EDELWEISS MUTUAL FUND

TEMPO

Trends | Economy | Markets | Performance | Outlook



December 2025

Trends | Economy | Markets | Performance | Outlook



Global equity markets at a glance

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	Countries	Exchange Name	Index Level	Valuation (12-month forward)					Absolute Performance (%)			
				P/E	P/E 10yr Avg	P/B	P/B 10yr Avg	ROE	1 Month	3 Months	6 Months	1 Year
				(x)	(x)	(x)	(x)	(%)				
Developed Market	USA	S&P500	6,813	22.4	18.9	4.7	3.5	21.1	-1.1%	4.8%	15.7%	13.6%
	USA	Nasdaq	23,215	28.0	25.2	5.6	4.7	20.1	-2.6%	7.0%	21.5%	21.8%
	Europe	STOXX 600	575	14.8	14.4	2.1	1.8	13.9	-0.1%	3.9%	4.8%	13.3%
	UK	FTSE 100	9,711	13.1	12.8	2.1	1.7	16.1	0.1%	5.4%	11.3%	17.3%
	Germany	DAX	23,757	15.3	13.2	1.8	1.5	11.8	-2.1%	-1.2%	-1.2%	22.3%
	France	CAC 40	8,103	15.2	13.9	1.9	1.5	12.2	-1.4%	4.4%	4.0%	12.9%
	Japan	Topix	50,254	22.4	18.3	2.4	1.7	10.9	0.1%	17.3%	33.2%	31.0%
	Australia	ASX 200	8,614	18.3	16.3	2.1	1.9	11.3	-4.4%	-4.1%	2.6%	2.0%
	Singapore	STI Index	4,524	13.9	12.6	1.5	1.2	10.5	1.7%	6.4%	15.6%	21.1%
	Hong Kong	Hang Seng	25,859	11.3	10.4	1.2	1.1	11.0	-1.8%	3.4%	11.2%	33.5%
Emerging Market	India	Sensex	85,707	20.9	19.2	3.2	2.9	15.3	1.3%	7.0%	5.4%	8.4%
	China	Shanghai Composite	3,889	13.6	11.6	1.3	1.3	9.5	-2.5%	1.2%	16.4%	18.0%
	Brazil	Bovespa	1,58,360	9.4	10.4	1.3	1.6	13.7	7.4%	12.3%	14.0%	27.1%
	Korea	KOSPI	3,927	10.4	10.3	1.3	0.9	12.1	-2.1%	22.8%	47.1%	56.8%
	Mexico	IPC	62,695	12.5	14.1	2.1	2.0	16.6	-0.2%	6.0%	6.7%	25.5%
	Philippines	PCOMP	6,022	8.9	14.7	1.1	1.7	12.5	1.2%	-2.7%	-6.3%	-9.3%
	Turkey	XU100	10,940	1.3	5.7	0.4	0.9	29.0	0.6%	-3.8%	19.2%	13.5%
	Thailand	SET	1,257	12.8	14.4	1.2	1.4	9.2	-4.4%	0.5%	8.3%	-12.0%
	Vietnam	VN30	1,924	11.5	10.9	2.0	1.8	17.4	-1.3%	3.4%	34.3%	47.8%
	Indonesia	JCI	8,509	13.2	15.0	1.7	2.0	13.0	5.1%	7.0%	18.6%	18.2%

Source: IIFL Securities, Bloomberg estimates. Data as of 28th November, 2025. Performance in home currency. All foreign indices are price returns. Returns are in home currency.

Global equity markets at a glance

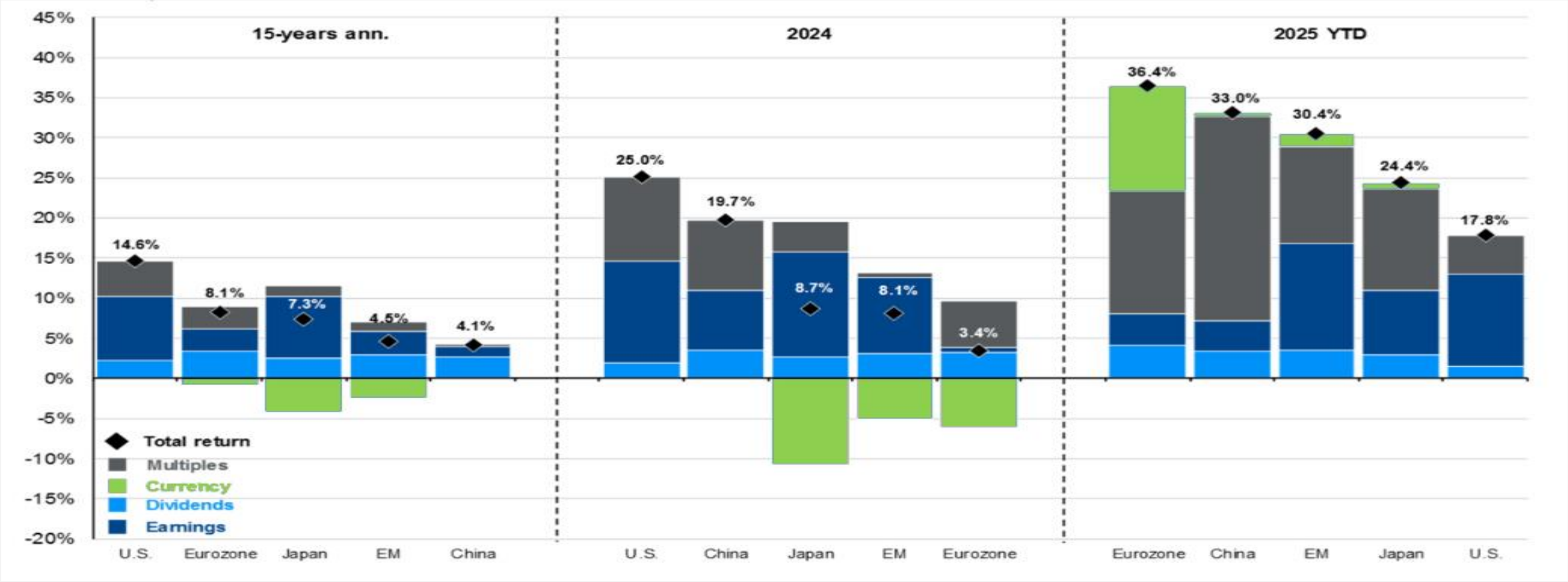
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Countries	Exchange Name	CAGR Performance (%, in USD)											
		3Y	Rank	5Y	Rank	7Y	Rank	10Y	Rank	15Y	Rank	20Y	Rank
USA	S&P500	21.7%	3	12.9%	2	15.6%	2	11.9%	2	12.0%	2	8.9%	2
USA	Nasdaq	31.8%	1	13.0%	1	20.0%	1	16.0%	1	15.7%	1	12.6%	1
Europe	STOXX 600	14.1%	7	6.7%	10	8.3%	6	5.9%	7	4.1%	8	3.1%	13
UK	FTSE 100	12.7%	9	7.9%	7	6.0%	14	3.8%	13	2.2%	11	1.4%	18
Germany	DAX	24.0%	2	10.9%	3	12.9%	3	8.8%	5	7.8%	3	7.7%	5
France	CAC 40	10.7%	12	6.7%	9	8.2%	7	6.2%	6	4.2%	7	2.6%	15
Japan	Topix	14.6%	6	4.3%	13	6.9%	9	5.2%	10	4.6%	6	2.2%	17
Australia	ASX 200	6.0%	16	2.4%	15	5.3%	15	3.4%	14	1.1%	14	2.5%	16
Singapore	STI Index	13.0%	8	10.2%	4	6.5%	10	5.8%	8	2.3%	10	4.8%	8
Hong Kong	Hang Seng	9.0%	13	-1.4%	18	-0.1%	18	1.4%	18	0.7%	17	2.7%	14
India	**Sensex**	**8.8%**	**14**	**7.7%**	**8**	**9.0%**	**5**	**9.2%**	**4**	**4.9%**	**5**	**7.8%**	**3**
China	Shanghai Composite	7.5%	15	0.8%	17	6.3%	13	2.2%	16	1.8%	12	7.0%	6
Brazil	Bovespa	12.0%	11	4.8%	12	3.6%	16	4.6%	12	-2.4%	19	3.6%	12
Korea	KOSPI	17.1%	5	1.3%	16	6.4%	11	5.3%	9	3.0%	9	3.7%	11
Mexico	IPC	12.3%	10	9.8%	6	7.5%	8	4.7%	11	0.8%	16	3.8%	10
Philippines	PCOMP	-5.2%	19	-7.6%	20	-4.8%	20	-3.1%	20	0.3%	18	4.8%	7
Turkey	XU100	-3.6%	18	5.9%	11	6.3%	12	1.8%	17	-3.2%	20	-0.6%	19
Thailand	SET	-6.2%	20	-3.8%	19	-2.7%	19	-0.8%	19	1.0%	15	4.2%	9
Vietnam	VN30	21.2%	4	10.2%	5	10.7%	4	10.6%	3	7.2%	4	-	-
Indonesia	JCI	5.6%	17	4.1%	14	2.9%	17	2.9%	15	1.5%	13	7.7%	4

Source: MOFSL, Bloomberg estimates. Data as of 28th November, 2025. All foreign indices are price returns. Returns are in USD.

What has driven global equity returns?

Much of this year's international outperformance has been driven by multiple expansion—valuation gains led more by sentiment and macro factors than by earnings growth



Source: J.P. Morgan Asset Management, Data as on 28th November, 2025.

Indian equity markets at a glance

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Market cap & Sector performance – Trailing period

	Segment	Absolute Performance (%)				CAGR (%)		
		1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Market-Cap	Large-cap (NIFTY 50)	1.92%	7.45%	6.68%	9.94%	13.10%	16.49%	14.08%
	Large-cap (NIFTY Next 50)	-0.94%	5.27%	4.18%	-1.33%	17.41%	18.87%	14.63%
	Large-cap (NIFTY 100)	1.45%	7.11%	6.28%	7.99%	13.45%	16.68%	14.11%
	Midcap (NIFTY Midcap 150)	1.67%	8.07%	6.43%	7.74%	23.55%	25.52%	18.47%
	Large & Midcap (NIFTY Large Midcap 250)	1.56%	7.58%	6.35%	8.00%	18.54%	21.16%	16.41%
	Small-cap (NIFTY Smallcap 250)	-3.30%	1.51%	-0.17%	-5.02%	20.90%	25.41%	15.06%
	Multicap (NIFTY 500)	1.00%	6.70%	5.64%	6.56%	15.60%	18.65%	14.87%
	Micro-cap (NIFTY Microcap250)	-2.78%	0.67%	-1.26%	-7.56%	27.42%	35.94%	19.54%
Themes/Sector	Auto (NIFTY AUTO)	3.62%	11.30%	20.05%	19.95%	29.11%	26.79%	13.76%
	Banks (NIFTY Bank)	3.42%	11.36%	7.86%	15.70%	12.34%	15.94%	13.81%
	Commodities (NIFTY Commodities)	-2.00%	7.68%	8.09%	9.13%	15.81%	22.23%	16.67%
	Consumption (NIFTY India Consumption)	0.52%	3.49%	10.19%	10.02%	17.49%	19.57%	14.66%
	Energy (NIFTY Energy)	-1.84%	6.04%	-0.11%	-3.79%	10.47%	19.15%	18.07%
	Healthcare (NIFTY Healthcare)	2.30%	4.76%	8.65%	7.04%	22.32%	17.12%	9.79%
	Infrastructure (NIFTY Infrastructure)	1.03%	8.99%	8.34%	11.52%	22.01%	24.39%	14.85%
	Information Technology (NIFTY IT)	4.77%	7.14%	1.52%	-11.18%	9.39%	13.69%	15.12%
	Manufacturing (NIFTY India Manufacturing)	0.34%	7.52%	8.73%	9.40%	22.29%	24.03%	15.03%
	Oil & Gas (NIFTY Oil & Gas)	0.47%	11.82%	6.40%	9.73%	12.75%	19.94%	17.57%
	Pharma (NIFTY Pharma)	3.73%	5.51%	7.79%	4.15%	21.42%	15.06%	7.91%
	Realty (NIFTY Realty)	-4.69%	3.77%	-4.57%	-11.18%	26.56%	28.58%	18.46%
	Transportation (NIFTY Transportation & Logistics)	2.09%	7.97%	16.99%	16.01%	27.99%	27.70%	15.54%

Source: NSE. Performance up to 1 year is absolute and above 1 year is CAGR. Data as of 28th November, 2025. The above indices are TR Indices.

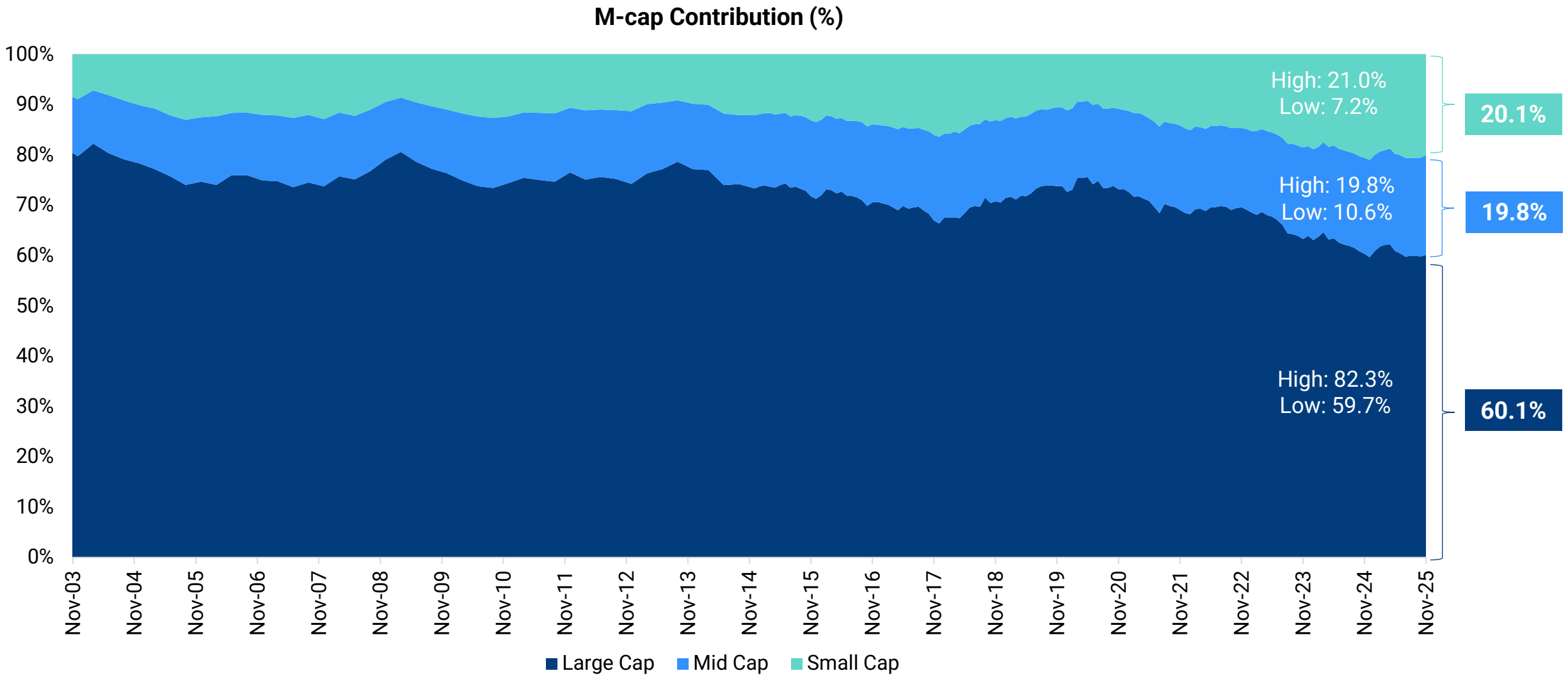
Indian equity markets at a glance

Factor performance – Trailing period

	Segment	Absolute Performance (%)				CAGR (%)		
		1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Single Factor	Value (NIFTY 50 Value 20 Index)	1.51%	5.51%	3.76%	-2.06%	13.89%	18.65%	16.26%
	Quality (NIFTY 100 Quality 30 Index)	1.78%	4.66%	6.07%	3.50%	14.62%	15.63%	12.65%
	Low Vol (NIFTY 100 Low Vol 30 Index)	1.97%	4.06%	7.95%	10.15%	16.52%	17.48%	14.82%
	Alpha (NIFTY 100 Alpha 30)	-0.45%	2.89%	4.93%	-1.91%	13.26%	17.67%	16.85%
	Alpha (NIFTY 200 Alpha30)	2.48%	6.29%	6.68%	-0.97%	24.13%	24.88%	20.44%
	Momentum (NIFTY 200 Momentum30)	2.24%	8.48%	5.65%	-5.54%	17.58%	21.51%	18.77%
	Quality (NIFTY 200 Quality30)	1.28%	4.98%	4.85%	2.02%	14.41%	15.77%	13.80%
	Value (NIFTY 200 Value30)	0.02%	14.17%	11.22%	10.50%	32.83%	36.10%	18.48%
	Momentum (NIFTY Midcap150 Momentum50)	2.75%	7.10%	4.60%	0.13%	24.09%	30.13%	22.10%
	Quality (NIFTY Midcap150 Quality50)	0.59%	2.99%	0.42%	0.03%	14.48%	15.57%	15.24%
	Quality (NIFTY Smallcap250 Quality50)	-2.81%	-0.85%	-3.39%	-11.50%	19.13%	25.14%	17.11%
	Momentum (NIFTY500 Momentum 50)	2.44%	9.15%	4.60%	-7.21%	20.35%	25.99%	19.52%
	Value (NIFTY500 Value 50)	-0.85%	10.75%	9.30%	6.75%	30.81%	36.08%	18.31%
Multi- Factor	Alpha Low Vol (NIFTY Alpha Low Vol 30)	0.82%	3.53%	2.83%	-1.76%	16.13%	17.37%	15.49%
	Quality Low Vol (NIFTY Quality Low Vol 30)	1.99%	3.55%	5.50%	4.18%	12.88%	14.77%	12.28%
	Momentum Quality (NIFTY500 Multicap Momentum Quality 50)	0.19%	6.46%	1.31%	-7.28%	20.73%	21.96%	18.30%
	Momentum Quality (NIFTY MidSmallcap 400 Momentum Quality 100)	1.12%	5.54%	0.02%	-4.11%	20.62%	23.39%	18.52%
	Momentum Quality (NIFTY Smallcap 250 Momentum Quality 100)	-2.74%	1.51%	-2.09%	-11.68%	16.77%	23.08%	17.63%

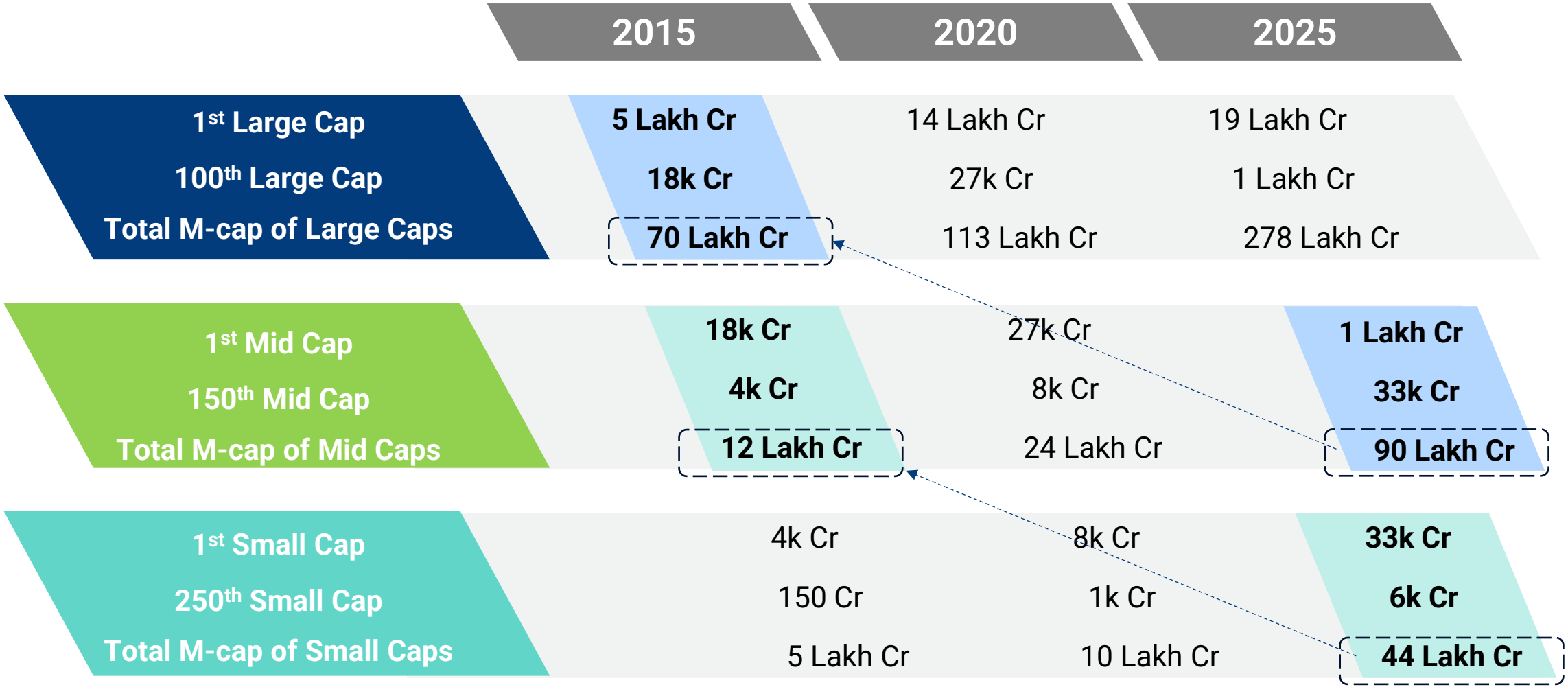
Source: NSE. Performance up to 1 year is absolute and above 1 year is CAGR. Data as of 28th November, 2025. The above indices are TR Indices.

Trends in % share to total M-cap



Source: MOFSL | Data as on 28th November, 2025.

How does the investible universe keep changing?

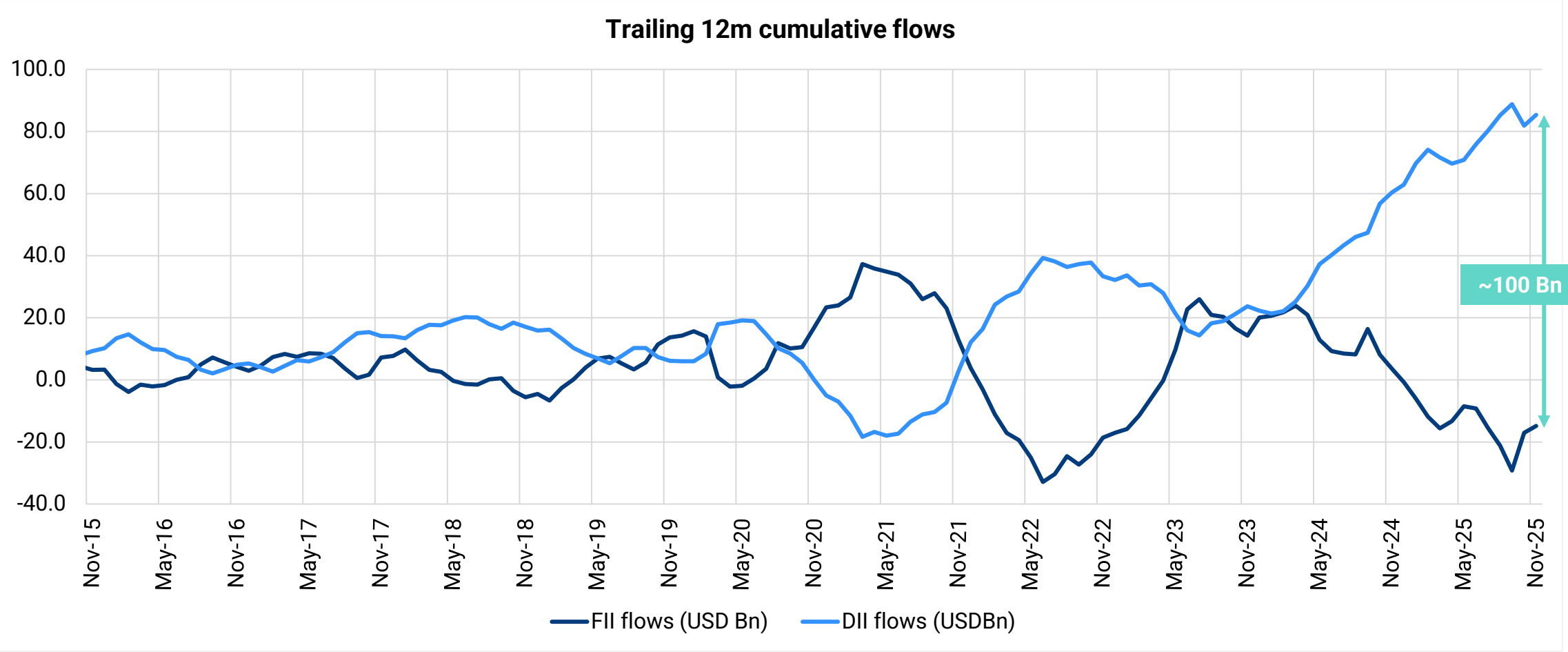


Smallcap Bucket in 2025 is ~4x of Midcap Bucket in 2015 & Midcap bucket in 2025 is 1.3x of Largecap bucket in 2015

Source: Bloomberg. Data considered for Sep'15, Sep'20, Sep'25.Total M-cap considered. Nifty 500 constituents taken for analysis.

Trends in FII & DII flows

Tug of war between FIIs & DIIs has been the story of Indian markets



Source: MOFSL | Data as on 28th November, 2025.

Equity flows

FPI Flows
(USD Mn)

CY	India	Brazil	Indonesia	Malaysia	Philippines	S.Korea	Taiwan	Thailand	Vietnam
CYTD*	**(15,711)**	**5,128**	**(1,734)**	**(4,543)**	**(659)**	**(5,279)**	**(5,692)**	**(3,365)**	**(4,844)**
Jan	(8,418)	1,158	(229)	(702)	(114)	(1,002)	(1,261)	(330)	(255)
Feb	(5,353)	133	(1,111)	(495)	(145)	(2,846)	(3,884)	(195)	(375)
Mar	234	555	(490)	(1,045)	50	(1,461)	(13,144)	(647)	(374)
Apr	1,271	25	(1,233)	(417)	(54)	(6,955)	(170)	(432)	(512)
May	1,738	1,873	337	237	(259)	887	7,567	(488)	18
Jun	2,373	970	(511)	(305)	(72)	2,009	4,963	(244)	(44)
Jul	(2,852)	(1,141)	(511)	(221)	(29)	4,517	8,274	499	298
Aug	(4,314)	221	676	(813)	(74)	(1,060)	(2,246)	(670)	(1,543)
Sept	(2,132)	994	(235)	19	46	5,105	7,335	(373)	(937)
Oct	1,255	(228)	782	(647)	(100)	4,207	(2,588)	(136)	(842)
Nov	487	568	791	(154)	92	(8,680)	(10,538)	(349)	(278)

FPI & DII Flows in India
(USD Mn)

CY	FPI (India)	DIIs (India)
CYTD*	**(15,711)**	**80,492**
Jan	(8,418)	10,030
Feb	(5,353)	7,454
Mar	234	4,327
Apr	1,271	3,286
May	1,738	7,924
Jun	2,373	8,463
Jul	(2,852)	7,048
Aug	(4,314)	10,822
Sept	(2,132)	7,396
Oct	1,255	5,972
Nov	487	7,770

- **Indian markets** continues to witness modest inflows in the month of Nov-25 from FPIs, while
- Outflows remained a consistent trend for Malaysia, Vietnam, and Thailand during CY2025. Taiwan witnessed the highest outflow in Nov-25
- DIIs continued to maintain their leadership in market flows

Source: Bloomberg and Kotak Institutional Equities | *Data as on 28th November, 2025.

Trends in the Commodity market

	Current Rate	1M	3M	6M	1Y	CYTD*
Gold (USD/oz)	4,239	7.3%	24.1%	29.0%	60.7%	61.5%
Silver (USD/oz)	57	20.1%	44.7%	71.3%	87.0%	95.5%
Brent Crude (USD/bbl)	64	0.4%	-4.8%	-1.7%	-12.8%	-13.2%
Aluminium (USD/ton)	2,842	-1.7%	8.8%	15.1%	10.5%	12.5%
Copper (USD/ton)	11,234	1.9%	15.4%	16.9%	26.4%	29.8%
Lead (USD/ton)	1,939	-2.6%	-0.2%	-1.4%	-4.5%	0.7%
Zinc (USD/ton)	3,280	1.6%	18.1%	23.0%	7.3%	11.0%

Key Highlights

- **Silver rally** has been **supported** by a fundamental **supply shortfall** and growing industrial demand. The metal is now entering its **5th consecutive year** of **deficit**, resulting in a tighter market
- **Crude oil prices have trended lower over the past year**, influenced by geopolitical tensions
- **Copper** has gained traction as the copper market in 2025 is characterized by **tightening supply** and **robust demand**

Source: Bloomberg. *Data as on 28th November, 2025

Trends in the Forex market

Performance of currencies against the USD

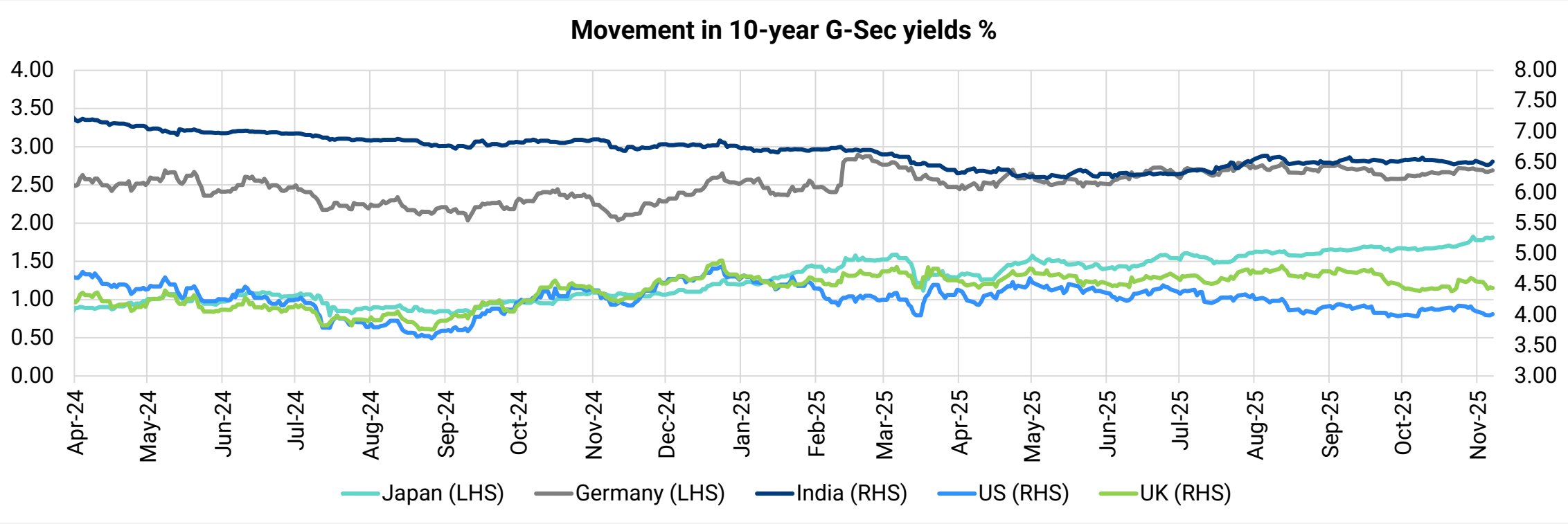
	1M	3M	6M	1Y	CYTD*	Currency Rate
INR	-0.77%	-1.40%	-4.58%	-5.55%	-4.30%	89.46 *(USDINR)*
Euro	0.53%	-0.75%	2.71%	9.91%	12.01%	0.86 *(USDEURO)*
GBP	0.63%	-1.99%	-1.74%	4.32%	5.74%	0.76 *(USDGBP)*
JPY	-1.40%	-5.85%	-7.26%	-2.96%	0.65%	156.18 *(USDJPY)*
CNY	0.65%	0.80%	1.72%	2.41%	3.18%	7.07 *(USDCNY)*
DXY	-0.35%	1.73%	-0.42%	-6.21%	-8.32%	99.46
CAD	0.24%	-1.68%	-1.00%	0.27%	2.92%	1.40 *(USDCAD)*
AUD	0.08%	0.15%	1.93%	0.78%	5.85%	1.53 *(USDAUD)*
CHF	0.08%	-0.42%	2.90%	9.83%	12.87%	0.80 *(USDCHF)*

Key Highlights

- The **INR** has **weakened** across periods in the last 1 year
- The **Dollar Index slipped again in Nov-25 after a brief uptick in Oct-25**, extending its broader year-long downward trend
- At the heart of the dollar's decline is a renewed trade war

Source: Bloomberg. *Data as on 28th November, 2025.
GBP-Great Britain Pound, JPY-Japanese Yen, CNY-Chinese Yuan. DXY-US Dollar Index, CAD-Canadian Dollar, AUD-Australian Dollar, CHF-Swiss Franc

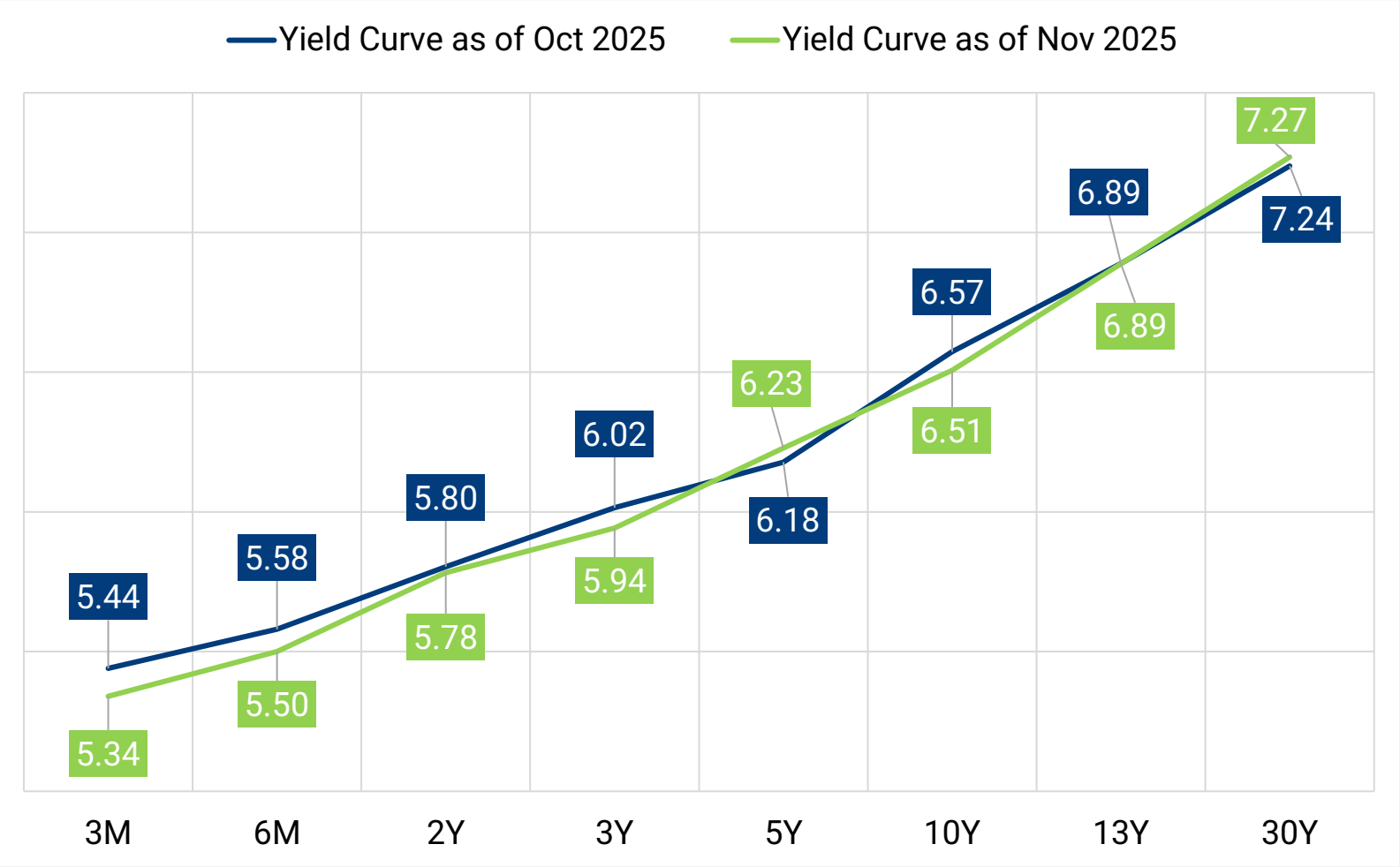
Tracking the 10-year G-sec yields



	India	US	Japan	UK	Germany
Current YTM	6.51%	4.01%	1.81%	4.44%	2.69%
M-o-M (bps)	(3.00)	3.76	16.60	4.00	6.60
Q-o-Q (bps)	(2.70)	(19.01)	19.20	(25.90)	(0.60)
Y-o-Y (bps)	(32.70)	(25.02)	75.60	16.50	56.20

Source: Bloomberg. Data as on 28th November, 2025

Tracking India's yield curve

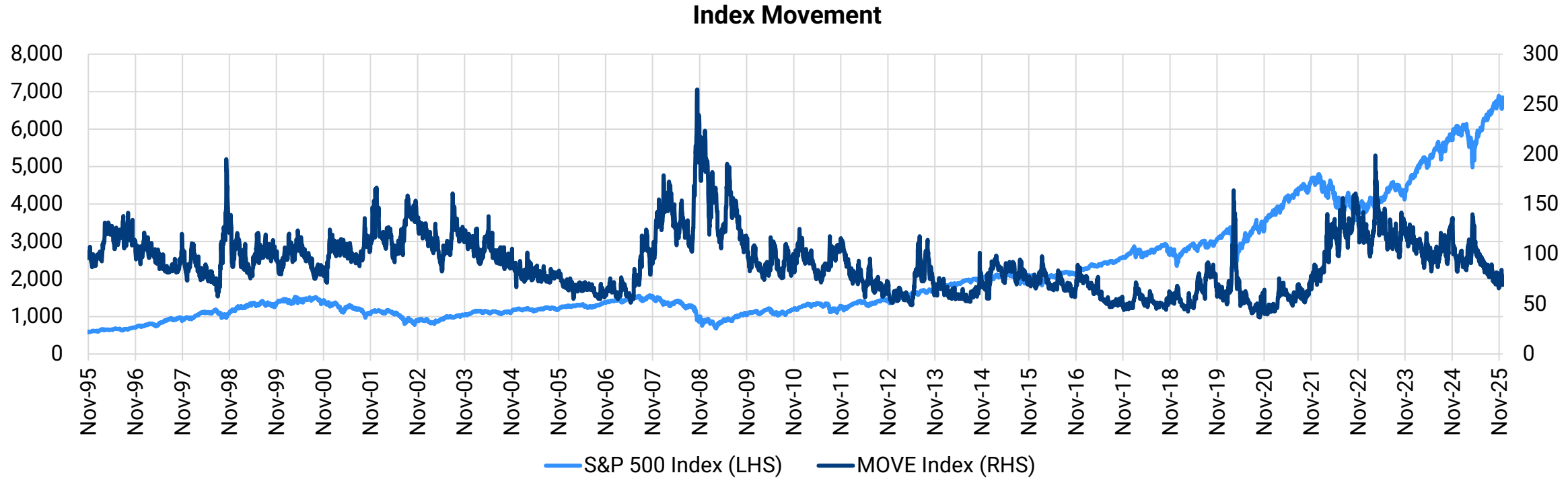


Key Highlights

- Short-mid tenor yields softened while long-end yields remained stable to marginally higher
- Despite the rate cut and OMO bond purchase news, sentiment in bond market remained fragile, largely driven by factors like weakening rupee, demand-supply mismatch in bonds, and FPI net outflows

Source: Bloomberg. Data as on 28th November, 2025. Yields as on the last working day of the month considered.

What does the MOVE index tell us?



- Increase in bond volatility, as measured by the MOVE index, often precede or coincide with declines in the S&P 500
- Historically, the rolling correlation between the MOVE index and the S&P 500 has been **(0.36)**
- The sharp decline in the MOVE Index from 139.88 in Apr-25 to 68.95 in Nov-25 coincided with a strong rebound in the S&P 500, which rose 37%—highlighting an inverse relationship between the MOVE index and equity performance

Source: Bloomberg. MOVE - Merrill Lynch Option Volatility Estimate. Data as on 28th November, 2025. Correlation is based on 3Y RR.

Asset class returns

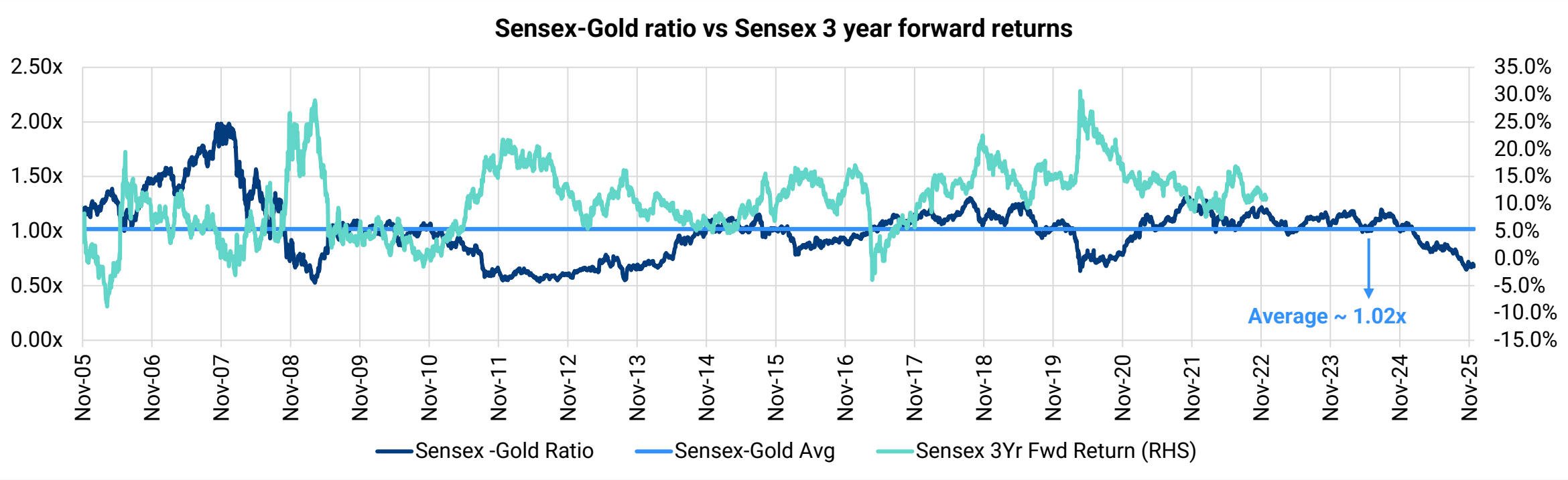
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CYTD*
8.66%	19.57%	41.29%	7.91%	31.49%	44.40%	31.60%	13.90%	26.91%	25.02%	91.09%
8.63%	14.97%	37.65%	6.65%	23.79%	27.97%	28.71%	9.74%	26.29%	22.93%	66.02%
7.39%	12.94%	21.83%	6.03%	21.75%	18.40%	4.38%	4.25%	15.37%	20.61%	33.29%
1.38%	11.96%	6.05%	5.91%	13.04%	17.89%	3.44%	3.59%	7.82%	17.57%	17.81%
0.22%	11.35%	5.11%	-0.21%	10.72%	12.29%	1.35%	2.51%	7.73%	16.24%	8.04%
-3.92%	9.85%	4.71%	-2.14%	10.46%	10.42%	-4.21%	0.46%	7.29%	9.57%	7.44%
-6.65%	5.12%	-0.05%	-4.38%	9.53%	9.26%	-8.20%	-12.55%	7.26%	8.95%	6.54%
-9.68%	4.30%	-2.76%	-10.54%	8.97%	-0.29%	-11.83%	-18.11%	-10.46%	7.96%	6.50%

Silver (Domestic Price)
Gold (Domestic Price)
China Equity
US Equity
India Equity
ST Bonds
Corporate Bond
G-Secs

Note: ST Bonds: CRISIL Short Term Bond Index, G-Sec: CRISIL 10 Year Gilt Index, India Equity: NSE 500 TRI, China Equity: Hang Seng TRI, US Equity: S&P 500 TRI , Gold: Domestic Gold Prices, Silver: Domestic Silver Prices, Corporate Bond: CRISIL Composite Bond Index

Source: Bloomberg | *Data as on 28th November, 2025.

Gold vs Equity: The relative valuation game

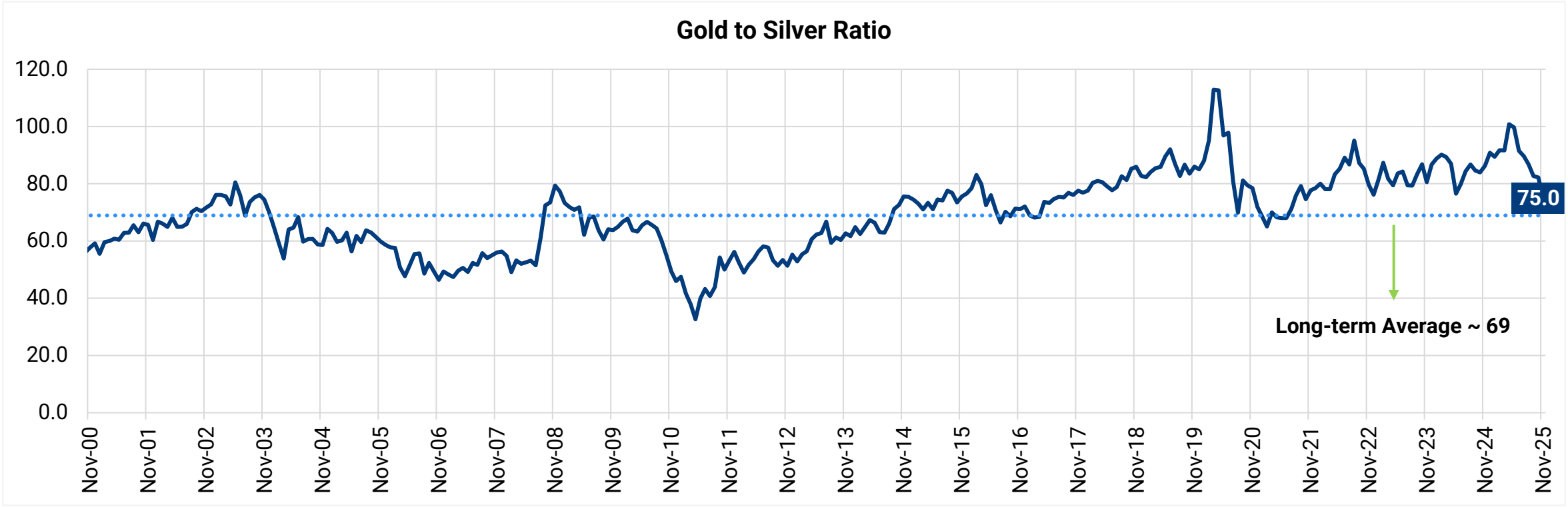


Sensex-Gold Ratio	Equity 3Y Forward Returns			Gold 3Y Forward Returns		
	Average	Min	Max	Average	Min	Max
> 1.40	4.95%	-3.10%	11.98%	24.38%	18.45%	30.12%
1.20 to 1.40	8.06%	-8.82%	23.97%	20.09%	12.13%	36.55%
1 to 1.20	9.76%	-3.96%	22.53%	15.84%	1.89%	37.38%
0.80 to 1	9.86%	-0.28%	23.30%	10.34%	-1.83%	34.90%
< 0.80	15.62%	5.44%	30.64%	3.43%	-7.93%	35.01%

- The current ratio is **0.68x**, below the long-term average of 1.02x, indicating that **equity is now undervalued compared to gold** based on historical trends
- The chart shows that when the **ratio is low**, **equities** tend to stage a **comeback**

Source: ACEMF, MCX, Internal Analysis. Data as on 28th November, 2025. Domestic spot prices of Gold considered for analysis.

Gold vs Silver: The relative valuation game

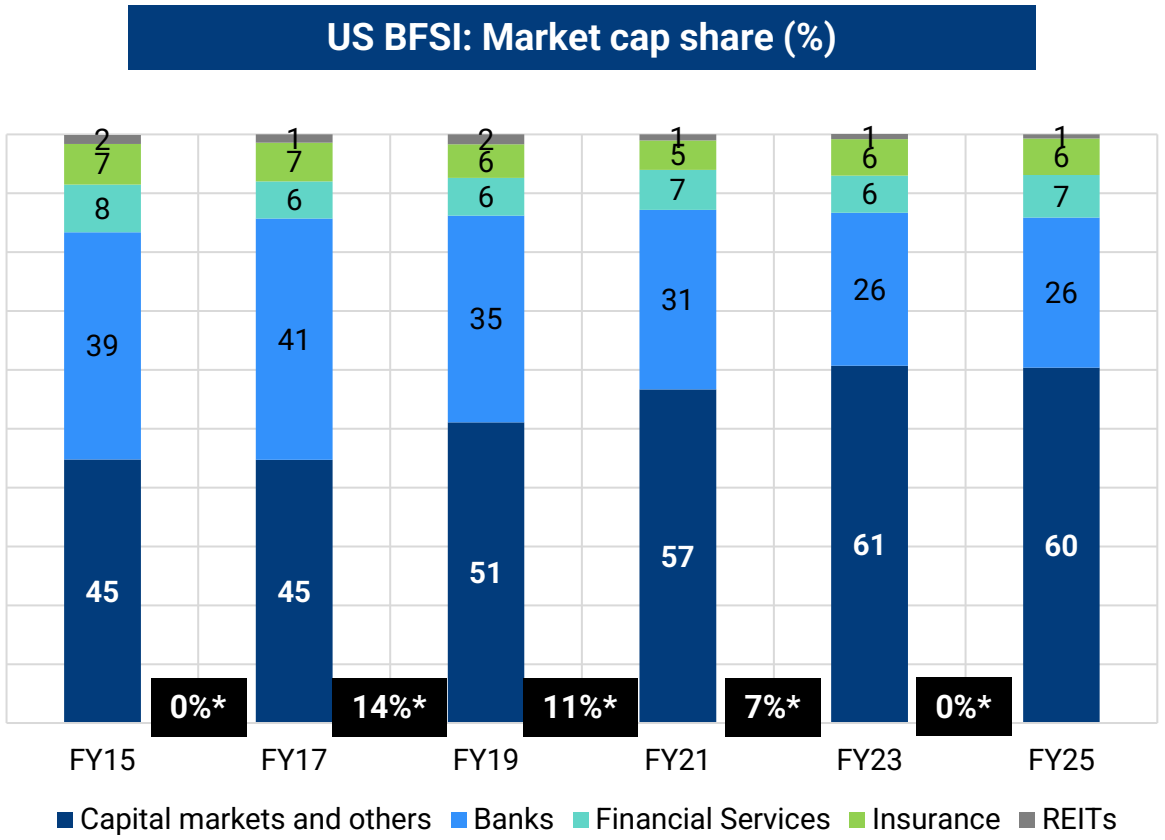


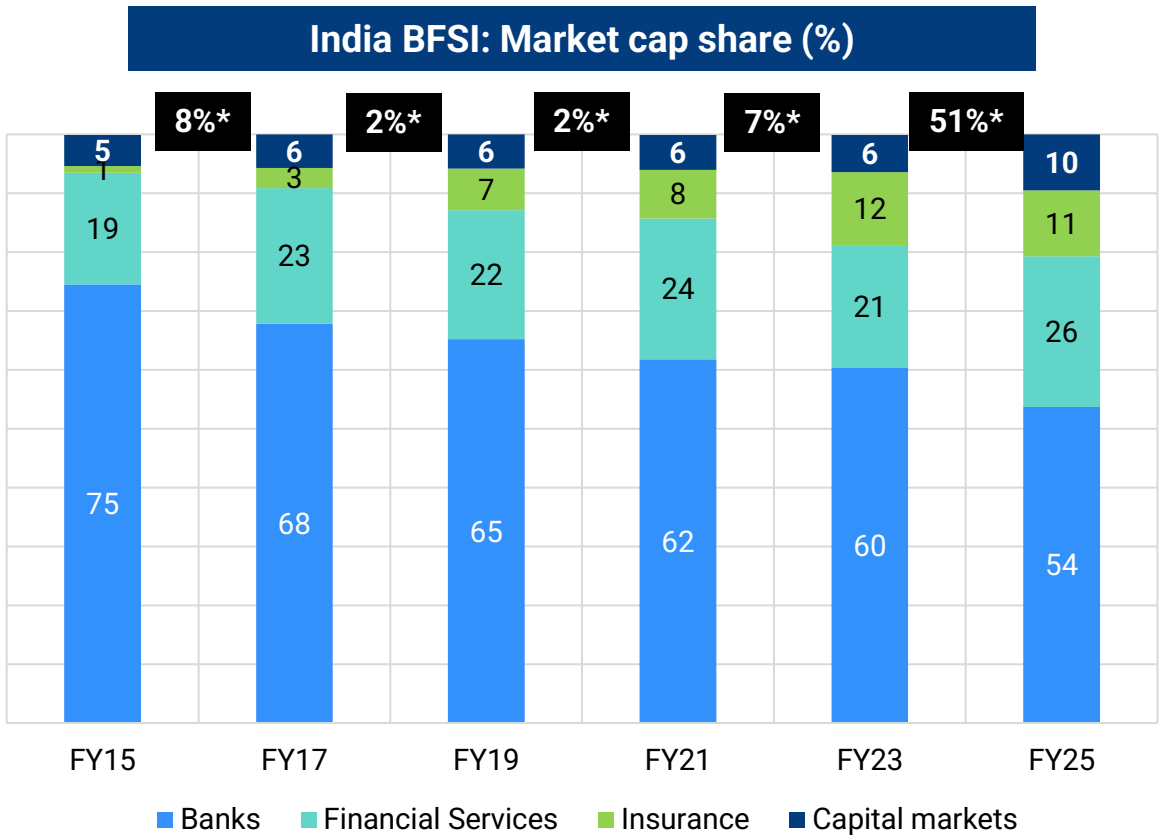
- The current Gold to Silver ratio stands at ~75 and is normalizing towards its long term average of ~69 suggesting that silver is now being reasonably valued compared to gold
- Silver outperformed Gold across all periods in the last 1 year, when the ratio was high

Source: Bloomberg | Data as on 28th November, 2025.

Investment opportunity set expanding

India has witnessed a fast-paced transition of value within Financial services – from banks to capital markets in the last decade





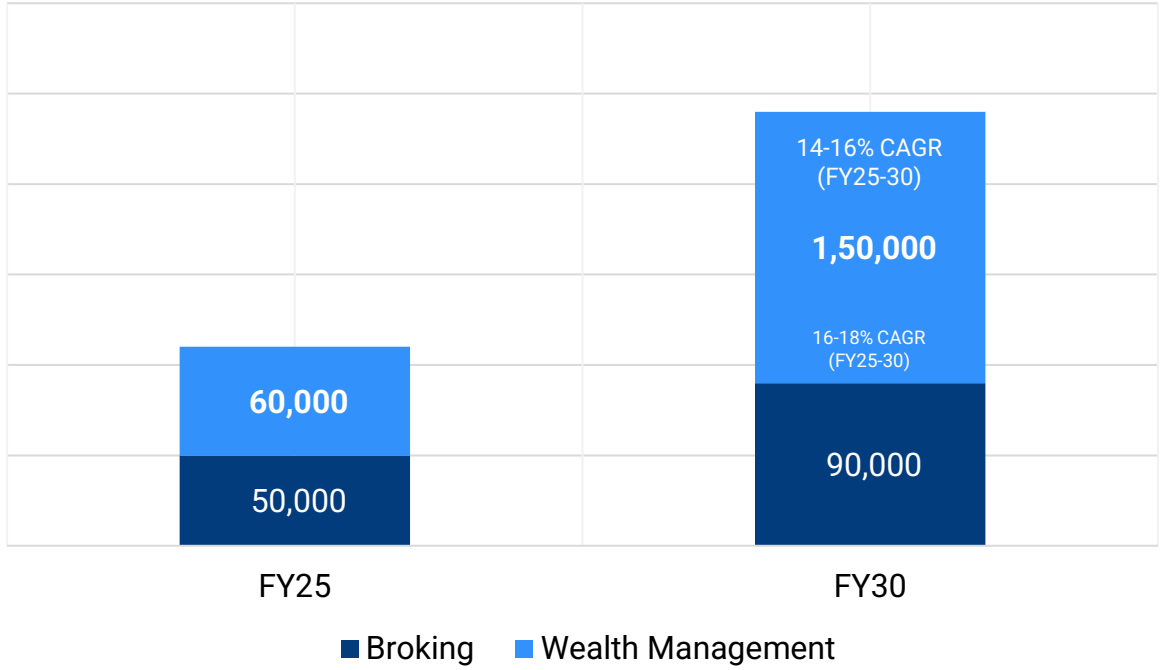
Note: *Figures indicate absolute growth in the Market cap share of capital market segment only

Source: Bloomberg; Elara Securities Research

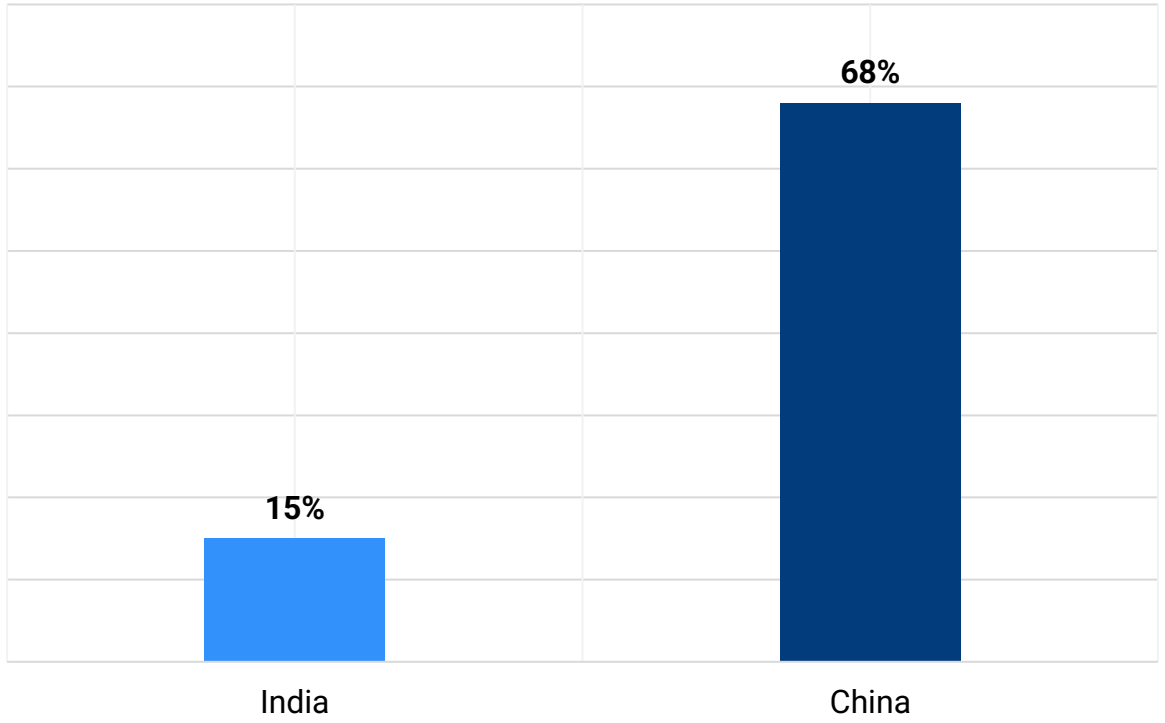
India’s wealth management story has only begun

India’s investment & wealth management market is poised to double by FY30, growing at 15–17% annually driven by rising investor participation and higher per-user revenues

Revenue pool for Investment & Wealth Management (INR Cr)



Wealth under professional advice (%)



Source: RBI, AMFI, NSE, SEBI, Redseer Research and Analysis, JM Financial

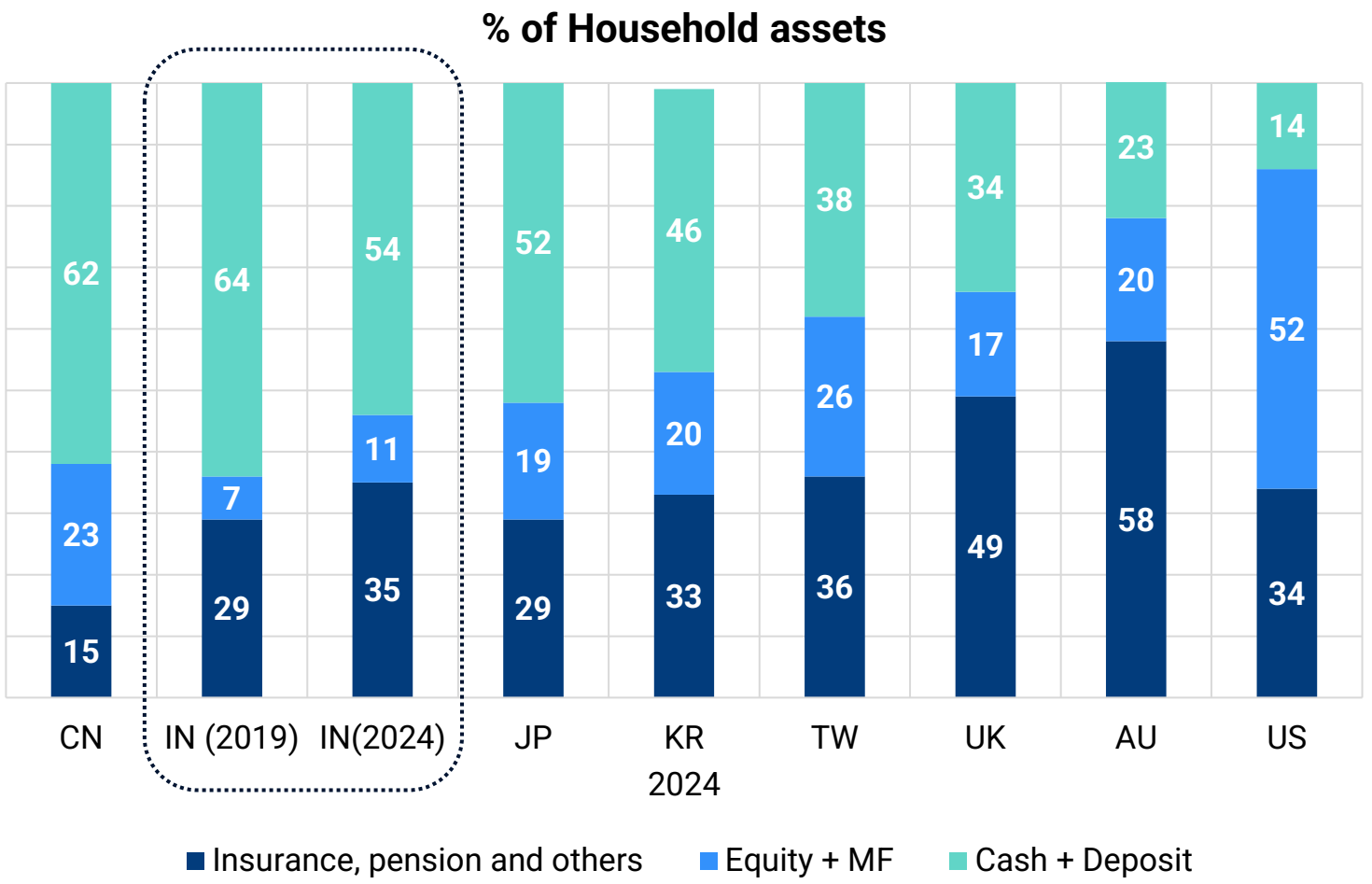
Financial market metrics benchmarking of top 4 countries

Strong tailwinds in the last five years have led to significant growth in the number of investors in capital markets, but there still exists a significant growth opportunity in terms of penetration

		India	USA	Japan	China
M-cap to GDP	2024	1.3x	1.9x	1.7x	0.8x
ADTO as % of M-cap	2023	0.18%	0.41%	0.42%	0.80%
MF as % of GDP^	2024	~20%	~132%	~60%	~22%
Equity as % of Household Assets	2024	~6%	~22%	18%	5%
Active Broking Penetration*	2024	~5%	~62%	NA	NA

Source: World Bank, NSE, World Federation of Exchanges, Association of Mutual Funds in India ("AMFI"), Redseer Research and Analysis. ADTO – Avg Daily Turnover Ratio.
Note:^For India, MF AUM–GDP ratio is as of March 2025; For all other countries (including the World), MF AUM as of Sep-2024 and GDP as of Dec- 2024 has been considered.
*Broking accounts penetration is assumed to be the ratio of active broking accounts as opposed to the 18+ years population.

Trends in household financial asset across key economies

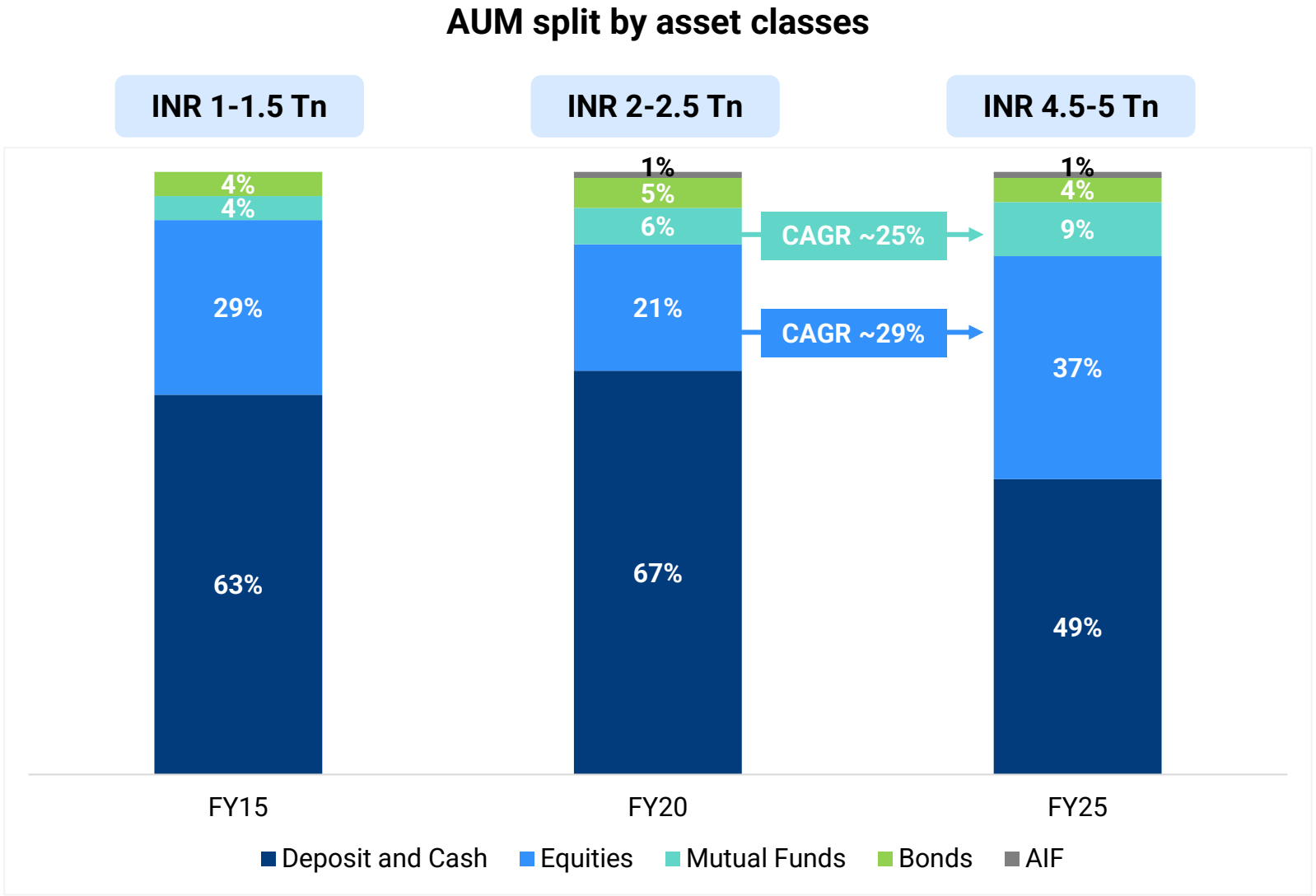


Key Highlights

- DMs have a larger share of household financial assets allocated towards non-bank instruments
- Household allocation to equities and mutual funds in India has risen from 7% to 11% over the past five years

Source: NFID, CEIC, Wind, China Wealth, China Trust Association, Japan Cabinet Office, RBI, Goldman Sachs Global Investment Research. Note: i) Data for India is G-Sec as of Mar-2025. ii) Data for Taiwan is as of Dec-2023. CN- Canada, JP- Japan, IN- India, KR- Korea, TW- Taiwan, UK- United Kingdom, AU- Australia, US-USA

India’s evolving financial behavior



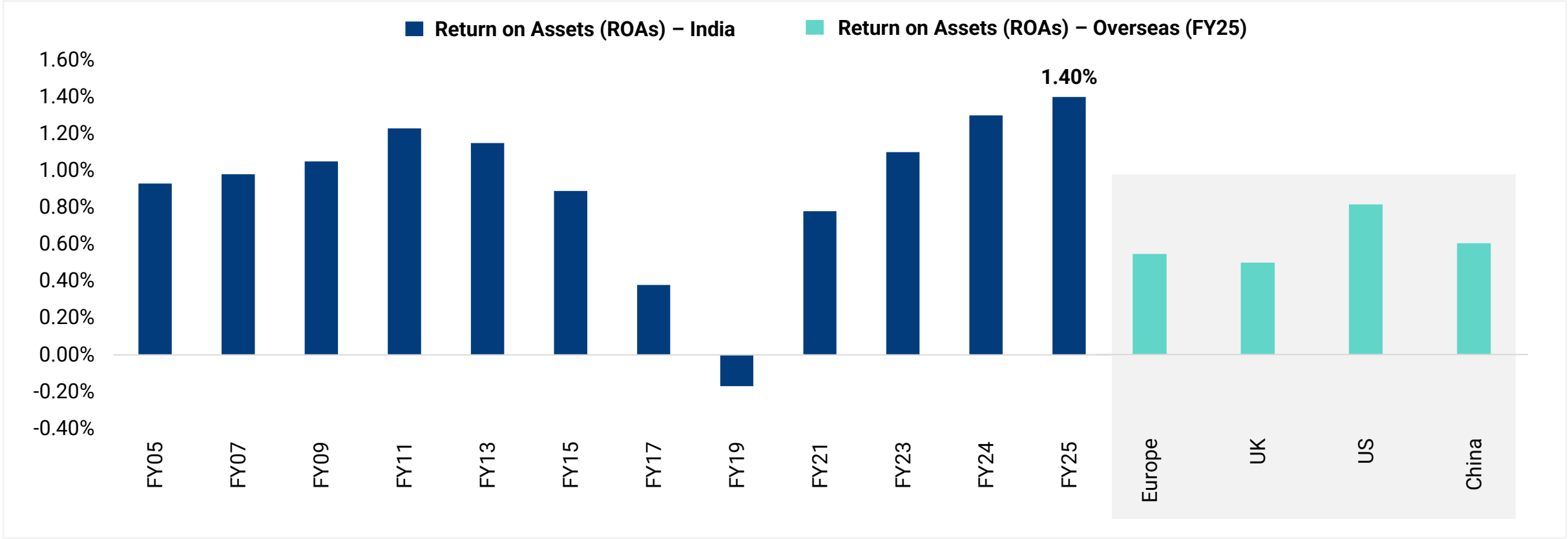
Key Highlights

- Low real deposit returns and improved access are pushing households toward mutual funds and equities
- **MF AUM has surged 6x over the past decade,** reflecting deeper and broader investor participation.
- **India’s market cap has jumped 4x since FY20**, powered by strong earnings, a vibrant IPO cycle, and rising investor confidence

Source: Bain & Company, INC | Note: AIF – Alternative Investment Funds; Equities includes promoter held and non-promoter held companies; Tn - Trillion

Strong profitability places Indian banks ahead of advanced economy peers

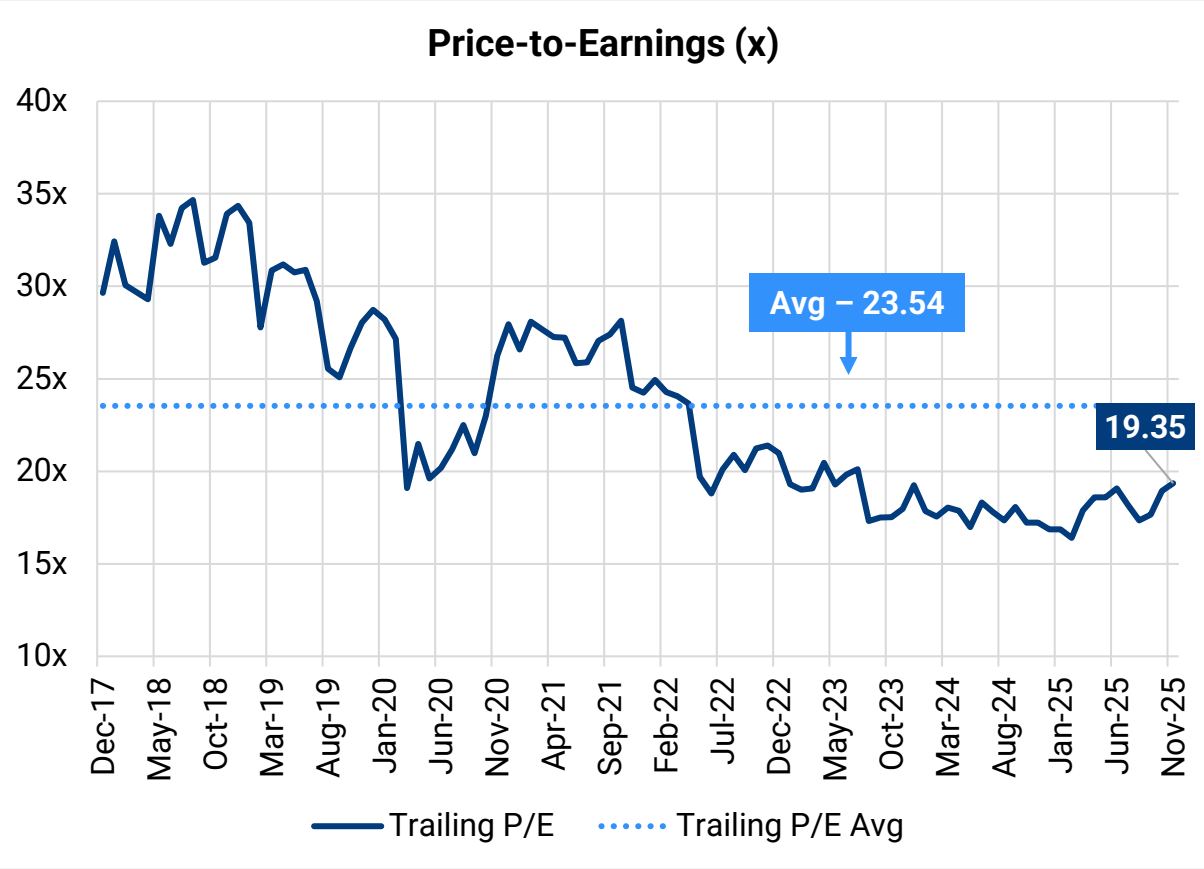
Backed by strong Capital Adequacy Ratio, low NPAs, and robust profitability, Indian banks are well-positioned to scale up and emerge as global leaders

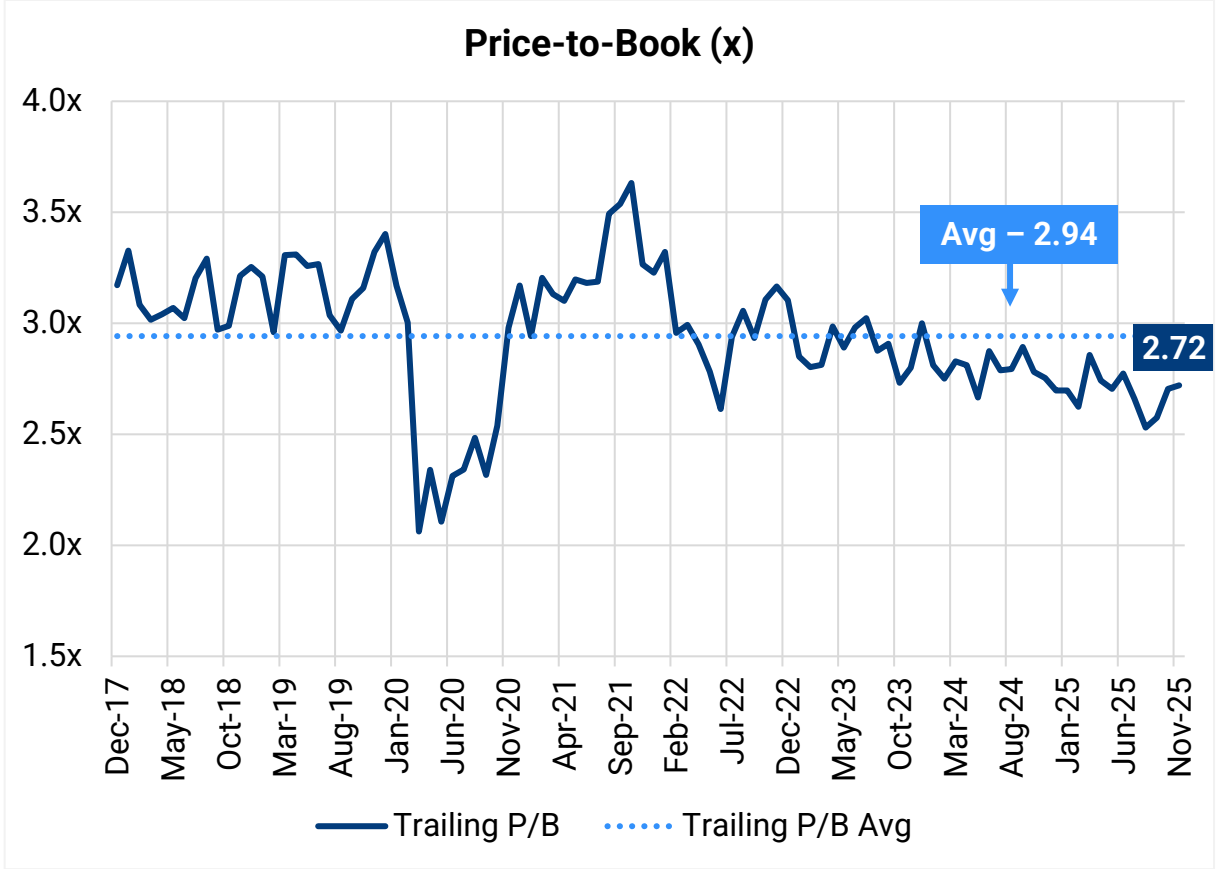


Source: RBI, World Bank, Elara Securities

Valuations making financial services attractive

Valuations are currently below their long-term averages, offering a relatively attractive entry point

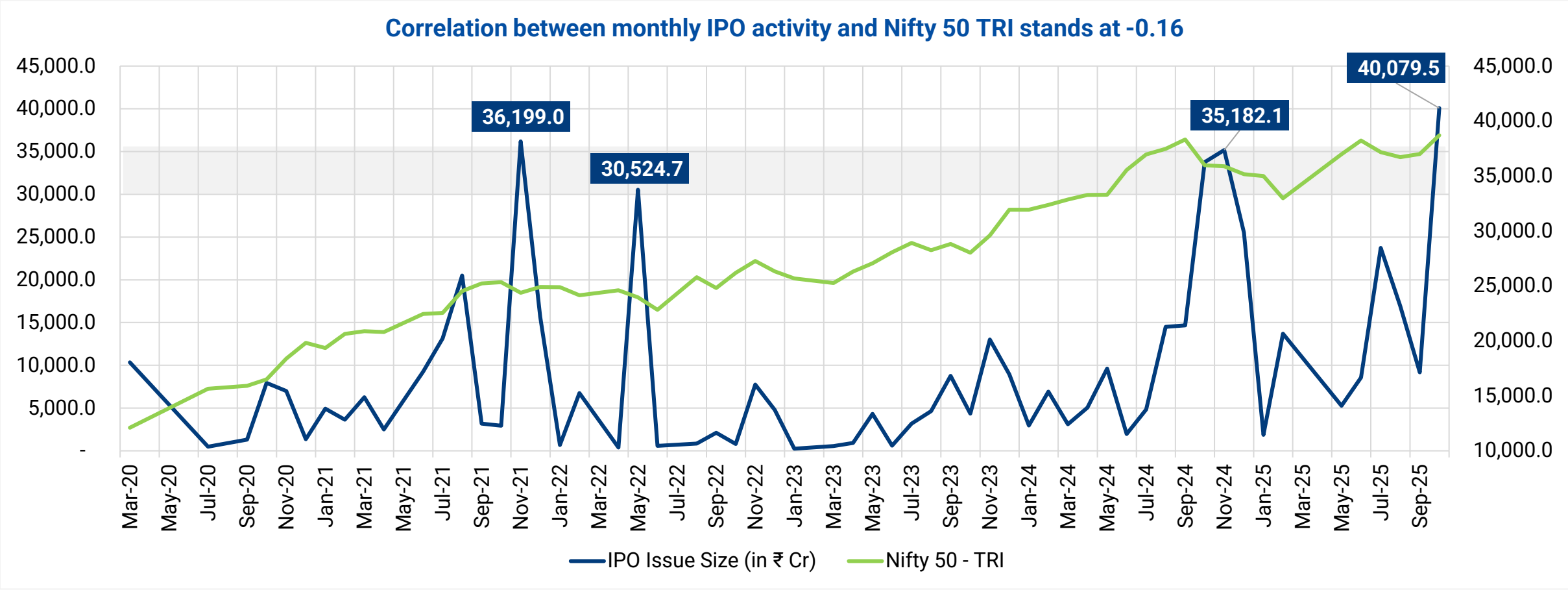




Source: Bloomberg. Nifty Financial Services index considered. Data as on 28th November, 2025.

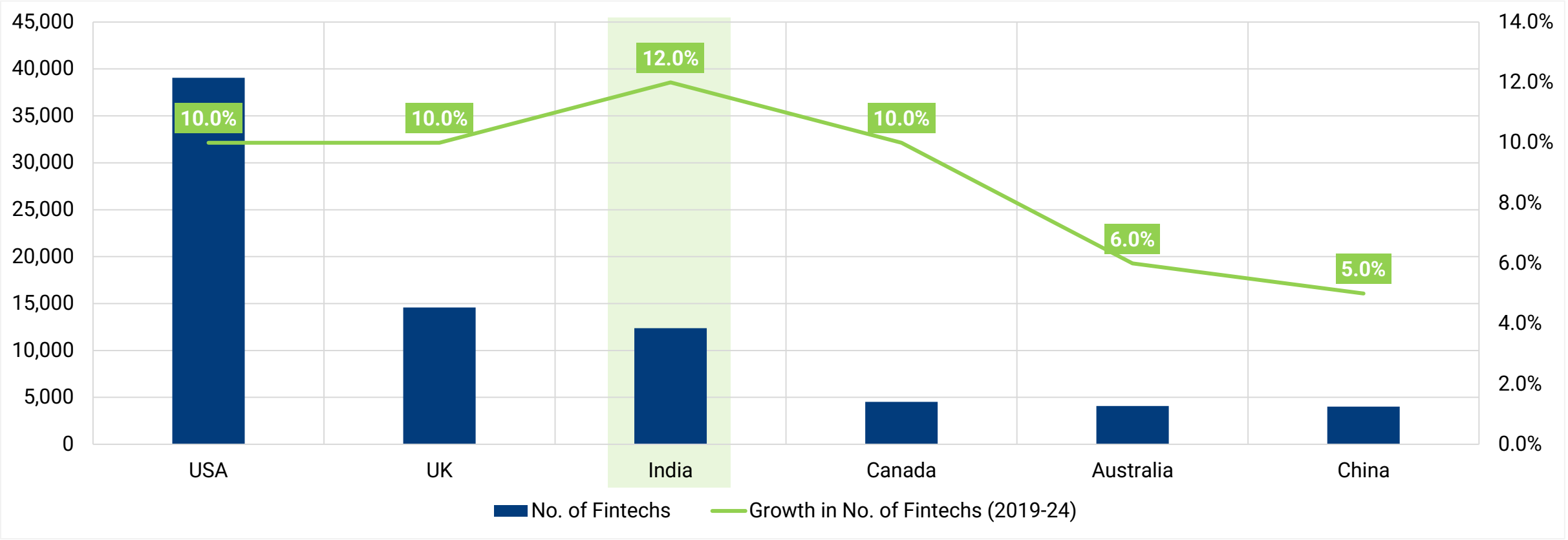
Tracking market trends around IPO activity

Monthly IPO mobilization above ~₹30,000 crore has historically triggered short-term market pullbacks due to liquidity diversion from secondary to primary market, but have rebounded in long term



Source: Bloomberg, Chittorgarh, NSE | Data as on 31st October, 2025.

India emerges as a global frontrunner in Fintech growth



Fintechs, currently a ~6–7% slice of BFSI revenues, are poised to capture over 20%* share ahead (vs 13% globally)

Source: Global Fintech Fest; Elara Securities | *BCG estimates | No of Fintech's data as of July 2024 | Growth data is rounded off to the nearest decimal

Trends | **Economy** | Markets | Performance | Outlook

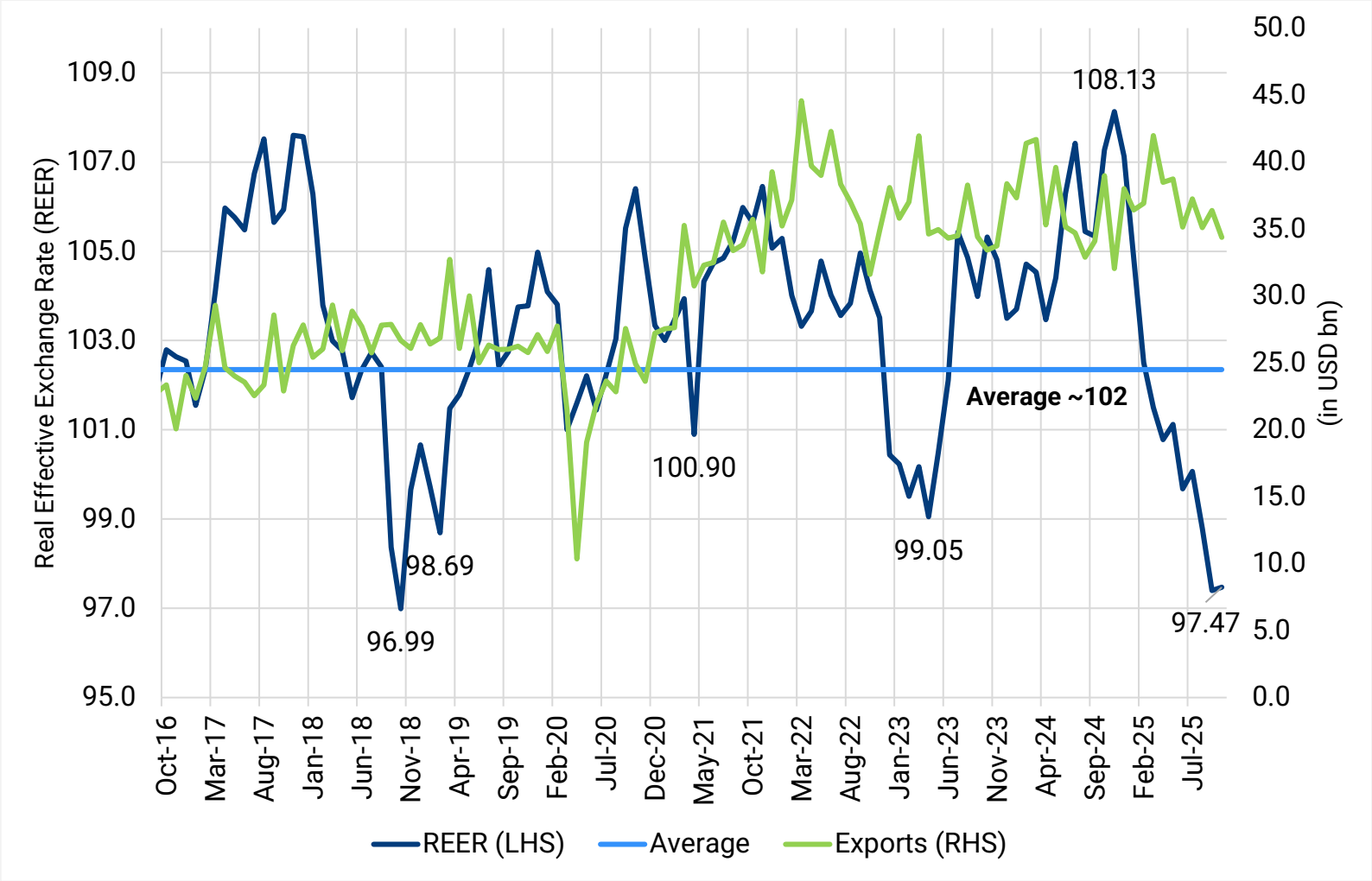


Key macro indicators

Indicator	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
CPI Inflation (YoY %)	5.5	5.2	4.3	3.6	3.3	3.2	2.8	2.1	1.6	2.1	1.5	0.3
Crude Indian Basket ($)	73.0	73.3	80.2	77.3	72.5	67.7	64.0	69.8	71.0	69.1	69.6	64.3
GST Collection (lkh Crs.)	1.8	1.8	2.0	1.8	2.0	2.4	2.0	1.9	2.0	1.9	1.9	2.0
FX Reserve ($ bn)	658	640	631	639	665	688	691	703	698	694	700	690
Trade Balance ($Bn)	-37.9	-22.0	-23.1	-14.1	-21.5	-26.4	-21.9	-18.8	-27.4	-26.5	-32.1	-41.7
Bank Credit %	12.1	11.2	11.4	11.0	11.0	10.3	9.0	9.5	10.0	10.0	10.4	11.3
Bank Deposit %	12.0	9.8	10.3	10.3	10.3	10.2	9.9	10.1	10.2	10.2	9.5	9.7
Manufacturing PMI	56.5	56.4	57.7	56.3	58.1	58.2	57.6	58.4	59.1	59.3	57.7	59.2
Services PMI	58.4	59.3	56.5	59.0	58.5	58.7	58.8	60.4	60.5	62.9	60.9	58.9

Source: RBI and Bloomberg

Real Effective Exchange Rate (REER) undervaluation signals a competitiveness boost for India



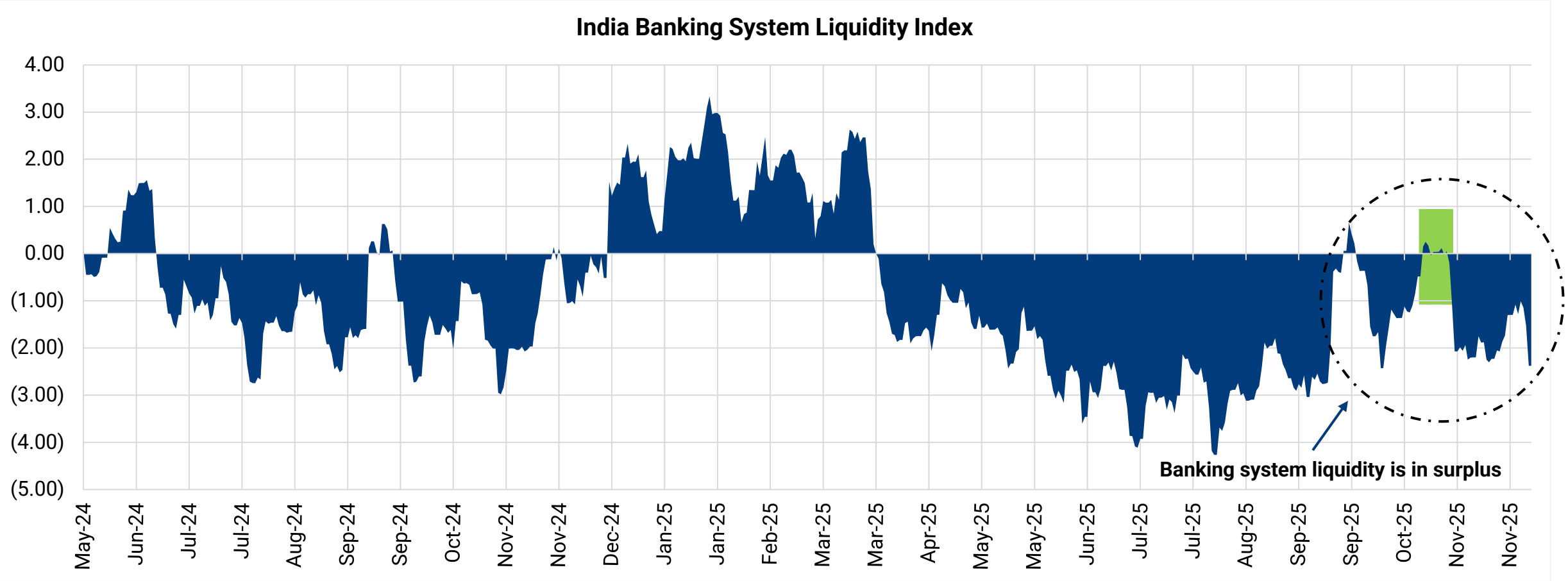
Key Highlights

- **India's REER has eased to ~97 from the Nov-24 high of ~108**, indicating a period of relative undervaluation
- A **lower REER enhances India's external competitiveness** by making exports more price-attractive, supporting higher export volumes
- **Export-oriented areas** like manufacturing, engineering goods, and services **may benefit in such environments**

Source: Bloomberg, Internal Analysis | Note - India 40-currency Real Effective Exchange Rate of INR Trade Weighted REER considered for analysis.

Banking system liquidity in surplus

India's banking system liquidity is again back to surplus after oscillating between deficit and surplus in October



Source: Bloomberg. Bloomberg Intelligence India Banking System Liquidity index is considered. GOI – Govt of India. Data as on 28th November, 2025.

Indian debt market indicators

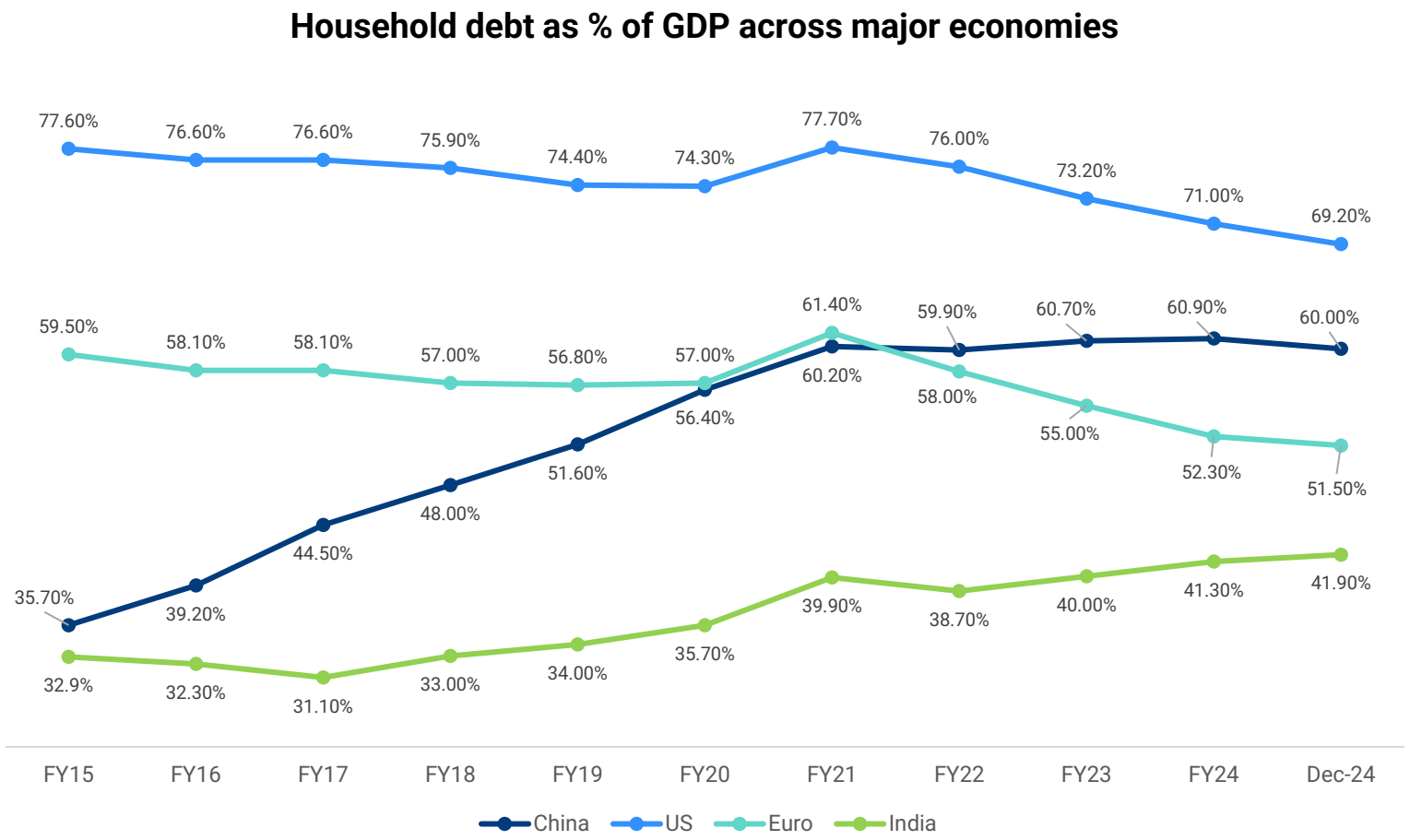
Yields softened across maturities last week, with the 3-year corporate bond as an exception, as RBI's rate cut and liquidity steps pulled rates lower

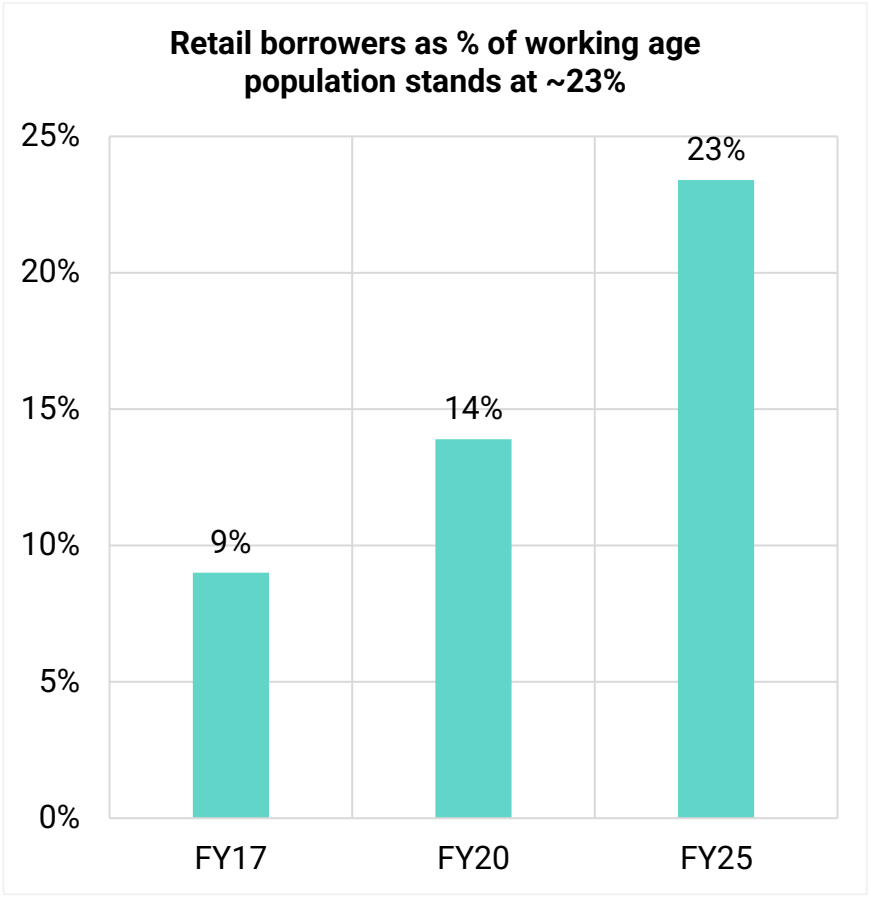
Broad Indices	05-Dec-2025	Week Ago	Month Ago	6M Ago	Year Ago
1 Year AAA Corporate Bond	6.83%	6.96%	6.98%	6.91%	7.55%
3 Year AAA Corporate Bond	6.87%	6.81%	6.78%	6.85%	7.50%
5 Year AAA Corporate Bond	6.97%	6.99%	6.92%	7.01%	7.45%
10 Year AAA Corporate Bond	7.21%	7.26%	7.22%	7.06%	7.26%
1 Year G-Sec	5.48%	5.60%	5.62%	5.61%	6.64%
3 Year G-Sec	5.77%	5.82%	5.90%	5.72%	6.62%
5 Year G-Sec	6.18%	6.22%	6.16%	5.84%	6.62%
10 Year G-Sec	6.52%	6.54%	6.53%	6.20%	6.68%

Source: CCIL, Refinitiv

India’s untapped retail lending opportunity

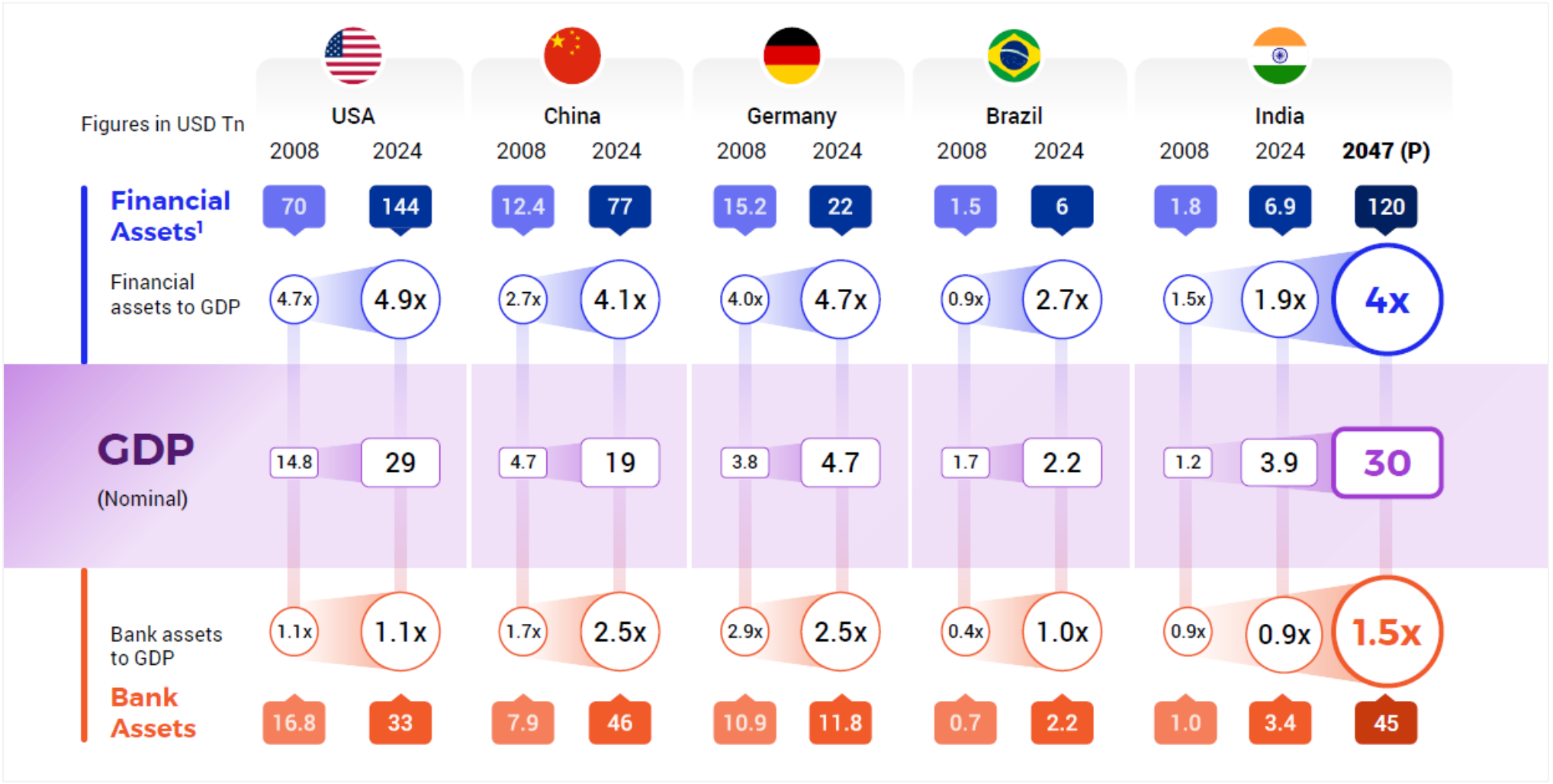
India’s low household debt-to-GDP and modest retail borrower base offer ample room for retail loan growth





Source: UBS Global Research

Vibrant and thriving financial sector core to GDP growth ambitions



Source: Financial Stability Board; BCG analysis 1. Financial assets consist of assets for the following entities: Banks, Central Banks, Financial auxiliaries, Insurance corporations, OFIs, Pension funds & Public financial institutions. Note: All values are reported on CY basis except for India's GDP, financial assets and banking assets which are on a FY basis.

Trends | Economy | **Markets** | Performance | Outlook



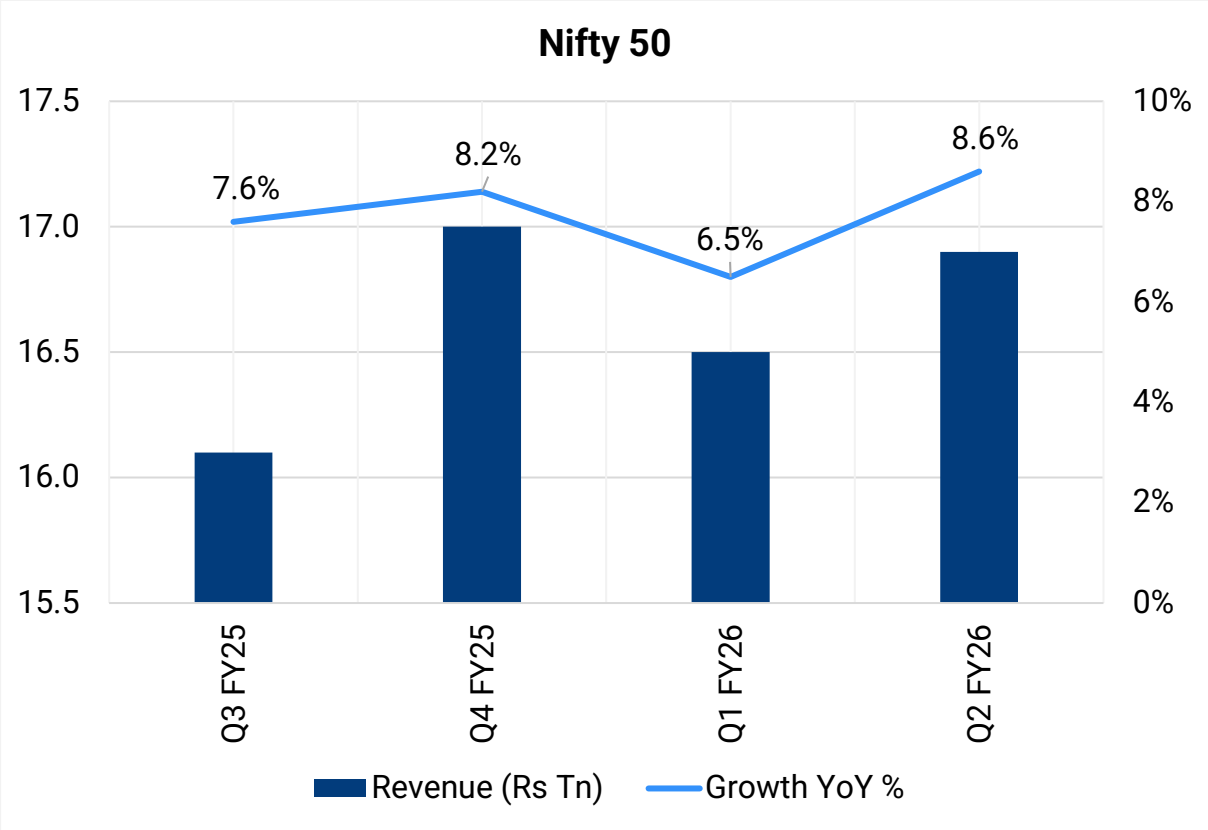
Nifty 50 report card: Q2FY26

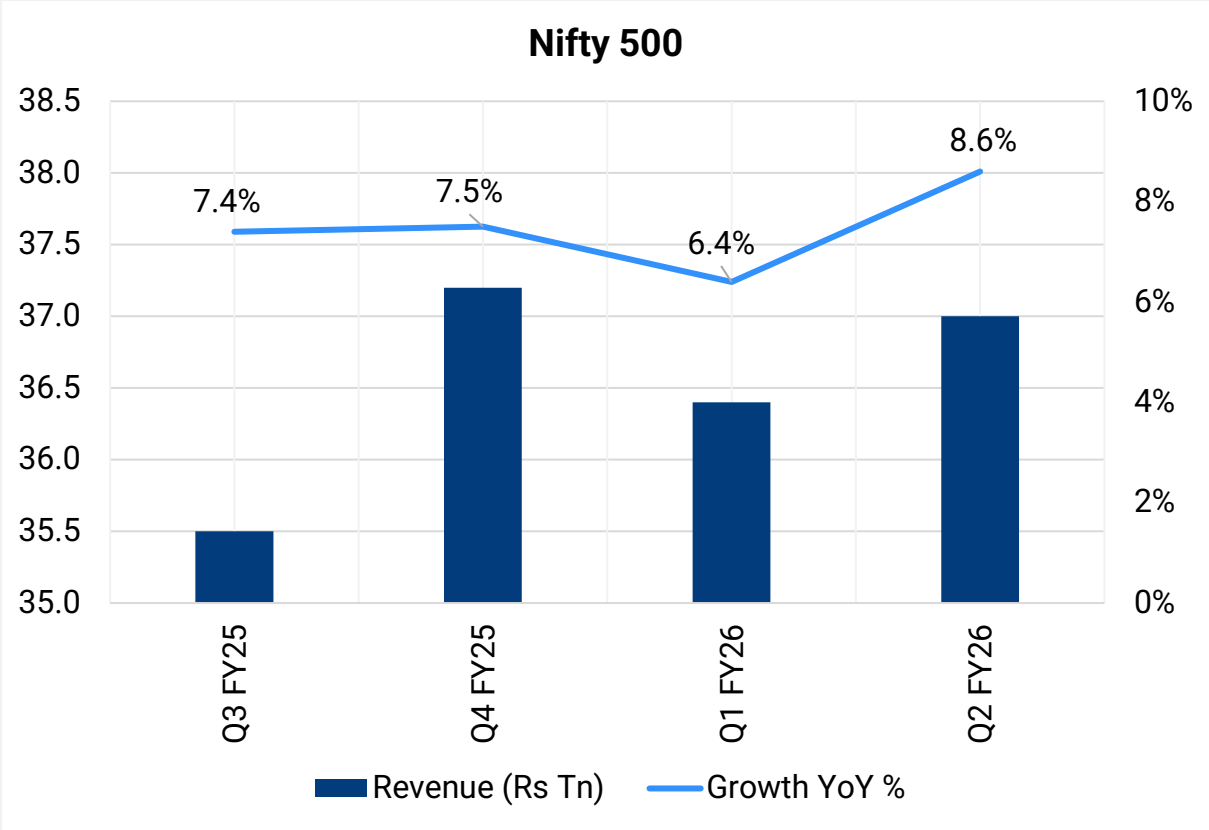
Nifty 50 Sector	No. of Companies	Revenue			Earnings		
		Beat	Miss	Inline	Beat	Miss	Inline
Banks	5	2	0	3	2	1	2
Cement	1	1	0	0	1	0	0
Discretionary	8	5	0	3	5	1	2
Automobiles	4	2	0	2	2	0	2
Consumer Services	1	1	0	0	0	1	0
Paints	1	1	0	0	1	0	0
Retail	2	1	0	1	2	0	0
FMCG	4	2	1	1	3	0	1
Industrials	4	0	0	4	2	2	0
Infrastructure	2	0	0	2	0	2	0
Capital Goods	2	0	0	2	2	0	0
IT	5	0	0	5	3	2	0
Metals	4	1	1	2	2	2	0
NBFC	4	1	0	3	1	2	1
Oil & Gas	2	0	0	2	1	0	1
Pharma	5	1	1	3	4	0	1
Power	2	0	2	0	0	1	1
Telecom	1	0	0	1	0	0	1
Total	**45**	**13**	**5**	**27**	**24**	**11**	**10**

Source: Phillip Capital India Research | Data as on quarter-ended September 2025

Topline rebounds in Q2 FY26

Nifty 50 and Nifty 500 delivered broad-based revenue and PAT growth in Q2 FY26, led by strong contributions from Oil & Gas, Metals, Automobiles, and Banks

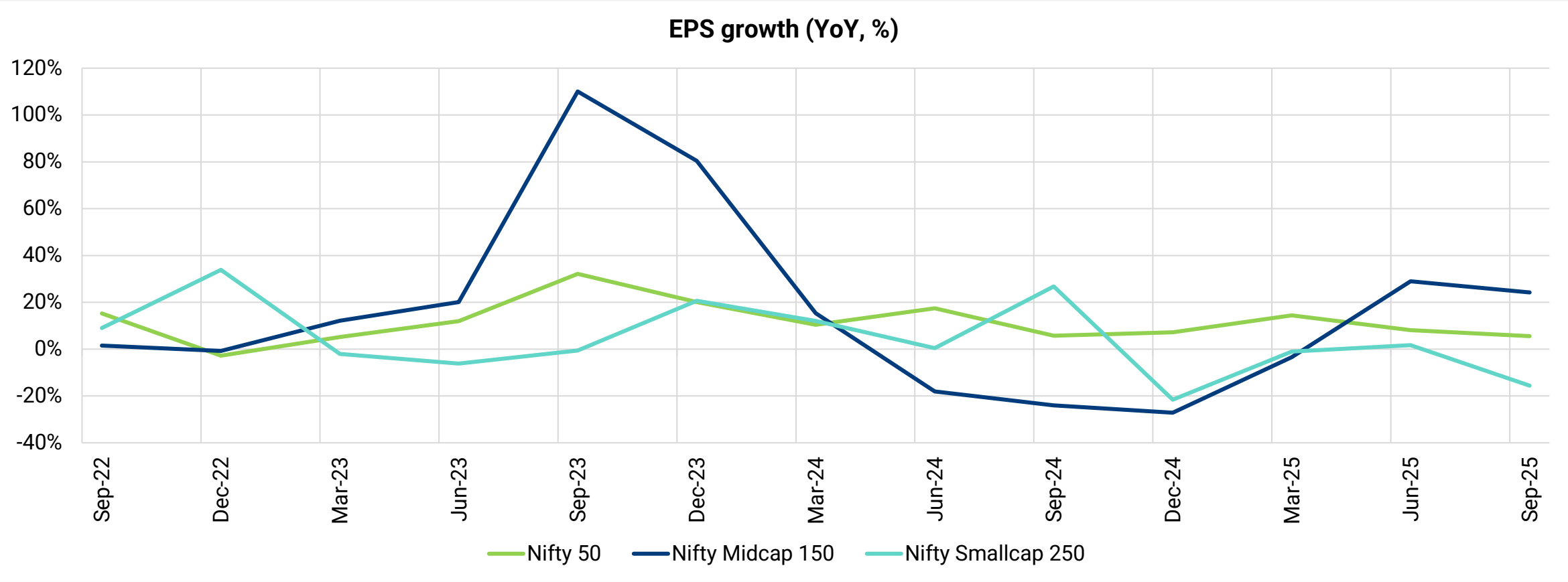




Source: MACM | Data as on quarter-ended September 2025.

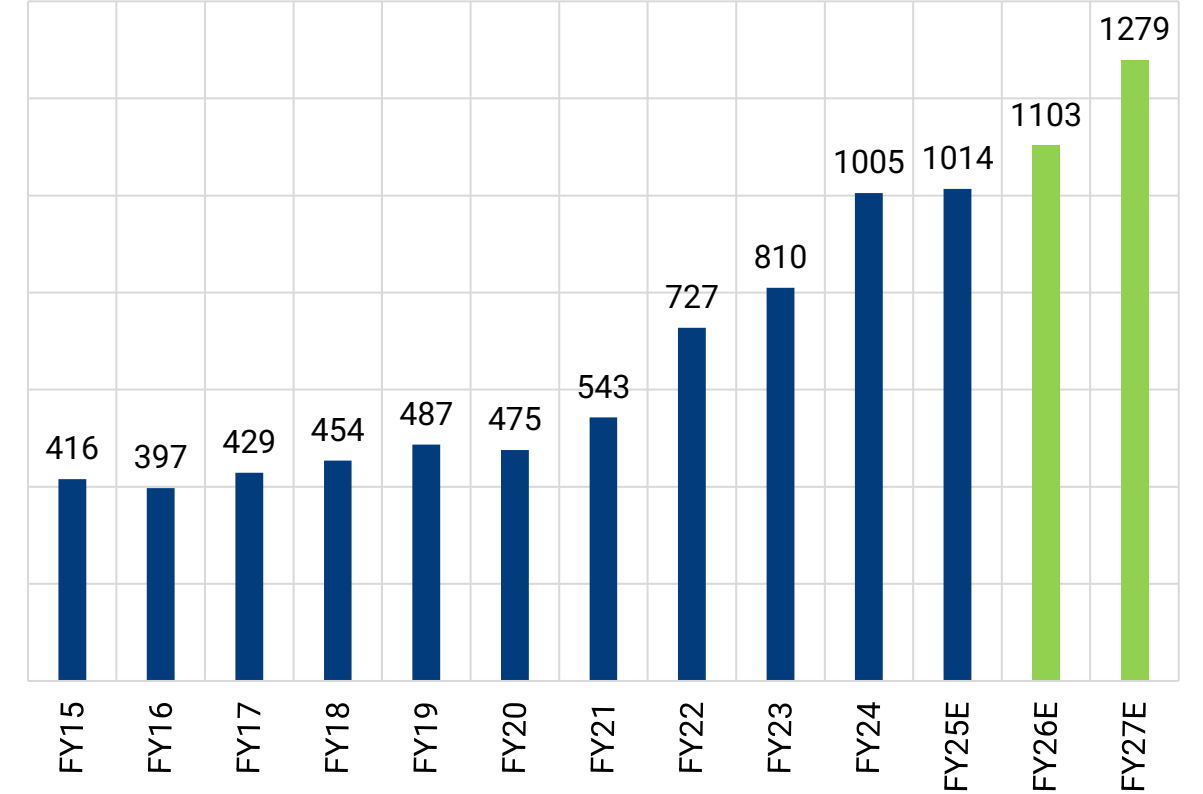
Earnings pulse: Mid-caps lead; Large-caps in line; Small-caps fall short

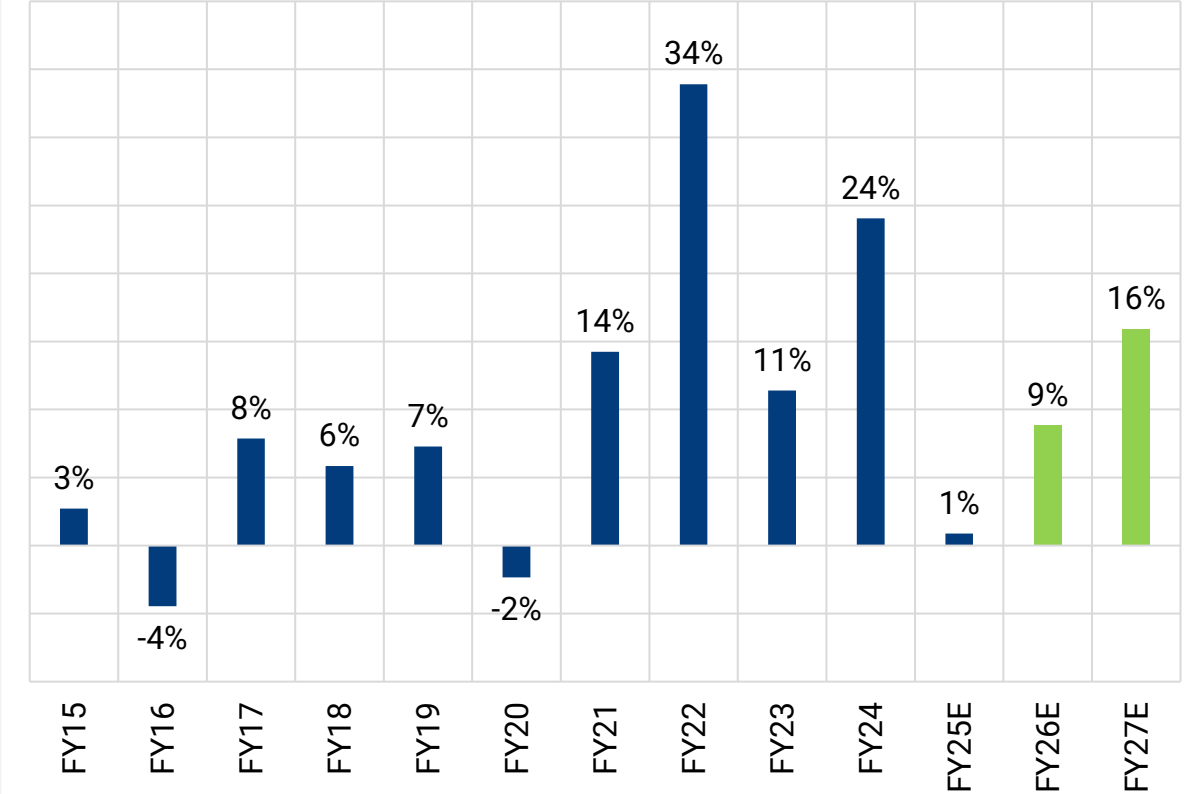
Midcap earnings led FY26TD, outperforming large caps, while small caps record a modest decline driven largely by base effects



Source: Bloomberg, Internal Analysis, Data as on 28th November, 2025 | Note: Large cap – Nifty 50

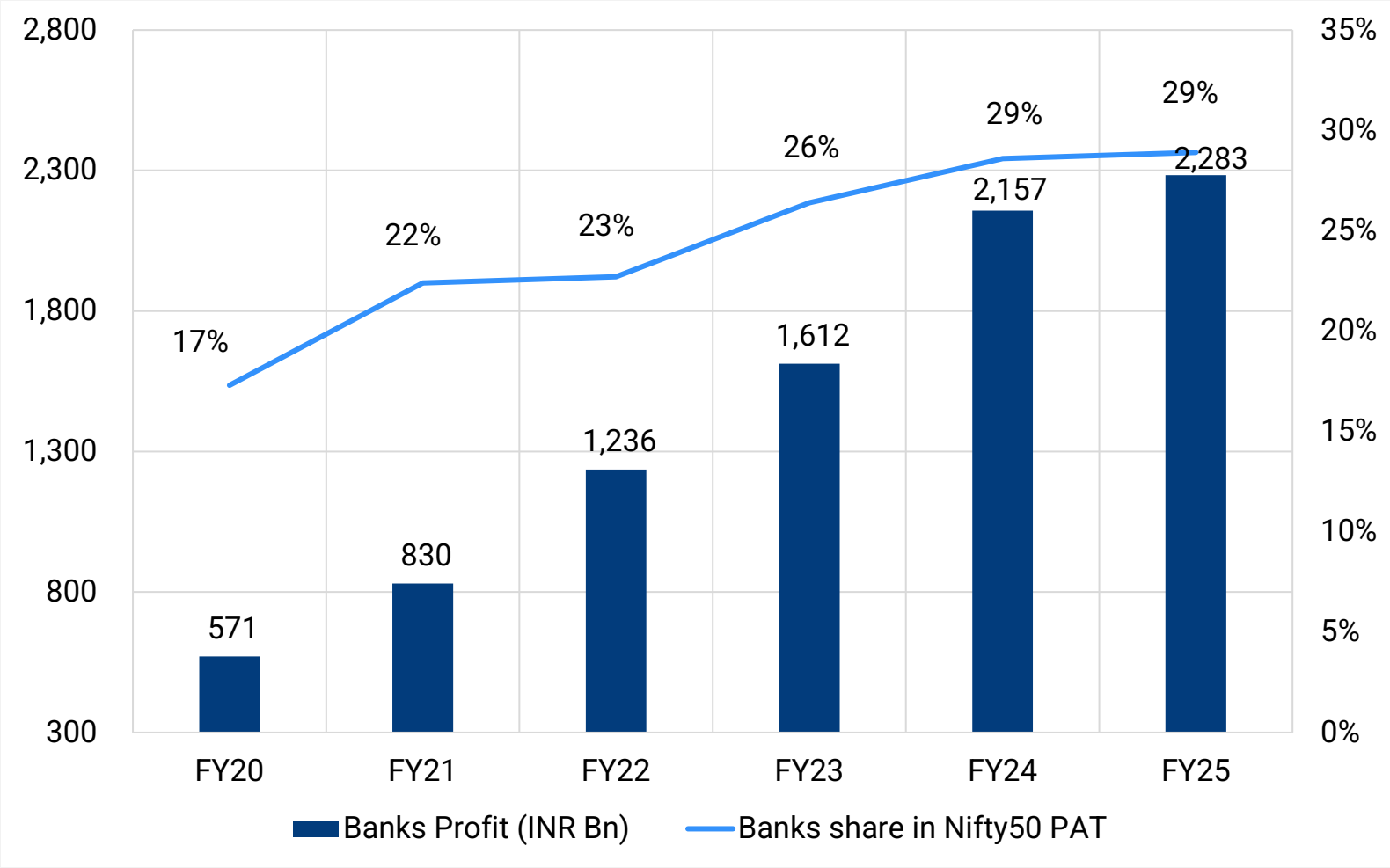
Earnings growth





Source: Bloomberg estimates, MOFSL | Data as on 28th November, 2025.

Banks share in Nifty 50 PAT continue to rise



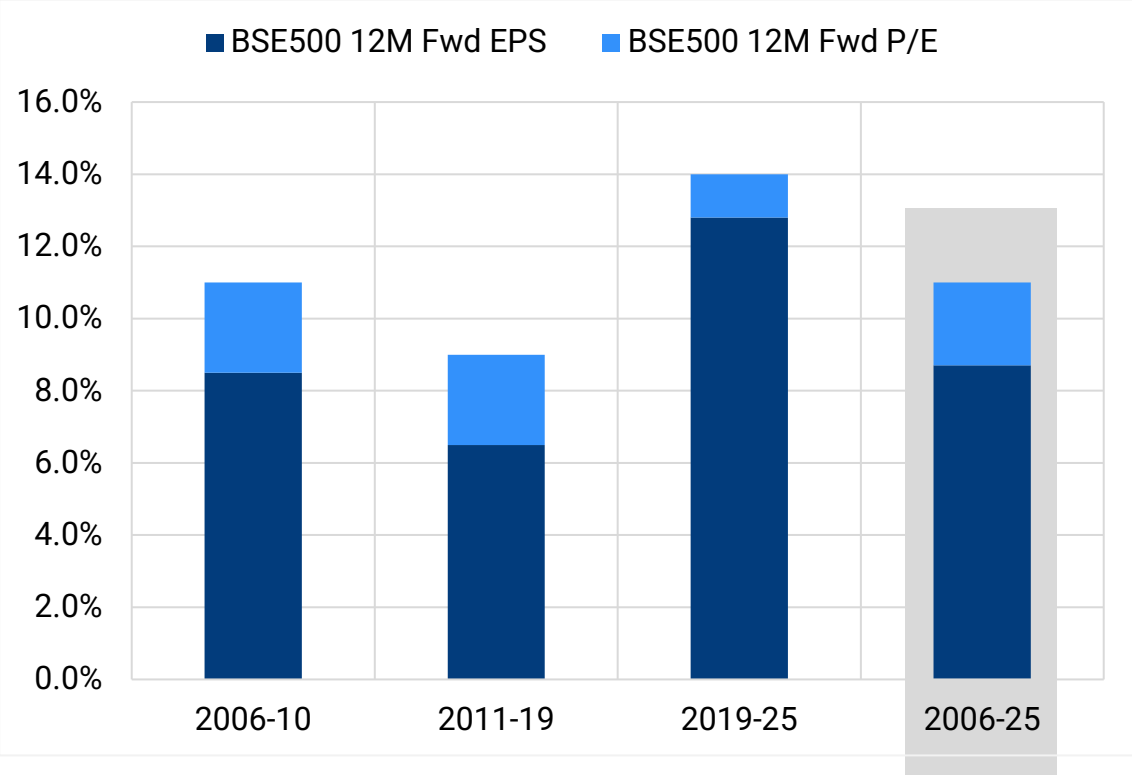
Key Highlights

- The share of banks in Nifty 50 earnings has risen significantly from 17% in FY20 to 29% in FY25, highlighting their growing contribution to overall profitability
- During the same period, the weight of banks in the Nifty 50 index increased from 26.3% to 31.2%, reflecting their enhanced market positioning

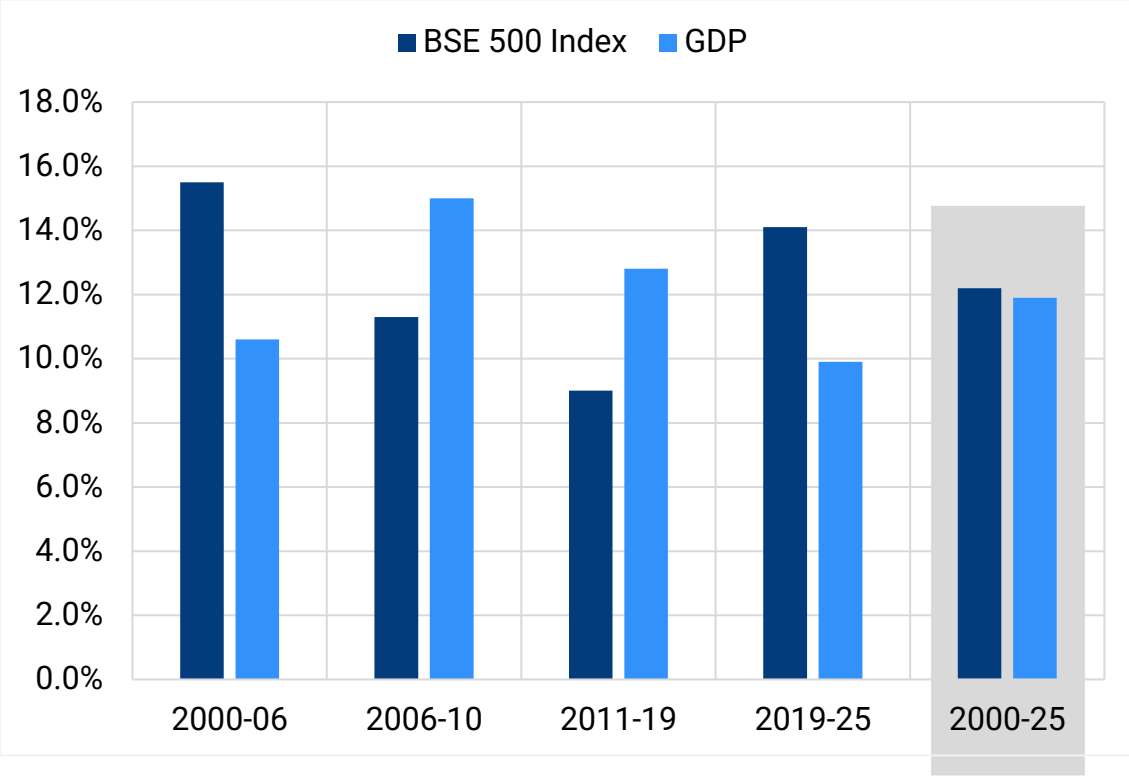
Source: Elara Securities

Profitability, not valuations, drives India's returns

Stronger earnings growth remain the key contributor to market gains



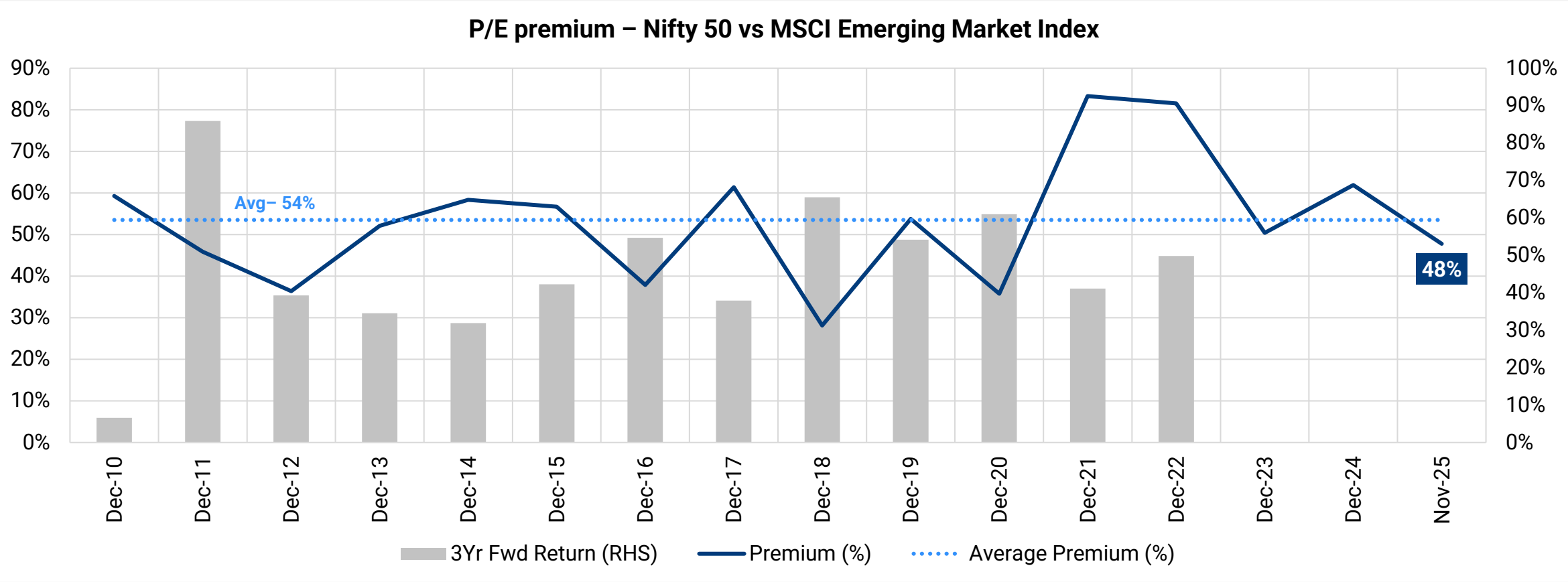
Market returns aligned with GDP growth over 2000–25



Source: Bloomberg, Axis Capital

Premium drops, opportunity pops in Indian equities

With the premium now under its historical mean, past data suggest a constructive return outlook for Indian equities in the medium-term



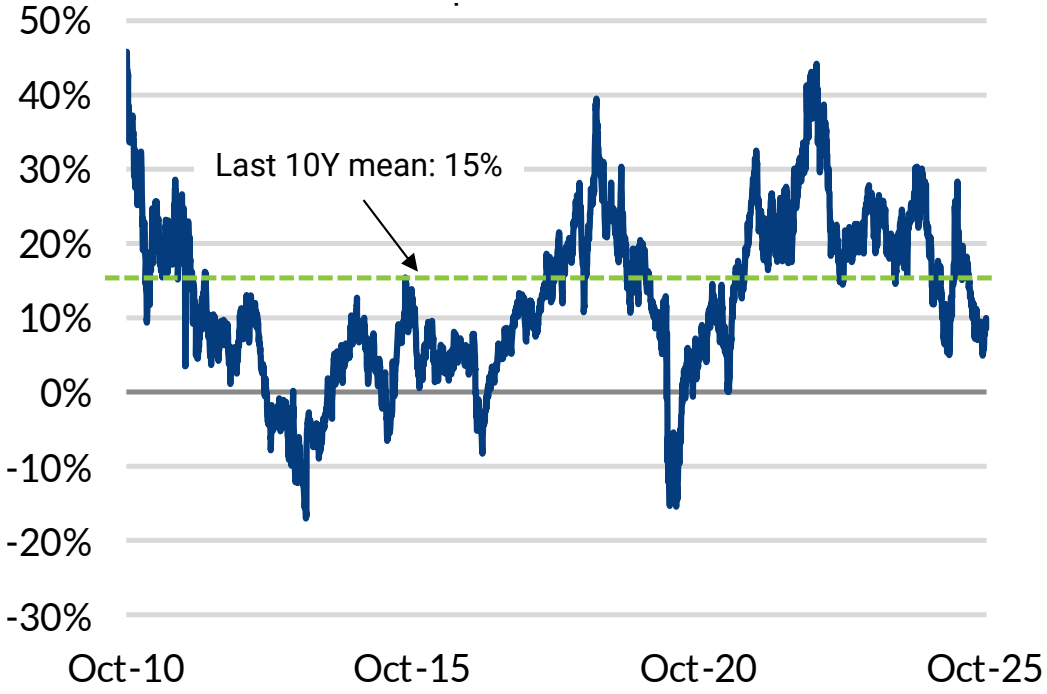
Source: Bloomberg, Internal Analysis, Data as on 28th November, 2025 | Note – Forward Returns are Absolute and Nifty TRI considered for returns; Data rounded off.

India: Reasonably valued in global context

Trading below its 10-year average P/E premium, India appears relatively better positioned

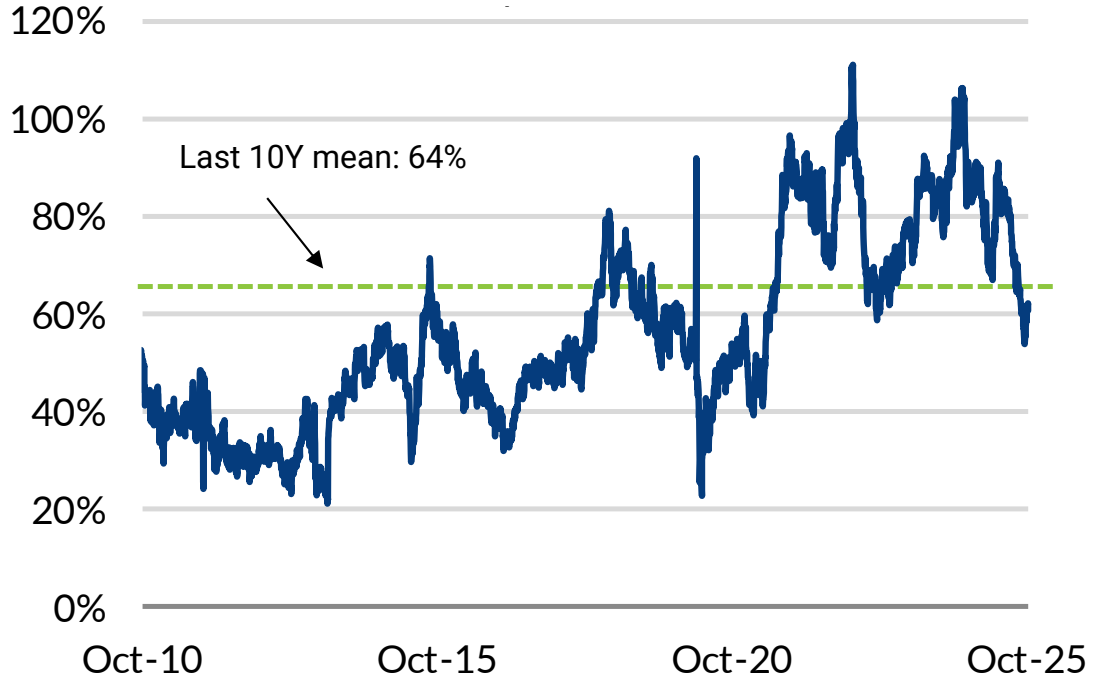
India P/E vs World P/E

Chart 1: P/E premium vs world at 9% vs 10Y mean of 15%



India P/E vs Emerging Market P/E

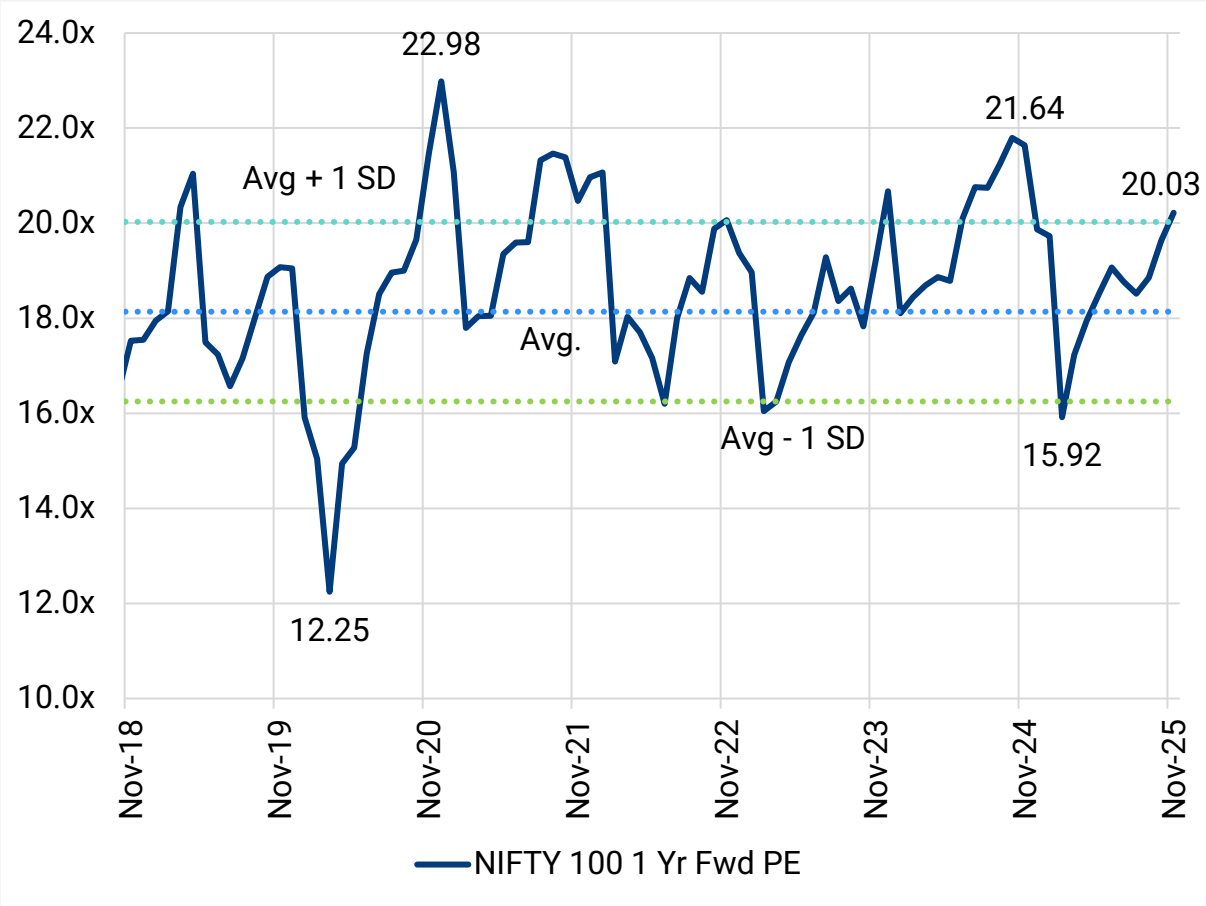
Chart 2: Premium vs EMs recovers to 61%, still below 10Y avg

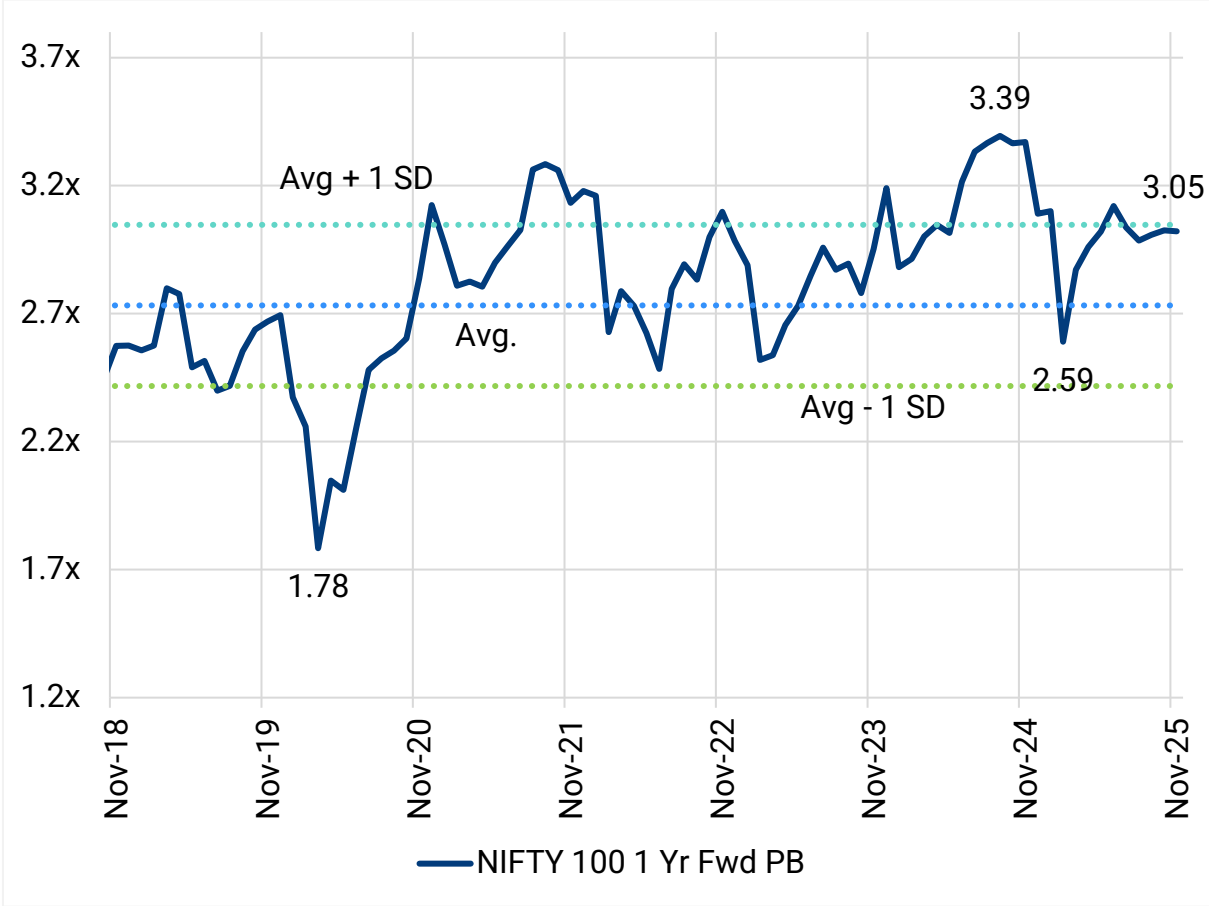


Source: Axis Capital; Bloomberg | Note: MSCI Index considered, Chart 1: MSCI India vs MSCI World, Chart 2: MSCI India vs MSCI Emerging Markets

Valuations – Large Cap

Large cap valuations are above its long-term average

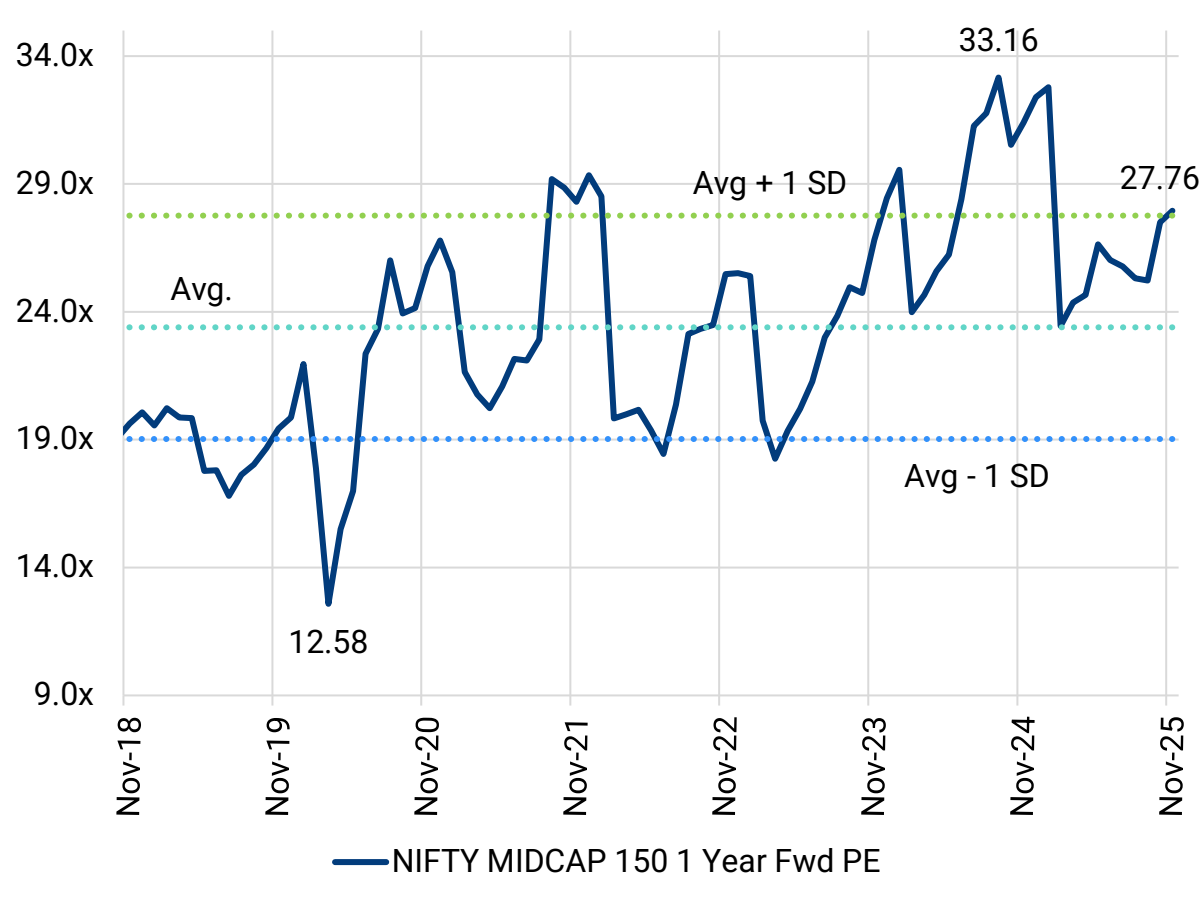


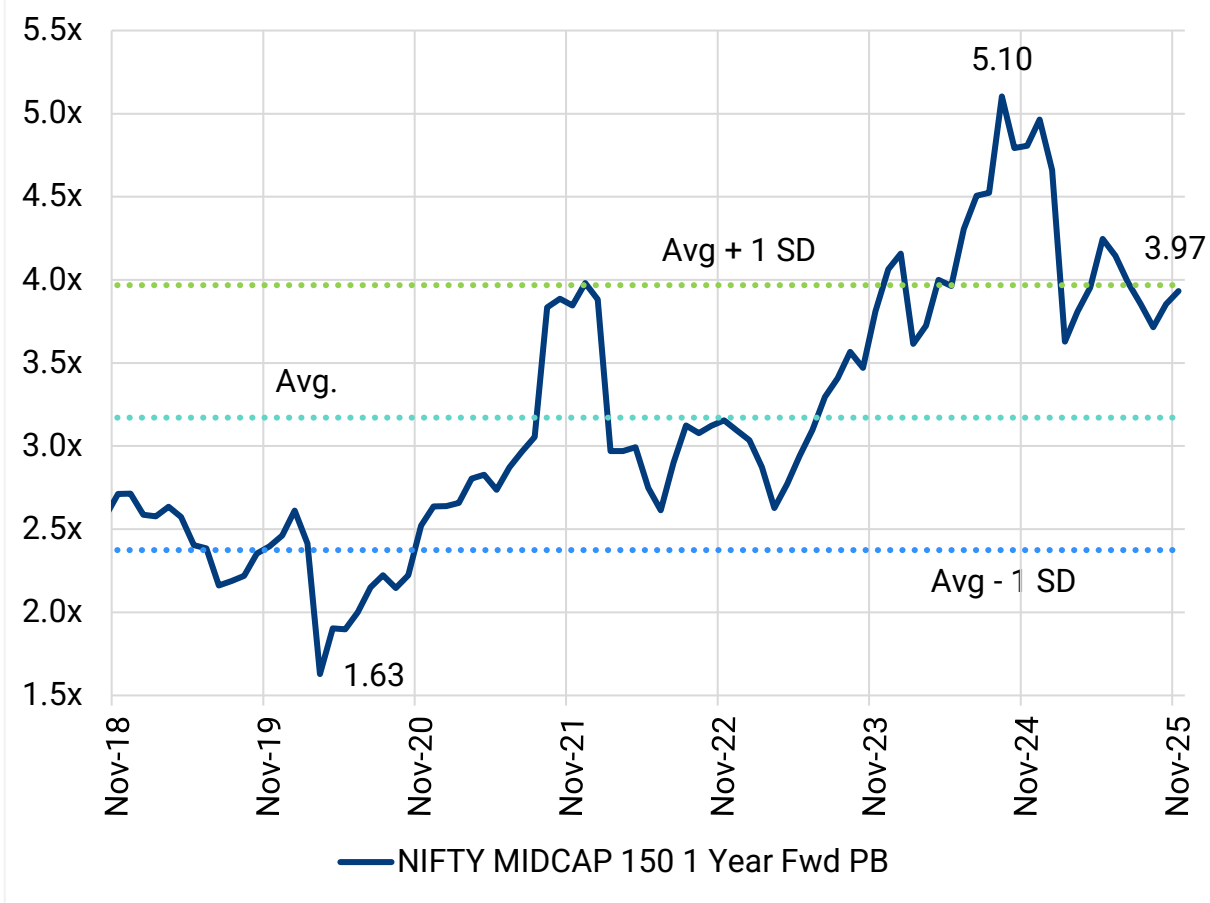


Source: Bloomberg estimates | Data as on 28th November, 2025.

Valuations – Mid Cap

Midcap valuations remain elevated

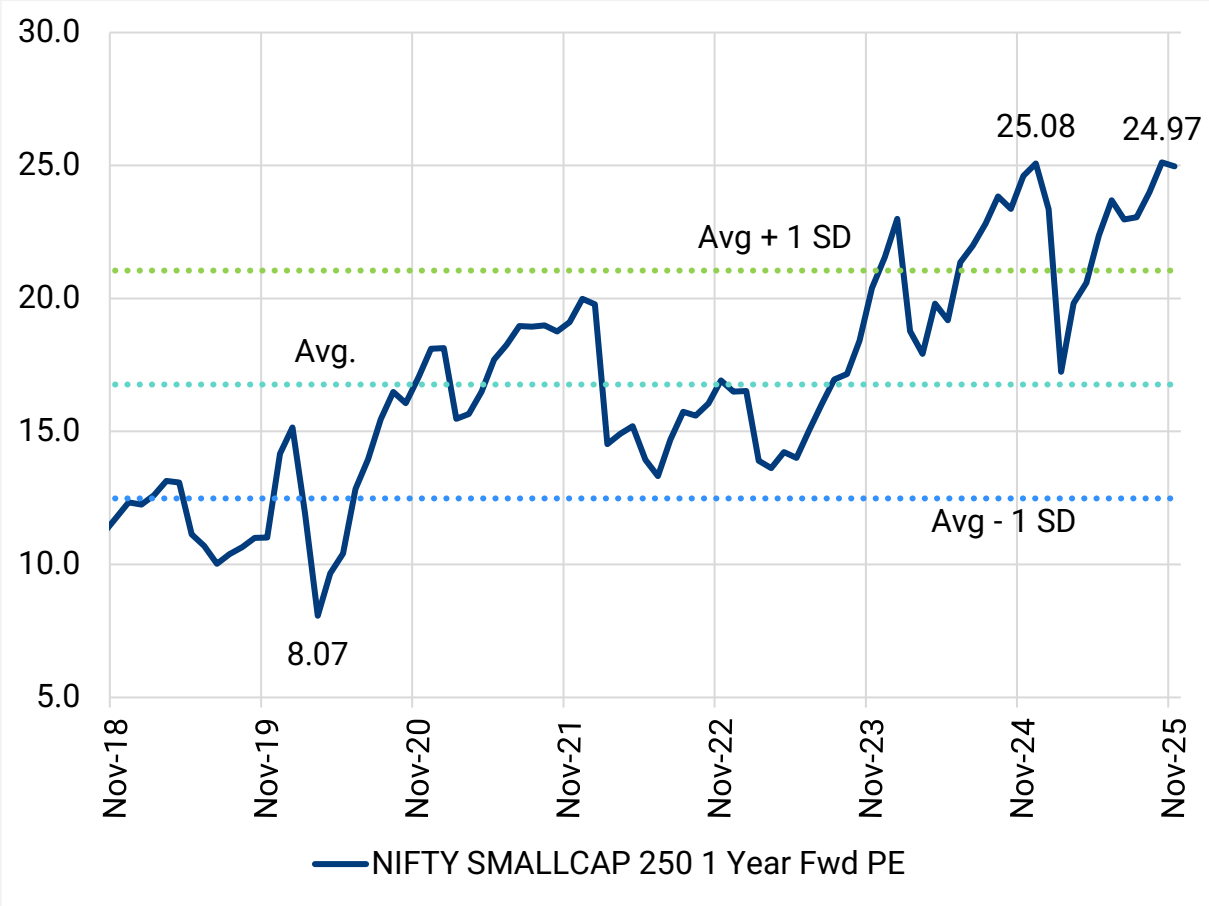


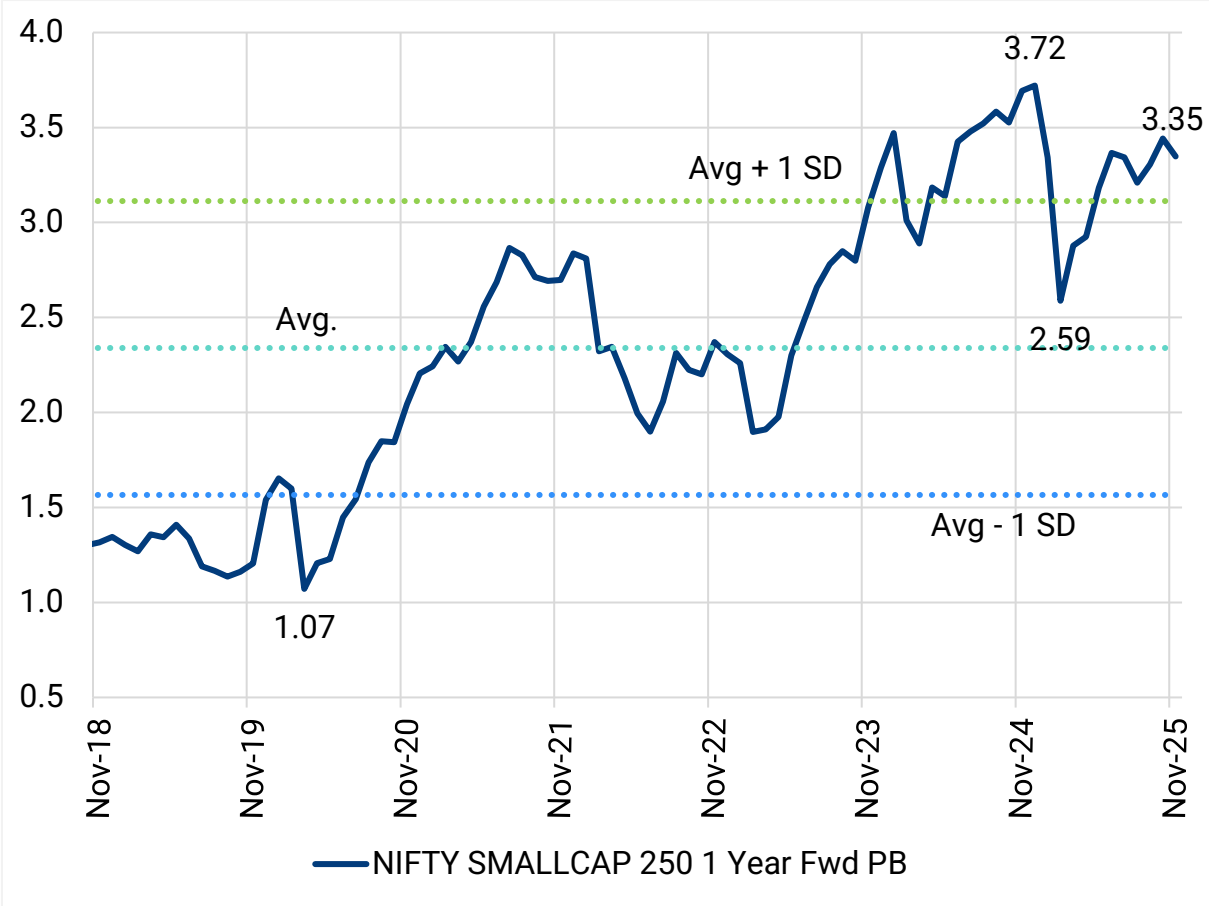


Source: Bloomberg estimates | Data as on 28th November, 2025.

Valuations – Small Cap

Smallcap valuations have become expensive

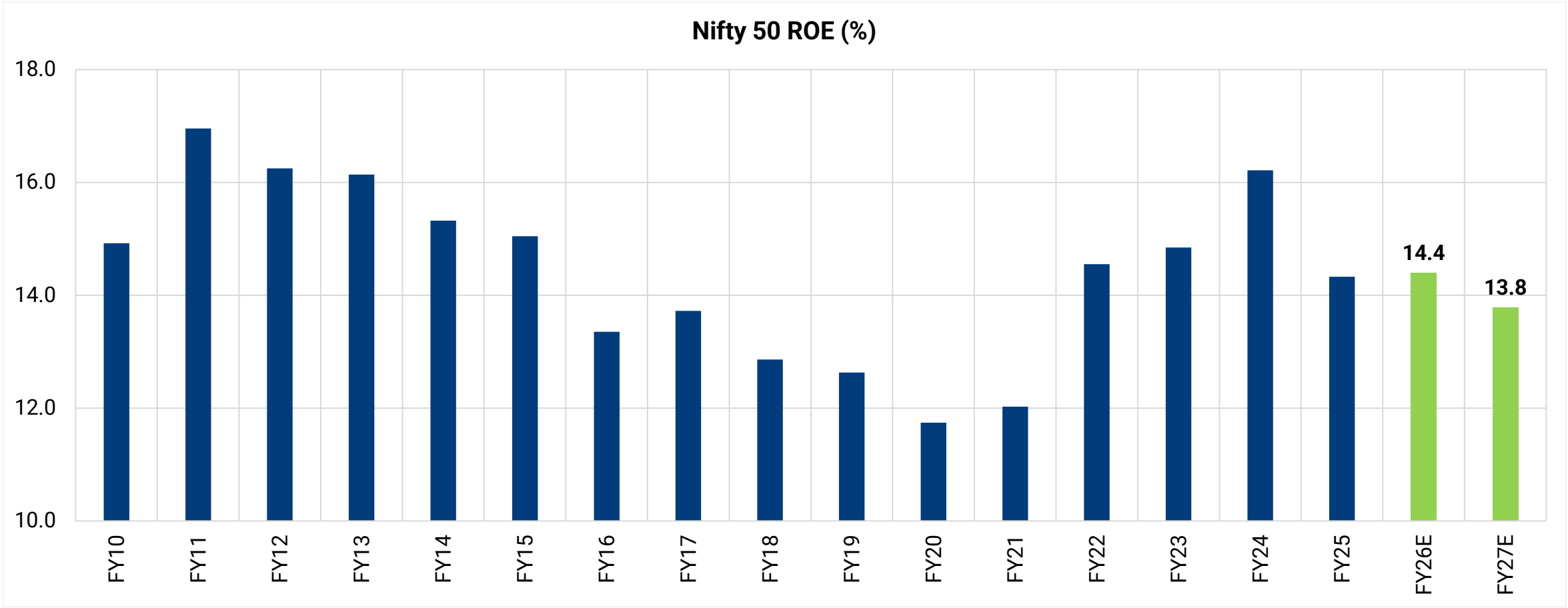




Source: Bloomberg estimates | Data as on 28th November, 2025.

Return on Equity

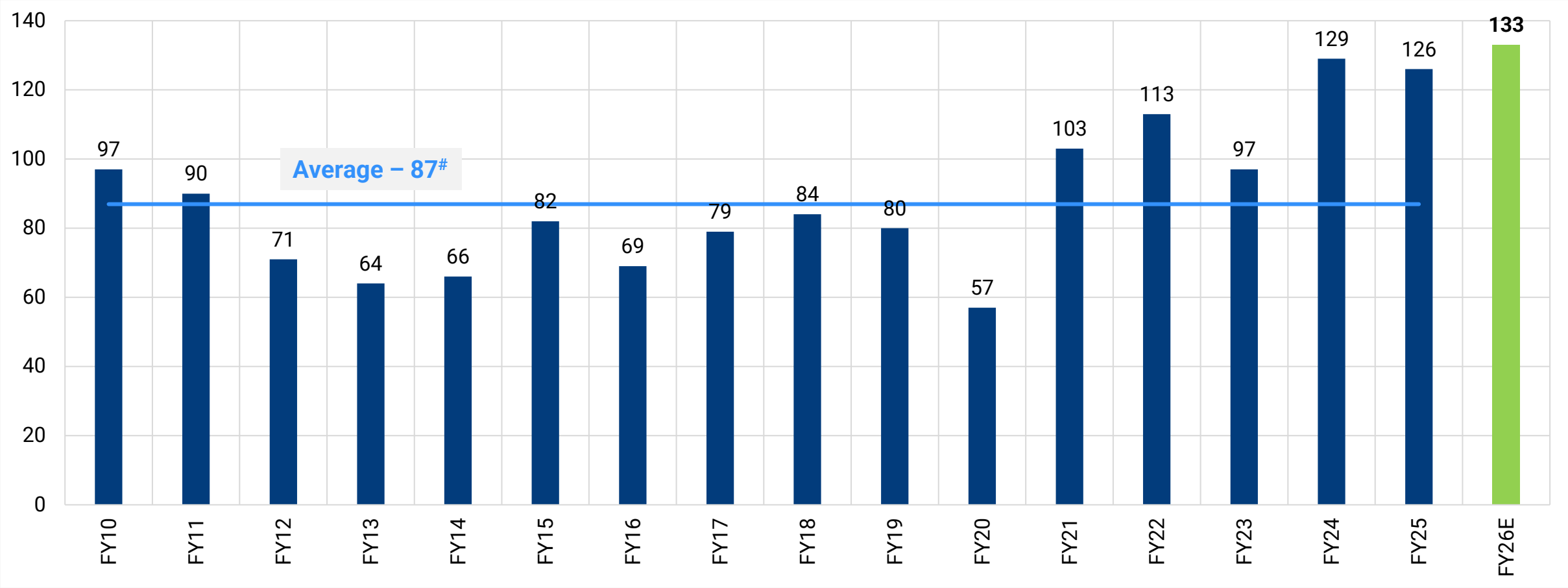
Nifty50 ROE continues to register strong double-digit growth



Source: Bloomberg and Motilal Oswal Research | TTM ROE considered. Data as on 28th November, 2025.

Indian Market cap to GDP

FY26E market cap-to-GDP ratio stands at 133, well above its long-term average of 87



Source: Bloomberg | #Average is for the period FY 2007 to FY25.

Sectoral valuation

Sector	Current P/E	10-year Average	Current P/B	10-year Average
Auto	26.9	23.0	4.4	3.6
Banks – Private	**17.6**	21.0	**2.3**	2.5
Banks – Public	**8.5**	10.7	1.3	0.9
Capital Goods	36.4	25.6	6.8	4.0
Consumers	**41.5**	42.4	10.4	10.2
Healthcare	32.8	27.1	4.6	3.8
Infrastructure	15.0	13.1	1.2	1.2
Metals	11.7	10.4	2.1	1.6
NBFCs	15.4	12.5	2.4	1.8
Oil & Gas	16.3	12.9	1.7	1.5
Real Estate	30.0	29.8	3.7	2.3
Technology	22.7	21.5	7.2	5.9

Source: Bloomberg | Data as on 28th November, 2025. The green colour indicates current levels are below 10-year average

Analysis of sector-wise FPI holdings

Sectors	Portfolio Share		Change
	Nov-25	Nov-24	
Financials	31.6%	28.9%	2.7%
Auto & Ancillary	7.6%	7.3%	0.3%
Oil & gas	7.4%	7.0%	0.4%
IT	7.0%	9.9%	-2.9%
Service	6.5%	6.6%	-0.1%
Healthcare	6.5%	6.7%	-0.2%
Industrials	6.0%	5.8%	0.2%
Telecom & Media	5.5%	4.1%	1.4%
FMCG	5.1%	5.9%	-0.8%
Construction Material	3.4%	3.6%	-0.2%
Utilities	3.2%	4.0%	-0.8%
Metals & Mining	3.1%	2.8%	0.3%
Durables	2.5%	3.0%	-0.5%
Realty	1.9%	2.2%	-0.3%
Agriculture & Chemicals	1.8%	1.7%	0.1%
Others	0.8%	0.5%	0.3%

Source: NSDL, MACM Research.

Key Highlights

- **FPIs turned net seller in Nov-25** with outflows of ($0.4 bn), **after buying ($1.6 bn) in Oct-25.**
- **IT led FPI outflows in Nov-25 ($0.7 bn),** maintaining it's outflow streak for the fifth consecutive month.
- **Services ($0.6 bn), FMCG ($0.5 bn), Utilities ($0.3 bn)** were among the sectors that witnessed outflows during the month.
- **Highest inflow was observed in Telecom and Media ($1.6 bn)** followed by Oil & Gas ($0.8bn) and Industrials ($0.2bn).

Trends | Economy | Markets | **Performance** | Outlook



How do different asset class respond to each other?

EDELWEISS MUTUAL FUND

Correlation between asset class over 10Y period

	Nifty 50 TRI	Gold	Silver	Gold + Silver	USD/INR	Nifty 10Y G-sec	S&P 500 TRI	Hang Seng TRI	Crude Oil	10-Yr SD
Nifty 50 TRI	1.00	(0.07)	0.10	0.03	(0.39)	0.08	0.30	0.40	0.12	16.19%
Gold	-	1.00	0.77	0.91	0.11	0.03	(0.02)	(0.01)	0.02	12.61%
Silver	-	-	1.00	0.97	(0.04)	0.02	0.07	0.13	0.07	24.25%
Gold + Silver	-	-	-	1.00	0.02	0.02	0.04	0.08	0.05	16.86%
USD/INR	-	-	-	-	1.00	(0.19)	(0.13)	(0.28)	(0.03)	4.56%
Nifty 10Y G-sec	-	-	-	-	-	1.00	(0.02)	(0.01)	(0.11)	4.13%
S&P 500 TRI	-	-	-	-	-	-	1.00	0.21	0.28	17.91%
Hang Seng TRI	-	-	-	-	-	-	-	1.00	0.13	21.94%
Crude Oil	-	-	-	-	-	-	-	-	1.00	42.59%

Source: Bloomberg. SD calculated on daily returns. Data as on 28th November, 2025.

Large, mid and small cap performance

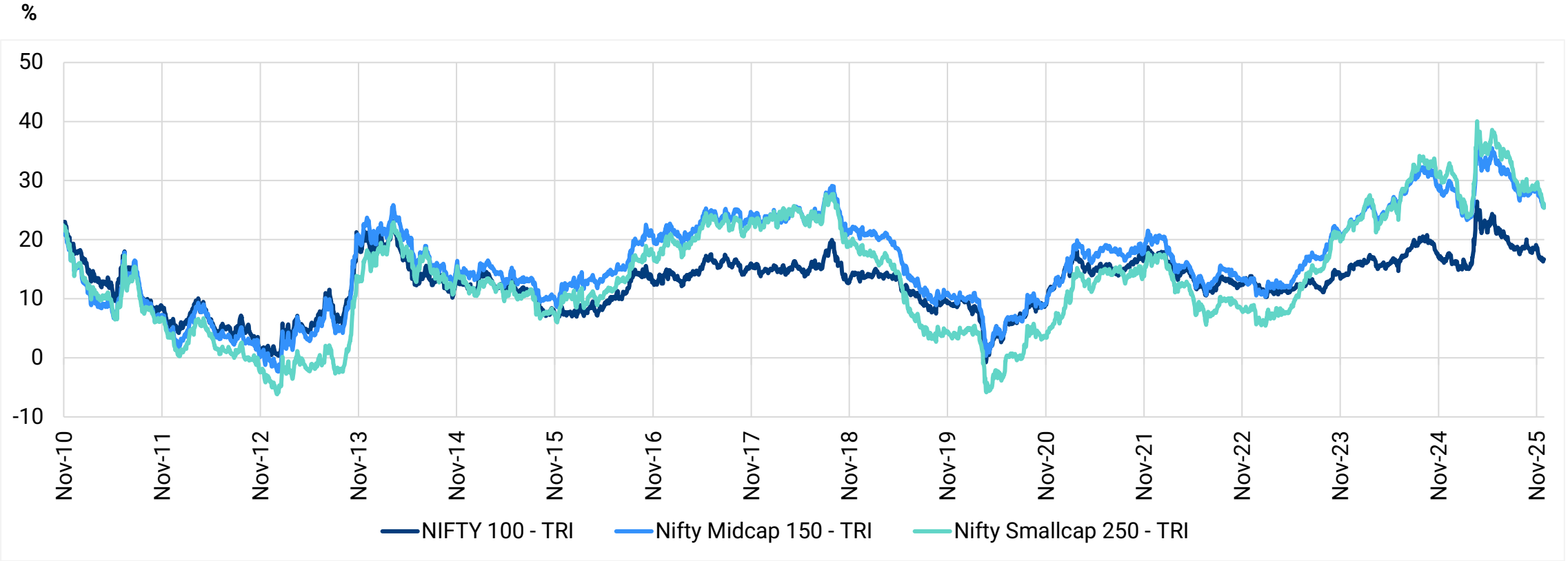
EDELWEISS MUTUAL FUND

In 11 of the past 17 CY, mid and small caps have outperformed large caps

Period	Large Cap	Mid Cap	Small Cap
CY2008	-53.07%	-64.94%	-68.58%
CY2009	84.88%	113.87%	117.37%
CY2010	19.28%	20.07%	17.63%
CY2011	-24.93%	-31.01%	-35.07%
CY2012	32.51%	46.69%	40.39%
CY2013	7.89%	-1.28%	-6.44%
CY2014	34.88%	62.67%	71.66%
CY2015	-1.26%	9.70%	11.27%
CY2016	5.01%	6.53%	1.39%
CY2017	32.88%	55.73%	58.47%
CY2018	2.57%	-12.62%	-26.15%
CY2019	11.83%	0.62%	-7.26%
CY2020	16.08%	25.56%	26.46%
CY2021	26.45%	48.16%	63.34%
CY2022	4.94%	3.91%	-2.64%
CY2023	21.24%	44.61%	49.09%
CY2024	12.95%	24.46%	27.21%
CYTD*	10.44%	6.55%	-5.21%

Source: ACEMF. Large-cap – Nifty 100 TRI, Midcap – Nifty Midcap 150 TRI, Small cap – Nifty Smallcap 250 TRI. *CYTD – As on 28th November, 2025. Past performance may or may not sustain in future.

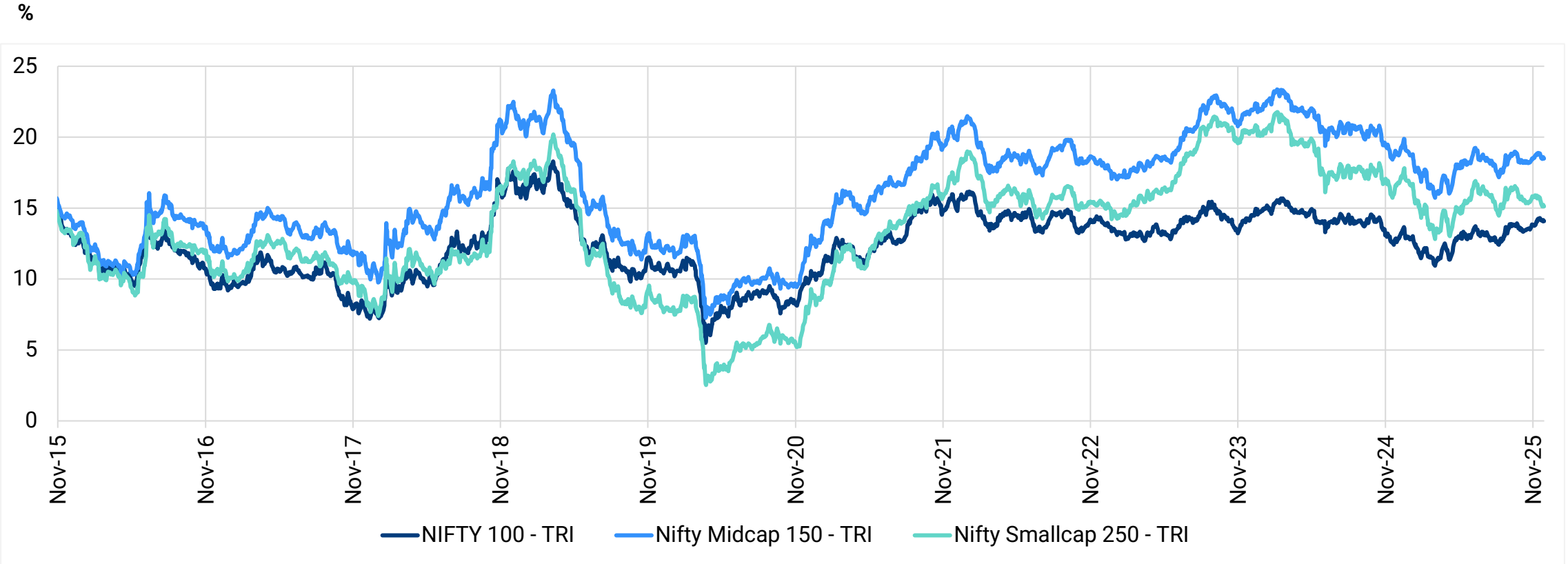
5 year rolling returns



Since 2010	NIFTY 100 – TRI	Nifty Midcap 150 – TRI	Nifty Smallcap 250 – TRI
Min (%)	-0.75	-2.34	-6.16
Max (%)	26.45	36.76	40.03
Average (%)	12.99	16.31	13.93

Source: Bloomberg. Past performance may or may not be sustained in the future | Data as on 28th November, 2025.

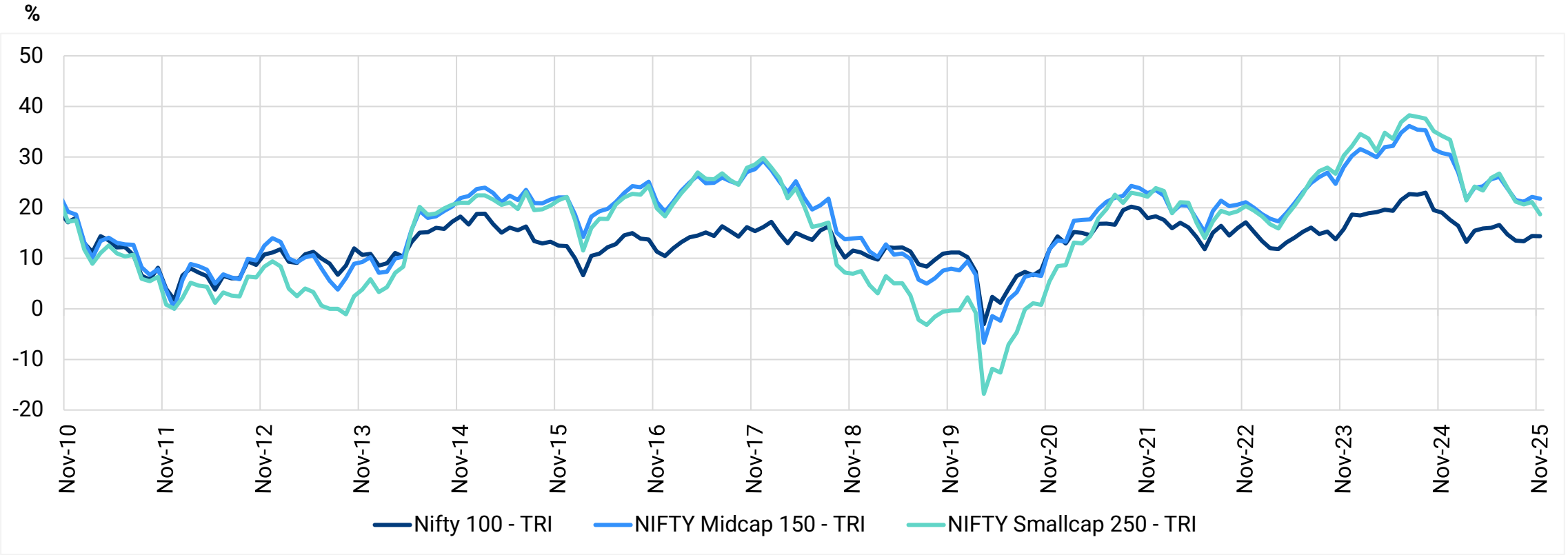
10 year rolling returns



Since 2015	NIFTY 100 – TRI	Nifty Midcap 150 – TRI	Nifty Smallcap 250 – TRI
Min (%)	5.50	7.27	2.53
Max (%)	18.29	23.37	21.77
Average (%)	12.57	16.21	13.52

Source: Bloomberg. Past performance may or may not be sustained in the future | Data as on 28th November, 2025.

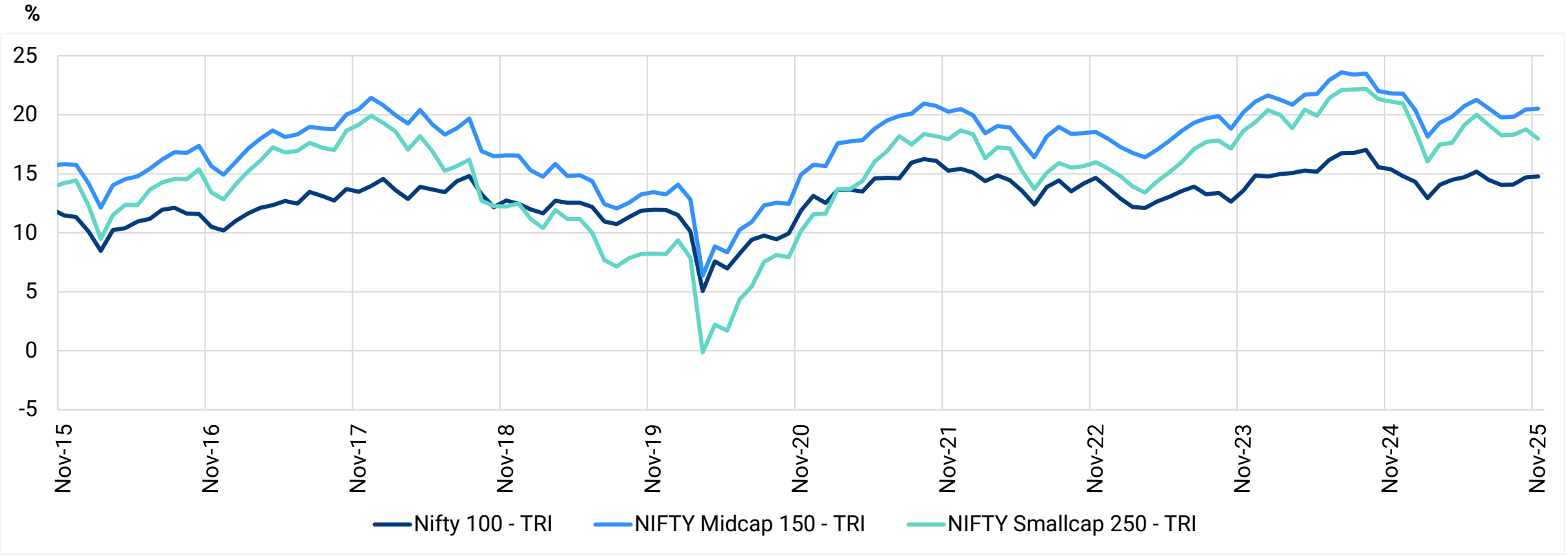
5 year SIP rolling returns



Since 2010	NIFTY 100 – TRI	Nifty Midcap 150 – TRI	Nifty Smallcap 250 – TRI
Min (%)	-3.03	-6.71	-16.81
Max (%)	22.95	36.14	38.26
Average (%)	13.21	17.66	15.51

Source: Bloomberg, Past performance may or may not be sustained in the future | Data as on 28th November, 2025. SIP taken is at the end of the month. Monthly rolling return considered.

10 year SIP rolling returns



Since 2015	NIFTY 100 – TRI	Nifty Midcap 150 – TRI	Nifty Smallcap 250 – TRI
Min (%)	5.07	6.37	-0.13
Max (%)	17.02	23.60	22.20
Average (%)	12.98	17.51	14.86

Source: Bloomberg, Past performance may or may not be sustained in the future | Data as on 28th November, 2025. SIP taken is at the end of the month. Monthly rolling return considered.

Drawdowns

Period	Large Cap (%)	Mid Cap (%)	Small Cap (%)
CY 2008	-61.08%	-71.75%	-72.80%
CY 2009	-18.67%	-23.51%	-24.88%
CY 2010	-10.30%	-16.26%	-20.13%
CY 2011	-26.35%	-32.29%	-36.26%
CY 2012	-13.69%	-12.21%	-13.89%
CY 2013	-14.69%	-24.05%	-31.48%
CY 2014	-6.44%	-7.82%	-8.59%
CY 2015	-13.68%	-11.92%	-14.81%
CY 2016	-12.96%	-16.96%	-22.49%
CY 2017	-4.42%	-6.79%	-8.03%
CY 2018	-14.85%	-23.50%	-35.69%
CY 2019	-10.49%	-14.28%	-21.42%
CY 2020	-37.92%	-38.45%	-43.48%
CY 2021	-9.86%	-10.30%	-9.19%
CY 2022	-16.10%	-20.30%	-26.61%
CY 2023	-8.51%	-7.72%	-10.92%
CY 2024	-11.33%	-11.00%	-12.39%
CYTD*	-9.99%	-17.25%	-23.54%

Source: ACEMF. Large-cap – Nifty 100 TRI, Midcap – Nifty Midcap 150 TRI, Small cap – Nifty Smallcap 250 TRI. Past performance may or may not sustain in future. *Data as on 28th November, 2025

Trends | Economy | Markets | Performance | **Outlook**



Equity commentary

- We remain constructive on Indian equities from a medium- to long-term perspective, as lower oil prices, easing inflation, fiscal measures, and government/private investments perk up the economy and set up a favourable backdrop for earnings upgrades.
- Corporate earnings in the September quarter reflect cautious optimism, supported by GST rationalization, tax cuts and rate cuts. These could cumulatively feed into a stronger earnings setup by CY26.
- SMID valuations have moderated meaningfully from a 20–30% premium to long-term averages earlier to about 10–15% now. Although, they still command a premium, but valuations today are much more acceptable.
- Better earnings visibility and reasonable valuations make 2026 a likely pivot year, supported by consumption, financials, and government-capex beneficiaries like defence and infra.
- Key sectors to watch include IT services and engineering on improving trade dynamics, capital goods, defence, and discretionary consumption amid the earnings upcycle, and autos, NBFCs, and mid-cap lenders poised to benefit from rate cuts.
- Though short-term volatility cannot be ruled out, the medium-term setup continues to look favourable for long-term investors. Investors should also stay prepared for abrupt shifts in global capital flows amid ongoing geopolitical and currency realignments.
- Focused, bottom-up stock selection within growth-oriented areas remains preferred, as earnings upgrades could start to materialize meaningfully in CY26.

Source: Internal

Fixed Income commentary

- The MPC voted 6-0 to cut the Repo Rate by 25 bp to 5.25% on Dec 5, 2025. With this, the MPC has reduced the Repo Rate by 125 bp cumulatively in CY25. We expect the RBI to maintain status quo on rates for some time.
- The MPC also lowered their FY26 average CPI forecast to 2% from 2.6% in October forecast due to sharp fall in food prices and favourable base effect. They also bumped up their FY26 GDP growth forecast to 7.3% from 6.8% in October due to robust real growth in H1FY26. Headline CPI is expected to trend up in FY27 to ~4% due to adverse base effect.
- With a view to inject liquidity and support the bond market, the RBI announced Rs. 1 trillion worth of OMO bond purchases and $5 billion worth of 3-year FX buy-sell swap for Dec 2025. We expect RBI to do more OMO bond purchases in Q4FY26.
- Despite the rate cut and OMO bond purchase news, sentiment in the bond market remained fragile due to a host of factors. Weakening of the rupee against the USD, Softer government revenue growth in FY26TD, demand-supply mismatch in bonds, FPI net outflows and lower risk appetite among investors have pushed benchmark 10-year IGB level to above 6.60% as on Dec 11, 2025. At current levels, the spread between the Repo Rate and 10-year has widened to ~135 bp as compared to the average spread of ~75 bp.
- Credit spreads in corporate bonds have widened at the short-end due to relatively higher supply and lower demand. AAA-rated PSU/PFI are trading at ~80 bp over the IGB in 1- to 3-year maturity bucket. We expect AAA credit spreads to tighten in the near term.
- Going forward, we expect bond yields to trend lower and mean-revert in the medium-term. Benchmark 10-year IGB yield seems to be trading way above its fair value, in our view. We remain cautiously optimistic for the bond market.

Source: Internal

Factor Investing commentary

- **Macro environment remains supportive:** Easing inflation (CPI ~1.5%), stable FX reserves, and robust PMI readings (Manufacturing 57+, Services >61) underpin a selective risk-on stance despite near-term volatility.
- **Growth & Momentum** geared towards cyclical recovery opportunities. **Value** provides valuation comfort and downside protection, while **Quality** offers stable exposure for investors prioritizing balance-sheet strength amid global uncertainty.
- **Optimal allocation:** A barbell approach—tilting toward Growth & Momentum while anchored by Value—remains well-suited as markets digest earnings and await new catalysts.
- **Maintain a tilt towards Growth & Momentum** to capture recovery opportunities, while **anchoring with Value** for valuation discipline.
- **Core sectoral focus:** Financials, Healthcare, and Capital Goods — combining cyclical leverage with structural resilience as markets consolidate after a strong H1 rally.

Source: Internal

Our Long-Only Equity Funds



Equity funds overview

Scheme	Edelweiss Mid Cap Fund			Edelweiss Small Cap Fund			Edelweiss Focused Fund			Edelweiss Large & Mid Cap Fund		
AUM (Rs Cr.)	13,212			5,336			1,041			4,460		
Market Cap Allocation	Large 12%	Mid 77%	Small 11%	Large 1%	Mid 30%	Small 69%	Large 75%	Mid 23%	Small 2%	Large 52%	Mid 38%	Small 10%
Over-Weight Sectors	• Financial Services • Consumer Services • Information Technology			• Automobile and Auto Components • Consumer Services • Chemicals			• Consumer Durables • Construction • Construction Materials			• Capital Goods • Information Technology • Consumer Durables		
Under-Weight Sectors	• Power • Telecommunication • Oil, Gas and Consumable Fuels			• Healthcare • Power • Oil, Gas and Consumable Fuels			• Telecommunication • Fast Moving Consumer Goods • Services			• Fast Moving Consumer Goods • Oil, Gas and Consumable Fuels • Services		

Data as on 28th November, 2025. For risk-o-meters click here.

Equity funds overview

Scheme	Edelweiss ELSS Tax Saver Fund			Edelweiss Flexi Cap Fund			Edelweiss Multi Cap Fund		
AUM (Rs Cr.)	448			3,052			3,149		
Market Cap Allocation	Large 62%	Mid 21%	Small 17%	Large 65%	Mid 29%	Small 6%	Large 47%	Mid 28%	Small 25%
Over-Weight Sectors	• Financial Services • Information Technology • Healthcare			• Capital Goods • Consumer Durables • Financial Services			• Financial Services • Consumer Services • Chemicals		
Under-Weight Sectors	• Fast Moving Consumer Goods • Services • Consumer Durables			• Oil, Gas & Consumable Fuels • Services • Telecommunication			• Oil, Gas & Consumable Fuels • Construction Materials • Capital Goods		

Data as on 28th November, 2025. For risk-o-meters click here.

Portfolio return ratios

	Edelweiss ELSS Tax Saver Fund	Edelweiss Large & Mid Cap Fund	Edelweiss Flexi Cap Fund	Edelweiss Multi Cap Fund	Edelweiss Mid Cap Fund	Edelweiss Small Cap Fund	Edelweiss Focused Equity Fund
FY27E EPS growth (%)	17.8	19.0	18.7	18.8	20.3	26.6	19.1
FY28E EPS growth (%)	18.4	19.1	19.0	18.2	18.6	22.6	19.3
PEG (x)	1.1	1.1	1.2	1.2	1.4	1.0	1.2
FY27E ROE (%)	20.9	19.5	20.2	20.4	22.0	18.5	20.5
FY28E ROE (%)	21.0	20.1	20.7	20.6	22.1	19.4	20.9
PER FY27E (x)	21.5	23.2	23.5	23.1	28.2	26.4	23.5
PER FY28E (x)	18.6	20.5	19.7	19.8	24.4	22.2	19.6

Note: These are estimates of the underlying portfolio based on available information and is not indicative of any present or future performance of the fund. Portfolio of the fund would depend on asset allocation and investment strategy as stated in Scheme Information Document and prevailing market conditions and is subject to change without any notice. Sectors/ Stocks mentioned here should not be construed as a recommendation. Stock in are part of the portfolio of Edelweiss Mutual fund schemes as on the latest available portfolio as on 28th November, 2025. Performance of the above sectors/stocks should not be construed as indicative yield of any of the schemes of Edelweiss Mutual Fund. Edelweiss Mutual Fund may or may not hold any position in these sectors/stocks in future.

Data as on 28th November, 2025. For risk-o-meters click here.

New entries and exits in fund portfolio

	Edelweiss Mid Cap Fund	Edelweiss Small Cap Fund	Edelweiss Focused Fund	Edelweiss Flexi Cap Fund	Edelweiss Multi Cap Fund	Edelweiss ELSS Tax Saver Fund	Edelweiss Large & Mid Cap Fund
Entry	• Ather Energy Ltd	• Ather Energy Ltd • Lenskart Solutions Ltd • Physics Wallah Ltd	NIL	• Asian Paints Ltd • LTI Mindtree Ltd • Bharat Forge Ltd	• LTI Mindtree Ltd • Ather Energy Ltd • Angel One Ltd • Pine Labs Ltd	• Ather Energy Ltd • Canara Bank Ltd • Sumitomo Chemical India Ltd • Bank of Baroda Ltd • Pine Labs Ltd	• Ather Energy Ltd • Asian Paints Ltd • Indus Tower Ltd • Pine Labs Ltd
Exits	• Shree Cement Ltd • PNB Housing Finance Ltd • Thermax Ltd	• Mahanagar Gas Ltd • Hindustan Petroleum Corporation Ltd	NIL	• Home First Finance Company India Ltd • SBI Life Insurance Ltd • Tata Motors PV Ld • TML Commercial Vehicles Ltd	• Titagarh Rail Systems Ltd • SBI Life Insurance Ltd	• Hyundai Motor India Ltd • UNO Minda Ltd	• Cera Sanitaryware Ltd • Dalmia Bharat Ltd • ABB India Ltd • Zensar Technologies Ltd • Cohance Lifesciences Ltd

Data as on 28th November, 2025. For risk-o-meters click here. NIL – No new entry/exit.

Active stock exposure across equity funds

Edelweiss Mid Cap Fund		Edelweiss Small Cap Fund		Edelweiss Large & Mid Cap Fund	
Multi Commodity Exchange of India Ltd	2.10	UNO Minda Ltd	2.63	Max Healthcare Institute Ltd	1.31
Max Healthcare Institute Ltd	2.07	City Union Bank Ltd	2.55	Ather Energy Ltd	1.30
Solar Industries India Ltd	1.82	Indian Bank Ltd	2.38	Indian Bank Ltd	1.29
Coforge Limited	1.77	KEI Industries Ltd	2.16	Federal Bank Ltd	1.27
Radico Khaitan Ltd	1.60	Gabriel India Ltd	1.90	UNO Minda Ltd	1.25
LG Electronics India Ltd	1.47	Century Plyboards India Ltd	1.84	Multi Commodity Exchange of India Ltd	1.12
Indian Bank Ltd	1.41	APL Apollo Tubes Ltd	1.79	Can Fin Homes Ltd	1.05
UNO Minda Ltd	1.35	Fortis Healthcare Ltd	1.78	Phoenix Mills Ltd	1.04
CG Power & Industrial Solutions Ltd	1.31	Max Financial Services Ltd	1.71	Cholamandalam Investment and Finance Company Ltd	1.04
Persistent Systems Ltd	1.29	Jubilant Ingrevia Ltd	1.59	Aether Industries Ltd	1.02

Active exposure is holding % in relation to the benchmark of the fund. Holdings as on 28th November, 2025. Figures are in%

Active stock exposure across equity funds

Edelweiss Flexi Cap Fund		Edelweiss ELSS Tax Saver Fund		Edelweiss Focused Fund		Edelweiss Multi Cap Fund	
NTPC Ltd	1.56	Muthoot Finance Ltd	2.18	Coforge Limited	3.89	Radico Khaitan Ltd	1.88
Persistent Systems Ltd	1.32	Multi Commodity Exchange of India Ltd	1.66	Marico Ltd	3.77	Navin Fluorine International Ltd	1.85
Multi Commodity Exchange of India Ltd	1.31	BSE Ltd	1.48	Shriram Finance Ltd	3.42	NTPC Ltd	1.68
Tata Steel Ltd	1.20	Gabriel India Ltd	1.35	Larsen & Toubro Ltd	3.35	Bikaji Foods International Ltd	1.53
Muthoot Finance Ltd	1.11	Bharat Electronics Ltd	1.29	KEI Industries Ltd	3.25	CEAT Ltd	1.37
Coforge Limited	1.06	Ather Energy Ltd	1.25	Tata Steel Ltd	3.19	Multi Commodity Exchange of India Ltd	1.35
CG Power and Industrial Solutions Ltd	1.03	CreditAccess Grameen Ltd	1.22	Max Healthcare Institute Ltd	2.52	Chalet Hotels Ltd	1.21
Fortis Healthcare Ltd	1.01	Karur Vysya Bank Ltd	1.21	Ultratech Cement Ltd	2.47	Karur Vysya Bank Ltd	1.20
Divi's Laboratories Ltd	0.97	Bikaji Foods International Ltd	1.16	Mankind Pharma Ltd	2.39	Coforge Ltd	1.12
Radico Khaitan Ltd	0.95	City Union Bank Ltd	1.15	PB Fintech Ltd	2.34	Tata Steel Ltd	1.09

Active exposure is holding % in relation to the benchmark of the fund. Holdings as on 28th November, 2025. Figures are in%

Why We Own What We Own



India’s Consumption Sector

EDELWEISS MUTUAL FUND

USD 4.2 trillion consumer spending by 2030 Up from USD 2.4 trillion in 2024

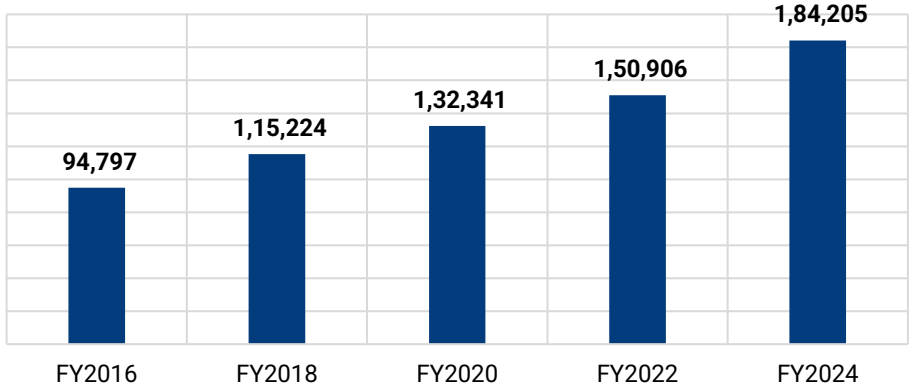
	Demographic advantage	*Retail/FMCG*
01	**Rising Income**	*Hotels/QSR*
02		
03	**Urbanization**	*Real estate*
04	**Digitization/ new-age consumption**	*Quick commerce*
05	**Easy Credit Availability**	*Consumer durables*
06	**Premiumization**	*Auto*

Source: Statista, Consumer spending numbers are estimated. The list of sectors provided above is illustrative and not exhaustive. The fund’s portfolio may or may not invest in stocks from these sectors. QSR- Quick Service Restaurant.

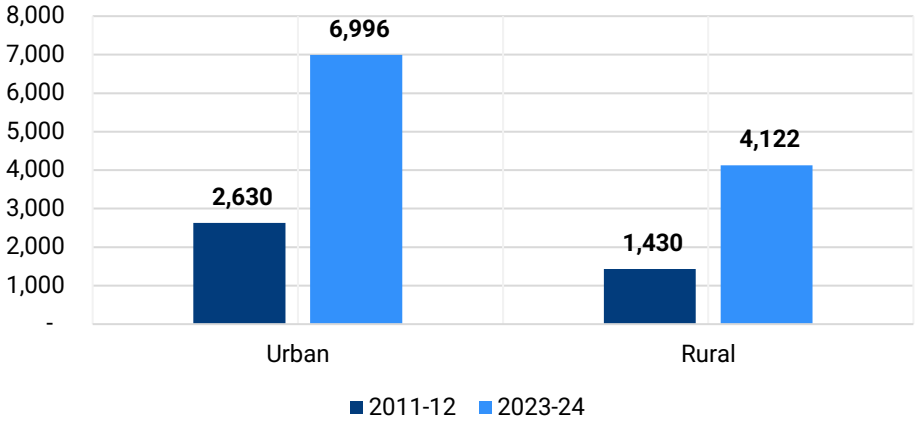
Supporting India's Consumption Sector

EDELWEISS MUTUAL FUND

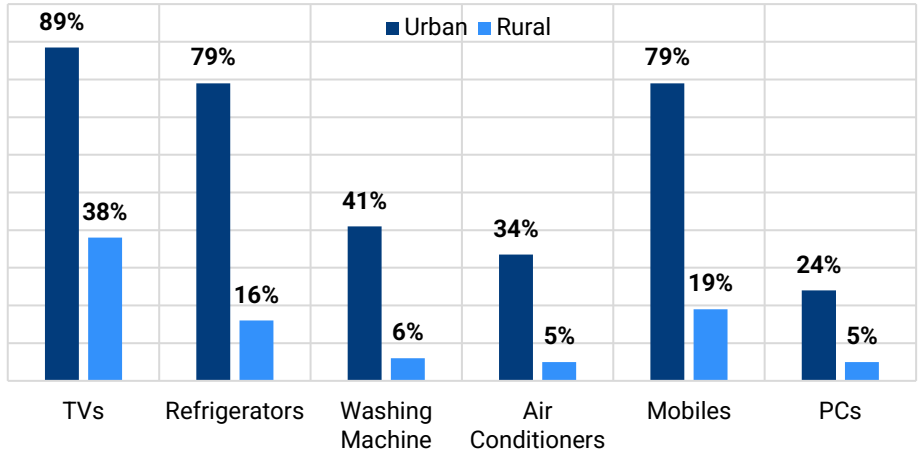
Per Capita Net National Income (INR)* growing at a CAGR of 8.7%



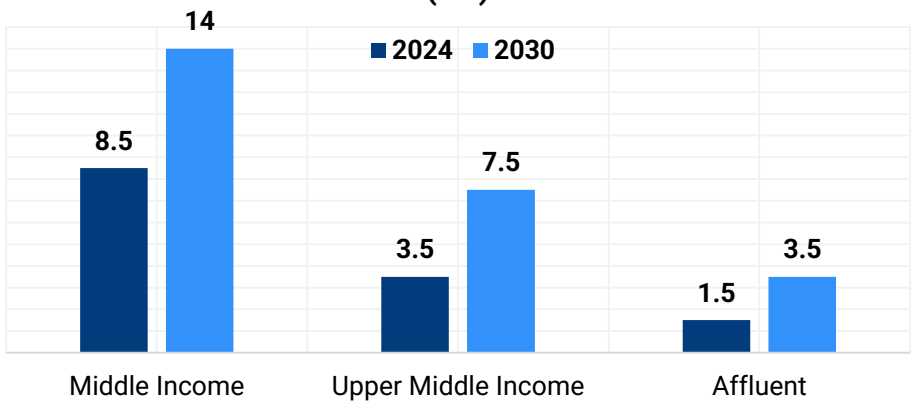
Monthly per capita consumption expenditure in Rs.



Consumer Durables Penetration



Rising middle and upper middle-income groups (Cr.)



Source: Crisil Research, Centrum Broking, Statista, DAM Capital Research, MoSPI. Middle Income- INR 7.5L- 15L, Upper Middle Income- INR 15L-30L, Affluent- >INR 30L.
***Per capita Net National Income at current price considered.**

India’s IT Sector

Key Drivers and Trends

India's IT industry is set to grow from US$ 254 bn to US$ 350 bn by 2026, contributing 10% to the nation's GDP

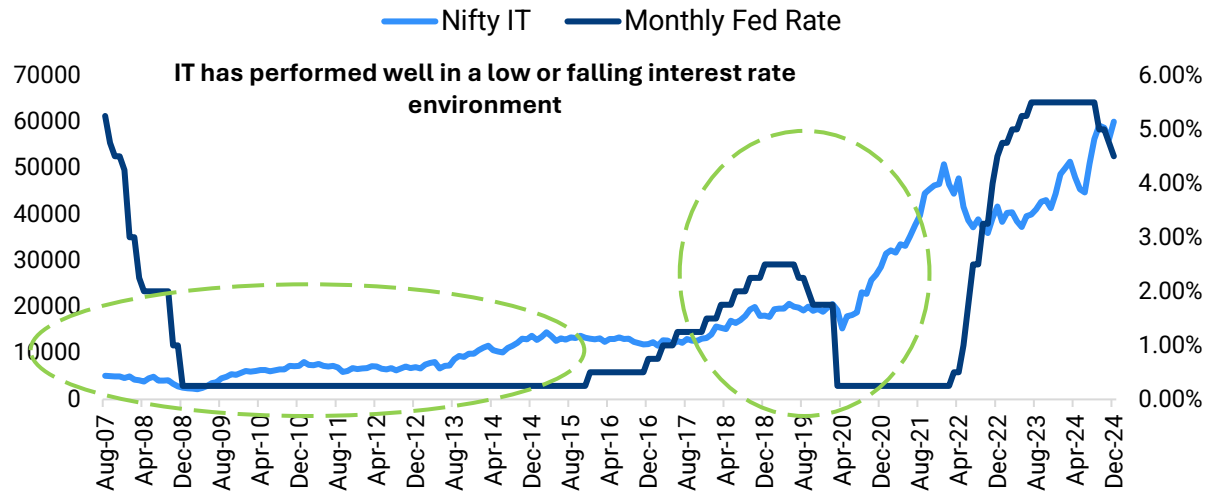
Global spending surpassing US$ 200bn by 2025 and India’s share hitting US$ 5bn in Cloud services

Reduced dependency on H1B Visas from 11% in FY15 to 3% in FY23

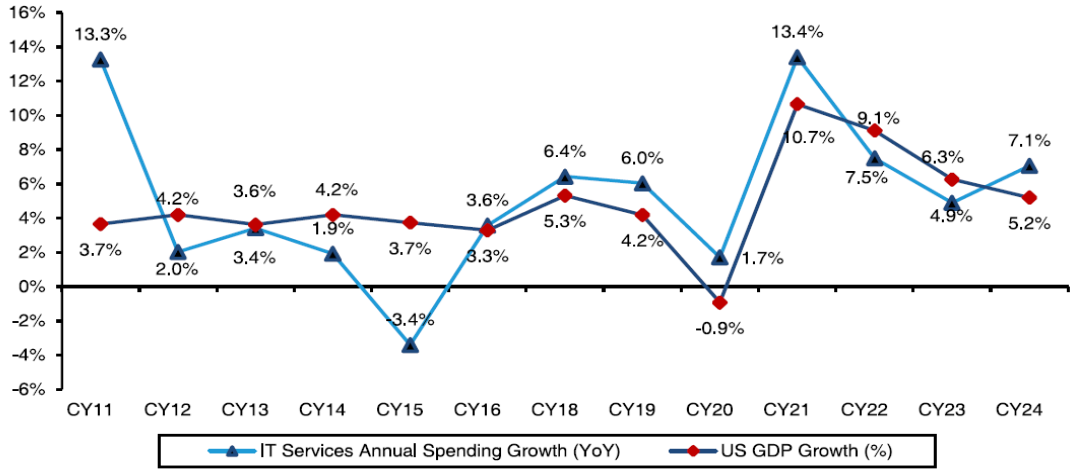
Rise in India’s Global Capability Centers (GCC) market is set to surpass $100 bn. by 2030, with 2,500 centers and 4.5 mn. professionals

IT export revenue grew from $59 bn in 2010 to $199 bn in 2024, with an estimated 20% CAGR to reach $600 bn by 2030

FED Rate Cuts and Nifty IT



IT Services spending growth vs US GDP Growth (%)



Source: NSE, Fedprimerate, Economic Survey 2025, NASSCOM

India’s Manufacturing Sector

India is poised to become a $10T+ economy over the next decade with manufacturing contributing over 32% to incremental GVA by 2034

01 Policy push for self-reliance and local production (Make in India and Atmanirbhar Bharat)

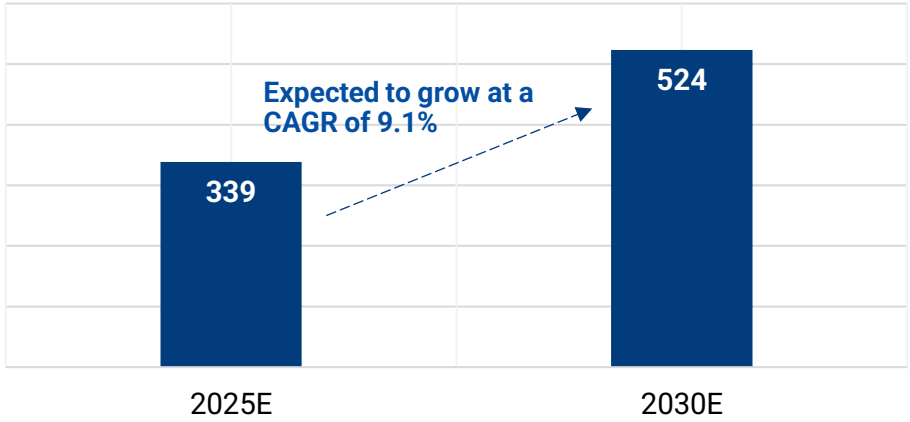
02 PLI schemes across 14 sectors incentivizing domestic manufacturing

03 China+1 Strategy and Positive FDI cues. Global supply chain diversification driving investment in India

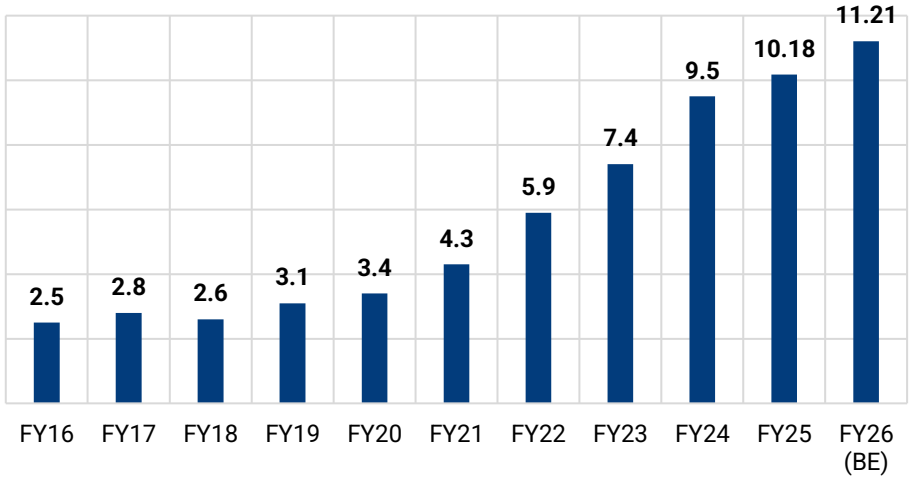
04 India positioning itself as a global manufacturing hub and boosting exports supported by trade agreements

05 India’s CAPEX cycle in an uptrend ~ further room for growth. Capacity utilization in Private sector at 12 year high.

India's Manufacturing Market Size (USD Bn)



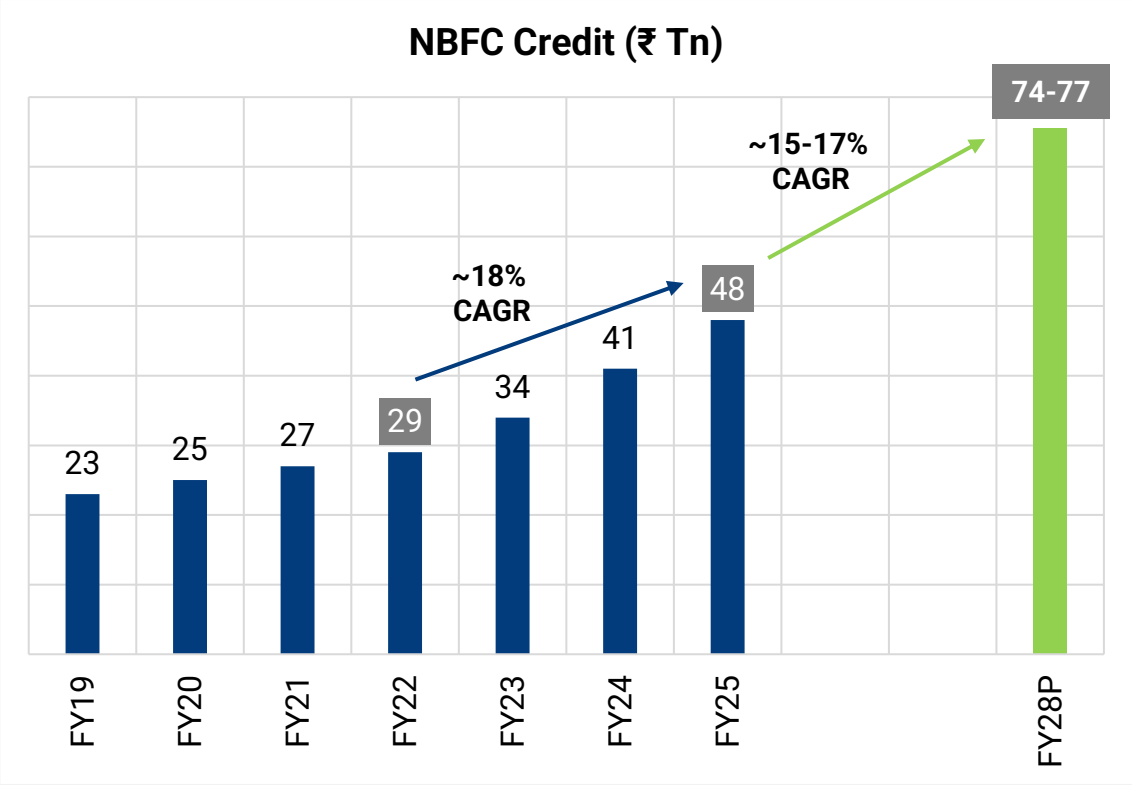
Overall infra spends (Rs. Lakh Cr.)



Source: Kalaari Capital Report, PIB, Invest India, JM Financial, IBEF, Mordor Intelligence

India's NBFC Sector

Easy availability of credit score, use of data analytics, product innovation has led to improvement in NBFC customer penetration



Factors to watch out

01 Huge under penetration in the unorganized SME & MSME sector

02 Retail and consumer finance supported by digital lending

03 Easing liquidity and falling interest rates leading to more credit growth

04 Evolution of newer business models and products

05 Capital positioning of NBFCs remain healthy, with CRAR of 27% (as of FY25), well above min. requirement of 15%

06 Better regulatory oversights and pro-active actions

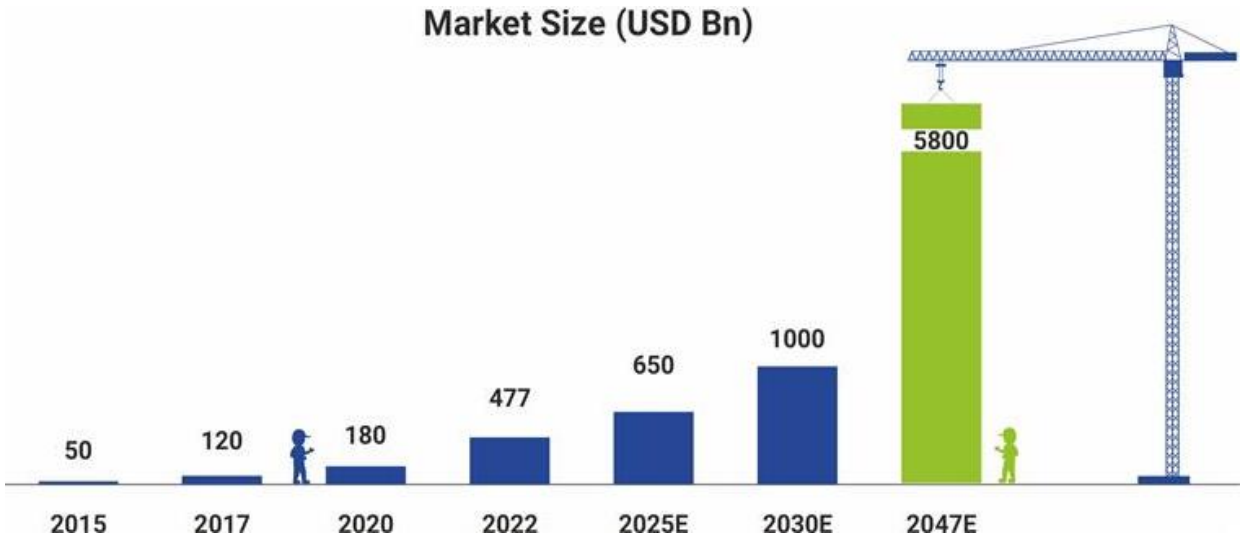
Source: JM Financials | P – Projected

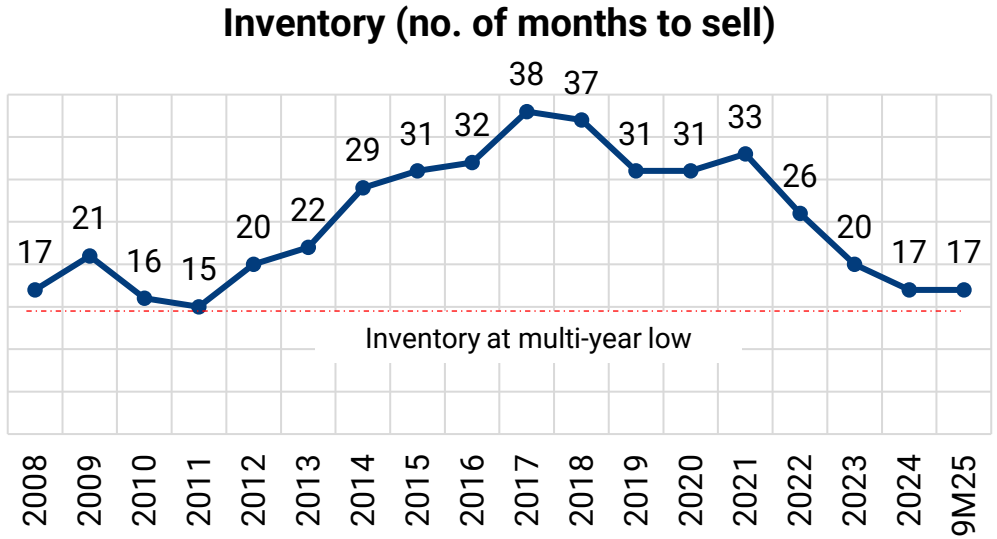
For internal consumption only, not for external circulation.

India's Real Estate Sector

Key Drivers

- **Urbanisation and Rising Demand**
- **Housing Affordability and Rising Income**
- **Government Initiatives for Infrastructural Push**





Key Trends

- **Increased demand for Warehousing and Data Centres**
- **Lower Interest Rate expectations in 2025**
- **Foreign Investments, Sustainability and ESG Projects**

Source: Jefferies, Propequity

Investment Process



Our philosophy while managing your money

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Our FAIR investment framework helps in identifying robust and clean businesses available at acceptable prices without being biased toward either value or growth investing styles.



Forensics

Use forensic framework to check accounting quality, board governance standards and ownership background



Acceptable Price

Emphasize reasonably priced businesses with earnings power over the medium term, rather than focusing on the short term



Investment Style Agnostic

Emphasize investing in strong businesses capable of delivering long-term returns, while remaining agnostic to value or growth investing styles.



Robustness

Pick well managed businesses having scalable opportunities and superior return on capital employed

Forensics

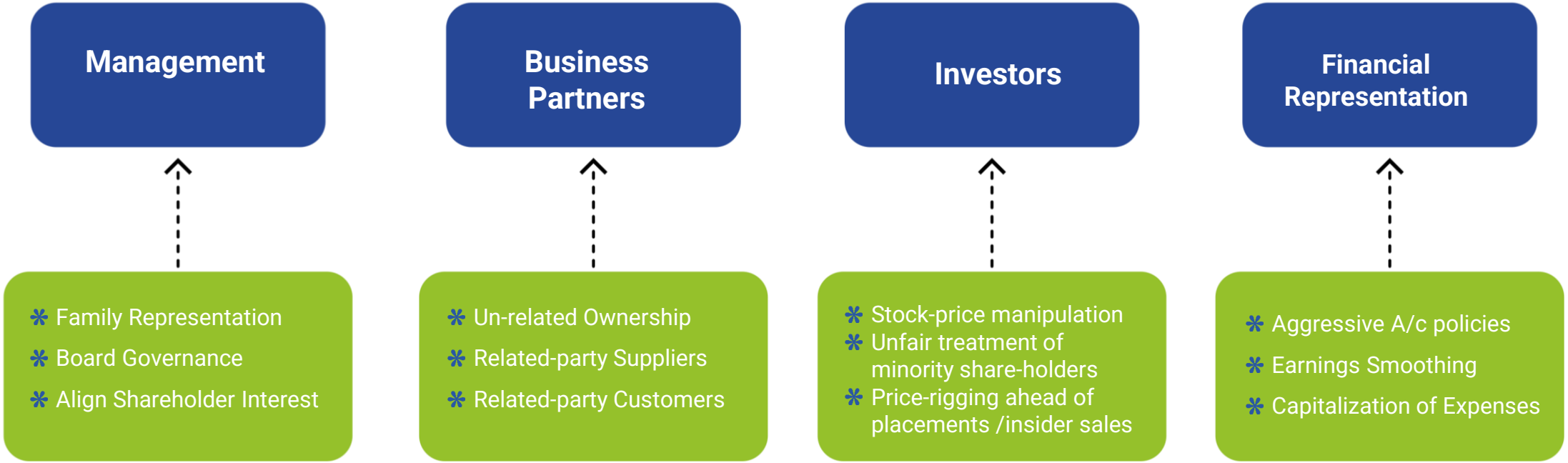
EDELWEISS MUTUAL FUND

We use a forensic analysis to pick only clean and quality businesses from the available universe

We do forensic analysis in 4 key areas before we like any business

Accounting quality | Board governance | Ownership checks | Management integrity

Forensic Analysis Framework



Acceptable price

Focus on reasonably priced businesses with medium term earnings power

- **We analyse stocks and categorise them under 3 buckets**
  i. Discounted Value stocks
  ii. Compounding Value stocks
  iii. Risk-management stocks – Stocks we own due to their presence in benchmark
- **A combination of Discounted and compounding value makes us Value/Growth style agnostic**

Investment value analysis Framework

Discounted Investment Value

- We derive discounted value based on % discount compared to intrinsic value of the stock
- This bucket includes event driven, deep Value and turn-around businesses
- Current Examples of businesses with static value – SBI and Indian Bank

Compounding Investment Value

- We derive compounded value based on estimated growth in intrinsic value over next 2 years.
- This bucket includes consistent compounders that are sector leaders and market share gainers
- Current Examples of businesses with dynamic value – Titan Company Ltd. and Trent Ltd.

Above mentioned stocks may or may not form part of the portfolio and is for illustrative purposes only.

Investment Style Agnostic

Style agnostic approach is an evergreen way of wealth creation



Robustness

Pick well managed businesses having scalable opportunities and superior return on capital employed

Qualitative factors:



Quantitative factors:

1. 5-year average core business returns more than 10% to ensure company is earning higher than its cost of capital
2. Current year Sales, EBITDA, PAT should be more than 5-year average Sales, EBITDA, PAT to ensure we leave out de-growing companies
3. Higher cash-flow conversion compared to sector peers over last business cycle

Risk management at each level of investment process

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Risk management is core to our strategy at each level of investment process

Investment Process	Idea Generation/ Research	Portfolio Construction/ Monitoring	Trading
Risk Management	✻ Quality ✻ Corp. Governance ✻ Price ✻ Liquidity	✻ Reg. Guidelines ✻ Sell Discipline ✻ Portfolio Risk ✻ Residual Macro Bets	✻ Best Price Monitoring ✻ Liquidity Monitoring

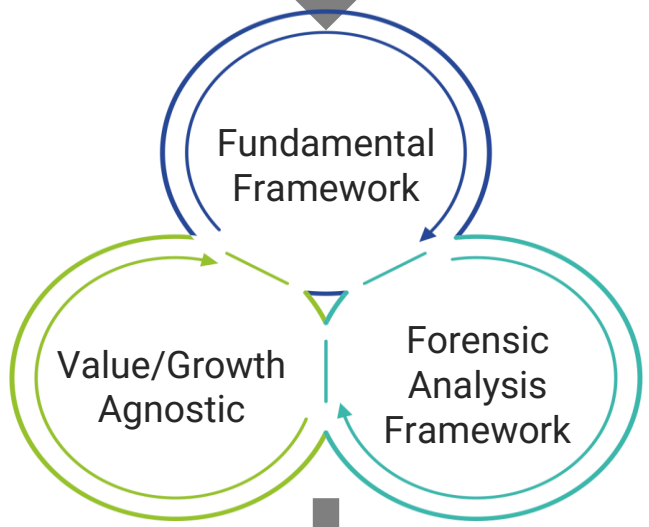
Our investment process

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Listed Universe

Quantitative Screening
(1) 5 yr average ROIC > 10% (2) Current year Sales, EBITDA, PAT > 5 yr. average Sales, EBITDA, PAT. (3) Revenue growth > Av. Sector growth

Filter
Robust businesses



Analyse quality using
Forensics

Investment style agnostic

Attractive investment Value = discounted investment value + compounding investment value

Arrive at
Acceptable price

What we don't do

Not doing something is an active call and very important factor in investing

01 Take out-sized sector bets

Earnings of every sector goes through cycles and over longer period it is in-line with broader market earnings. Hence, we avoid out-sized sector bets unless it is mandate of the fund

02 Macro calls

Macro calls may not work all the time given dynamic nature of our markets today compared to what they were in the past

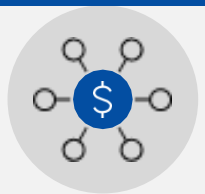
03 Cash-calls

Timing the market is difficult and hence, we keep our portfolios fully invested

Approach to Portfolio Construction

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Buy/sell discipline



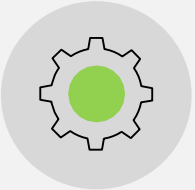
BUY

- At FAIR estimate of intrinsic value
- Seeing catalyst/s for a high double-digit upside to the stock price.

SELL

- At narrowing of discount to full value
  (Either due to deterioration of fundamentals or rising valuations)
- Seeing extremely buoyant investor sentiment overriding fundamentals.
- When Corporate/Management actions violate the stock thesis.

Stock weight/sizing



- Guided by allocation of risk rather than allocation of money.
- Based on size of the portfolio and the liquidity of the universe.
- To achieve balance between return participation and risk control.
- To space out portfolio to accommodate emerging opportunities.

Fundamental Equity Team



Mr. Trideep Bhattacharya, Chief Investment Officer (CIO) – Fundamental Equities

- Two decades of experience in equity investing across Indian and Global markets.
- PGDBM in Finance from SP Jain Institute of Management & Research, Mumbai and B.Tech in Electrical Engineering from IIT, Kharagpur.

Fund Management Team



Mr. Ashwani Kumar Agarwalla
Fund Manager



Mr. Sumanta Khan
Fund Manager



Mr. Dhruv Bhatia
Fund Manager



Mr. Raj Koradia
Asst. Fund Manager

Centralized Research Team



Mr. Aniruddha Kekatpure
Head - Research



Mr. Mehul Dalmia
Research Analyst



Mr. Ashish Sood
Research Analyst



Ms. Tejal Nagmoti
Research Analyst



Mr. Gnyan Thaker
Research Analyst

Fixed Income Investment Team



Mr. Dhawal Dalal Chief Investment Officer (CIO), Fixed Income

- Experience of 28 years and is responsible for the overall growth of fixed income assets through a healthy mix of retail and institutional clients.
- MBA from University of Dallas (USA)

Fund Management Team



Pranavi Kulkarni
Fund Manager & Credit Analyst



Rahul Dedhia
Fund Manager



Hetul Raval
Dealer & Fund Manager



Riya Shah
Assistant Manager

Factor Investing Team



Mr. Bhavesh Jain-

Co-Head- Factor investing

Over 16 years of rich experience in the financial markets. He joined in the Low Risk Trading team and today, he's the Fund Manager with us managing several funds which are part of Risk Adjusted Returns Strategies in addition to ETFs.



Mr. Bharat Lahoti-

Co-Head- Factor investing

Bharat has 18 years of experience in areas of portfolio management, macro and sector research. He has earlier worked with marquee investment banks and asset management companies. In his last assignment, he was with a global hedge fund, as a senior manager working on fundamental and quantitative research ideas.

Fund Management Team



Mr. Dishant Garg
(Quant Analyst)



Ms. Manasi Jalgaonkar
(Research Analyst)



Mr. Mayan Pahwa
(Research Analyst)

INSIGHTS THAT INSPIRE ACTION

TEMPO

Trends | Economy | Markets | Performance | Outlook

CURVE

Yields, Spreads, Liquidity & more..

CUE

Curated Updates & Explainers for your investments

BETA+

Decoding Factors. Tracking Trends. Building Smarter Portfolios

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View Portfolios. Track performance. Hear from experts.

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