continues to warrant caution.

A strategy focused on selective positioning in the short-to-medium segment, complemented by calibrated credit exposure through AIFs and NCDs, while remaining underweight duration at the long end, appears prudent.

Commodity Outlook



- **Brent prices remained elevated and volatile in May, trading broadly in the $90–110/bbl range** as markets continued to weigh the risks of supply disruptions against the possibility of a reopening of the Strait of Hormuz.
- Demand softened during the month, with **global oil consumption expected to see its sharpest decline in 2Q26 (-2.45 mb/d),** driven by weakness across both OECD (-930 kb/d) and non-OECD economies (-1.5 mb/d). **The petrochemical and aviation sectors have been among the most affected,** while higher energy prices and slowing economic activity continued to weigh on consumption.
- Signs of demand weakness were also visible in pricing trends. **Iranian crude slipped into discounts for the first time since April, while Russian crude premiums narrowed** as sellers lowered prices to attract Chinese buyers amid softer demand.
- Supply concerns continued to dominate the market narrative. **Global oil supply fell by a further 1.8 mb/d in April to 95.1 mb/d, keeping the market structurally tight**. Countries and refiners continued to rely on stockpiles to bridge supply gaps, resulting in a rapid decline in inventories and underscoring the tightness in physical oil markets.
- There is also a shift in increase of U.S. crude exports as buyers look beyond the Middle East for supply. However, this has caused falling inventories, with the U.S. Strategic Petroleum Reserve (SPR) near multi-year lows of roughly **357 million barrels.**
- In India, the **average annual price for Indian Crude Basket has further moderated from $112.47/bbl (as on 5th May, 2026) to $100.13/bbl (as on 3rd June, 2026).**



Gold & Silver

- **Gold largely trended downwards in May**, with brief volatility periods in between, driven by geopolitical developments such as back and forth in West Asia conflict and the US-China meeting.
- **Despite global gold prices declining by 1.4% during the month, domestic gold prices in India rose 4.1%**, supported by rupee weakness and local market dynamics. **Similar gains were also observed in Turkey.**
- **India also raised import duties from 6% to 15%** to curb bullion imports and reduce pressure on foreign exchange reserves, the rupee, and the trade deficit. Additionally, Prime Minister urged citizens to limit non-essential gold purchases. These measures could temporarily moderate domestic gold demand and imports, although their impact may be limited given gold's cultural significance and its role as a store of value.
- Central bank demand remained a key support for gold. **After net selling in March, central banks turned net buyers again in April, purchasing 19 tonnes of gold.** Poland remained the largest buyer with 14 tonnes, while China accelerated purchases, adding 8 tonnes, the highest monthly addition since December 2024.
- As for silver, it experienced somewhat higher volatility with prices initially rising by ~22% and then falling by an equal percentage by month end.
- **Silver prices rally in favour on expectations of a persistent structural supply deficit and growing demand from green energy sectors** such as solar and electrification.
- However, both gold and silver are currently being driven by a similar macroeconomic narrative. Elevated inflation expectations, higher-for-longer interest rate concerns, rising bond yields and a stronger US dollar have weighed on precious metals.

Commodity In-house View

Crude Oil

Oil markets have been becoming structurally tighter. Even though the demand has softened amid slowing industrial activities globally and economic growth, supply disruptions continue to dominate. **The Strait of Hormuz remains a key uncertainty, with no clear signs of a full reopening, keeping pressure on oil prices.** Some shift in oil purchases can be seen through rise in U.S. crude exports as buyers increasingly seek alternatives to Middle Eastern supplies. However, this has also contributed to declining U.S. inventories, suggesting that global supply buffers remain limited.

Although crude prices showed some moderation in May, the market remains tighter. Even though no new escalation has been making headlines and this has recently been loosening up the pressure on prices, temporary spikes can still be expected as the conflict still remain unresolved. F**alling inventories, constrained supply and persistent geopolitical risks make a return to pre-conflict price levels unlikely in the near term unless supply conditions improve materially which has now become a long-term concept given the damage that has happened to the infrastructure on multiple locations.**

In India, government increased retail fuel prices 4 times in May, reducing the earlier cushion through partial cost pass-through. Even though the Indian crude basket prices have moderated, they still remain near 100$/bbl which is high for a country highly import dependent. We don't expect any significant relief in near term.

Gold & Silver

Inflation expectations are rising across many economies, which could lead central banks to delay rate cuts or even consider further tightening if price pressures remain elevated. This has supported a stronger US dollar and higher bond yields, both of which are play against the prices of metals.

For gold, the near-term bias remains downward. While geopolitical tensions may lead to temporary spikes in safe-haven demand, such support is unlikely to be sustained unless the conflict escalates significantly. At present, inflation concerns, higher interest rates and yields, and a stronger dollar are likely to remain the dominant factors creating a pressure on gold prices. **However, it will continue to benefit from sustained central bank purchases as countries seek to diversify reserves and reduce dependence on the US dollar. This structural demand provides an important support base for gold price.**

Silver is expected to follow a similar direction, although with greater percentage of changes. However, **it is important to remember that unlike gold, silver has significant industrial demand apart from recently gained "safe haven interest" from investors, especially from sectors such as solar energy, electronics, and other emerging technologies.** However, slowing economic growth and weaker industrial activity could weigh on demand in the near term but its long-term outlook still remains relatively favourable. The market continues to face a structural supply deficit, while demand from green energy and technology-related sectors remains strong. As a result, a**lthough silver may face near-term pressure alongside gold, its underlying demand drivers continue to support a constructive medium-term outlook.**

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.

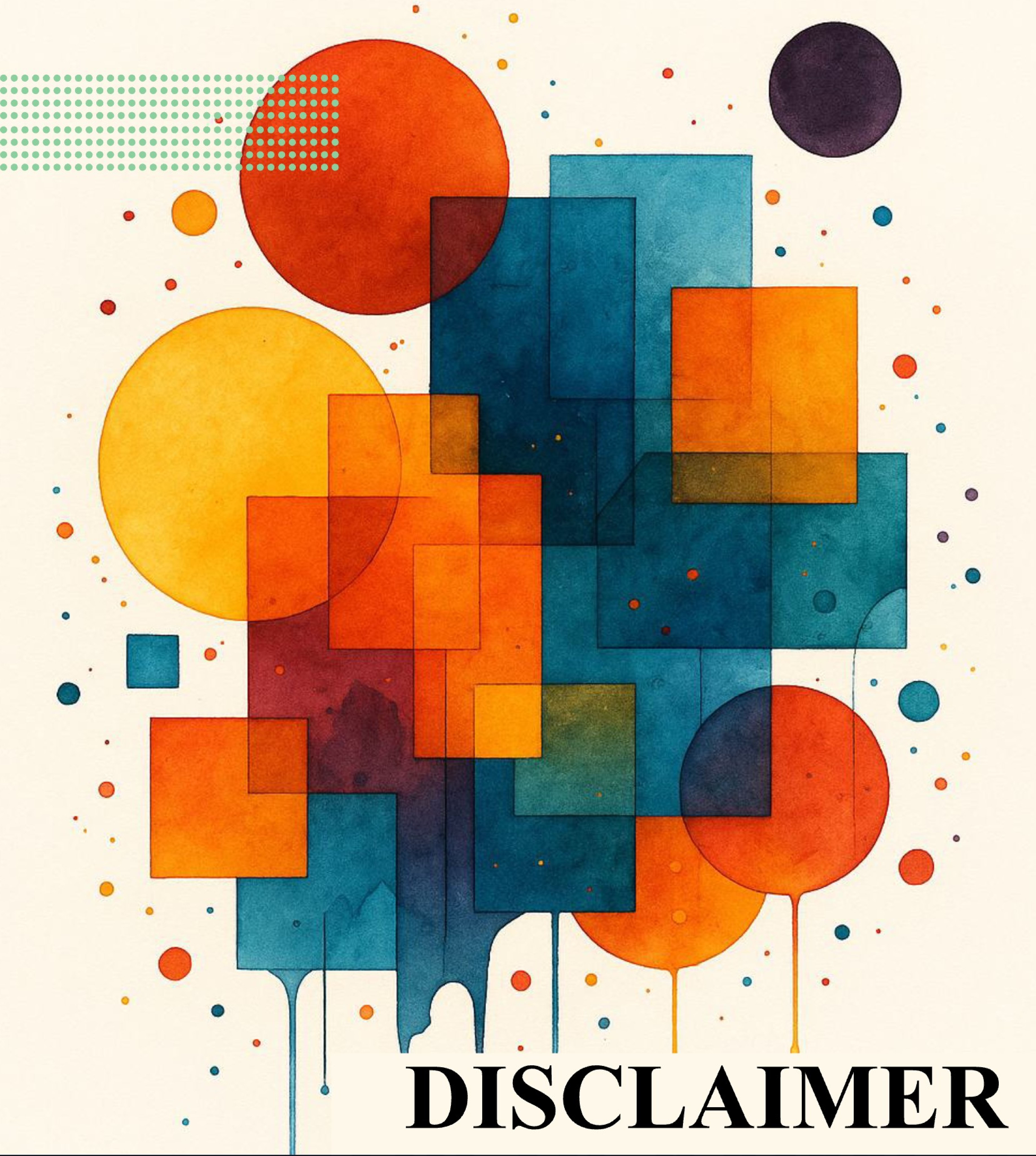
At the same time, global uncertainties, ranging from geopolitical tensions to trade disruptions, call for a more measured and diversified investment approach. Accordingly, the strategies presented reflect opportunities across business cycles, selective equity exposure across market capitalisations, and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

Category	Sub-Category	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Equity	Mutual Fund	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 23%, it has consistently outperformed both its benchmark (18%) and the category average (17%).	>3 years	14-16%
	PMS- Multi Cap	Buoyant Capital- Opportunities Strategy	Since inception, the fund has delivered a ~20% 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%

Category	Sub Category	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Equity	PMS- Multi Cap	Negen Capital- Special Situation & Dyanamic Allocation Fund	With a 5-year TWRR of ~21%, the fund leverages rare value-unlocking opportunities like demergers, promoter changes, and delistings to capture alpha. Its focus on special situations and technology themes allows investors to access high-quality businesses at compelling valuations making it a powerful contrarian play in today's market.	>3 years	17-19%
	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 24% and since-inception CAGR of 28%, 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 ~19% return over the past 5 years.	>3 years	17-19%
	AIF-Listed Equity	Vedartha India Opportunities Fund I	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.	> 3 years	16-18%

Category	Sub Category	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Equity	AIF-Listed Equity	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 earlier series has delivered an impressive ~17% CAGR since inception.	> 3 years	19-21%
	AIF- Private Equity	Incred Growth Partners Fund II	A fit for investors seeking exposure to best-in-class, late-stage and high-growth private companies across consumer, financial services, enterprise and emerging national-priority themes, enabled by proprietary deal sourcing, active portfolio value-creation, and a disciplined SUPER-based selection framework—targeting a balanced mix of stability, liquidity, growth, and disruption over a focused 6-year fund tenure.	6 Years	>25%
	AIF- Private Equity	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	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%

Category	Sub Category	Product	Rationale	Suitable Tenure	Expected Return Range (Net of Expenses)
Debt	AIF-Debt	Mosaic Multiyield Fund Series I	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%
Hybrid	SIF-Hybrid	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)
	SIF-Hybrid	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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