TEMPO

Trends | Economy | Markets | Performance | Outlook

July 2026

Edelweiss Mutual Fund – SEBI Registration No. MF/057/08/02

Trends | Economy | Markets | Performance | Outlook

Global equity markets at a glance

EDELWEISS MUTUAL FUND

	Countries	Exchange Name	Index Level	Valuation (12-month forward)					Absolute Performance (%)			
				P/E (x)	P/E (x) 10yr Avg	P/B (x)	P/B (x) 10yr Avg	ROE (%)	1 Month	3 Months	6 Months	1 Year
Developed Market	USA	S&P500	7,499	20.2	19.1	4.7	3.6	21.9	-1.1%	18.2%	9.6%	20.9%
	USA	Nasdaq	26,214	25.2	25.6	6.4	4.8	23.7	-2.8%	26.1%	12.8%	28.7%
	Europe	STOXX 600	642	15.1	14.5	2.2	1.8	14.3	2.5%	10.5%	8.4%	18.5%
	UK	FTSE 100	10,497	12.6	12.7	2.1	1.8	15.7	0.8%	3.6%	5.7%	19.8%
	Germany	DAX	24,996	15.2	13.4	1.9	1.6	12.0	-0.4%	10.8%	2.1%	4.5%
	France	CAC 40	8,404	14.6	14.1	1.9	1.6	12.6	2.7%	8.1%	3.1%	9.6%
	Japan	Topix	3,995	17.0	14.8	1.7	1.2	9.8	0.9%	12.8%	17.2%	40.0%
	Australia	ASX 200	8,779	17.0	16.4	2.0	2.0	11.7	0.5%	3.8%	0.7%	2.8%
	Singapore	STI Index	5,171	15.4	12.7	1.6	1.2	10.6	2.6%	5.6%	11.3%	30.4%
	Hong Kong	Hang Seng	22,881	9.8	10.5	1.1	1.1	10.6	-9.1%	-7.6%	-10.7%	-4.9%
Emerging Market	India	Sensex	76,479	18.1	19.4	2.7	2.9	14.6	2.3%	6.3%	-10.3%	-8.5%
	China	Shanghai Composite	4,094	13.7	11.7	1.4	1.3	10.1	0.6%	4.4%	3.2%	18.9%
	Brazil	Bovespa	1,72,024	8.2	10.1	1.4	1.6	16.7	-1.0%	-5.7%	6.8%	23.9%
	Korea	KOSPI	8,476	7.7	10.1	1.9	1.0	24.9	0.0%	60.6%	101.1%	176.0%
	Mexico	IPC	66,967	12.6	13.7	2.2	2.0	17.4	-2.4%	-0.2%	4.1%	16.6%
	Philippines	PCOMP	6,037	9.0	14.1	1.1	1.6	12.2	4.7%	2.9%	-0.3%	-5.1%
	Turkey	XU100	14,122	4.0	5.4	0.7	0.9	18.0	3.4%	11.8%	25.4%	41.9%
	Thailand	SET	1,591	15.6	15.1	1.5	1.4	9.7	1.5%	9.8%	26.3%	46.0%
	Vietnam	VN30	1,996	10.4	10.8	1.8	1.9	16.8	-0.1%	10.1%	-1.7%	35.1%
	Indonesia	JCI	5,643	8.2	14.7	0.1	1.9	1.3	-7.9%	-20.4%	-34.7%	-18.5%

Source: Bloomberg. Data as of 30th June 2026. Performance in home currency. All foreign indices are price returns.

Global equity markets at a glance

	Countries	Exchange Name	CAGR Performance (%, in USD)											
			3Y	Rank	5Y	Rank	7Y	Rank	10Y	Rank	15Y	Rank	20Y	Rank
Developed Market	USA	S&P500	19%	3	12%	3	14%	2	12%	2	12%	2	9%	2
	USA	Nasdaq	24%	2	13%	2	18%	1	16%	1	16%	1	13%	1
	Europe	STOXX 600	13%	9	6%	10	8%	9	5%	9	4%	8	3%	14
	UK	FTSE 100	13%	8	7%	9	6%	12	4%	12	3%	11	1%	19
	Germany	DAX	17%	5	9%	6	11%	5	7%	5	7%	4	7%	4
	France	CAC 40	6%	16	4%	12	6%	11	5%	11	3%	9	2%	16
	Japan	Topix	16%	7	8%	8	9%	7	6%	6	6%	6	3%	13
	Australia	ASX 200	8%	13	2%	15	4%	15	3%	14	1%	14	2%	15
	Singapore	STI Index	19%	4	11%	4	7%	10	5%	8	3%	10	5%	8
	Hong Kong	Hang Seng	7%	15	-5%	18	-3%	18	-1%	18	0%	16	2%	17
Emerging Market	India	Sensex	1%	18	3%	13	5%	13	5%	10	4%	7	6%	5
	China	Shanghai Composite	11%	11	2%	16	5%	14	2%	15	2%	12	5%	6
	Brazil	Bovespa	11%	12	6%	11	3%	16	6%	7	-1%	18	3%	12
	Korea	KOSPI	36%	1	11%	5	14%	3	10%	4	6%	5	8%	3
	Mexico	IPC	7%	14	9%	7	8%	8	3%	13	1%	15	4%	10
	Philippines	PCOMP	-5%	19	-7%	20	-6%	20	-4%	20	0%	17	5%	9
	Turkey	XU100	11%	10	14%	1	9%	6	1%	16	-2%	19	2%	18
	Thailand	SET	4%	17	-1%	17	-2%	17	0%	17	2%	13	5%	7
	Vietnam	VN30	17%	6	3%	14	11%	4	11%	3	9%	3	-	-
	Indonesia	JCI	-11%	20	-5%	19	-5%	19	-2%	19	-2%	20	4%	11

Source: Bloomberg. Data as of 30th June 2026. Performance in USD. All foreign indices are price returns.

Indian equity markets at a glance

EDELWEISS MUTUAL FUND

Market cap and 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)	1.67%	7.40%	-8.10%	-5.42%	8.80%	9.98%	12.50%
	Large-cap (NIFTY Next 50)	0.87%	18.89%	3.77%	4.83%	18.79%	14.18%	14.50%
	Large-cap (NIFTY 100)	1.52%	9.39%	-6.10%	-3.64%	10.46%	10.53%	12.78%
	Midcap (NIFTY Midcap 150)	0.98%	17.36%	2.53%	4.22%	20.03%	18.28%	18.23%
	Large & Midcap (NIFTY Large Midcap 250)	1.23%	13.36%	-1.82%	0.27%	15.29%	14.47%	15.60%
	Small-cap (NIFTY Smallcap 250)	4.34%	24.14%	6.41%	0.15%	19.60%	16.80%	15.42%
	Multicap (NIFTY 500)	1.71%	12.40%	-3.20%	-1.71%	12.92%	12.40%	13.89%
	Micro-cap (NIFTY Microcap250)	6.41%	33.20%	11.70%	4.40%	24.68%	22.45%	20.31%
Themes/Sector	Auto (NIFTY AUTO)	0.66%	11.70%	-5.66%	12.18%	21.57%	21.26%	12.72%
	Banks (NIFTY Bank)	6.41%	14.99%	-2.97%	1.20%	9.61%	11.46%	13.01%
	Commodities (NIFTY Commodities)	-4.66%	7.53%	3.46%	10.84%	18.67%	15.15%	15.67%
	Consumption (NIFTY India Consumption)	2.37%	11.65%	-6.03%	-2.05%	12.43%	13.81%	13.12%
	Energy (NIFTY Energy)	-2.70%	14.15%	13.04%	10.06%	18.77%	16.73%	18.70%
	Healthcare (NIFTY Healthcare)	4.93%	13.75%	10.55%	12.22%	22.53%	13.66%	11.02%
	Infrastructure (NIFTY Infrastructure)	0.56%	9.99%	-1.96%	0.70%	18.90%	17.87%	14.24%
	Information Technology (NIFTY IT)	-9.56%	-9.01%	-29.86%	-31.03%	-1.78%	0.00%	11.23%
	Manufacturing (NIFTY India Manufacturing)	0.10%	13.42%	3.47%	10.09%	20.80%	17.62%	15.01%
	Oil & Gas (NIFTY Oil & Gas)	-1.34%	2.44%	-9.44%	-5.50%	14.61%	11.67%	15.92%
	Pharma (NIFTY Pharma)	4.11%	14.04%	11.82%	15.73%	23.42%	12.94%	9.31%
	Realty (NIFTY Realty)	6.00%	27.41%	-5.49%	-15.64%	17.20%	19.62%	15.69%
	Transportation (NIFTY Transportation & Logistics)	2.91%	14.25%	-4.64%	6.36%	20.71%	20.17%	14.51%

Source: NSE. Performance up to 1 year is absolute and above 1 year is CAGR. Data as of 30th June 2026. The above indices are TR Indices.

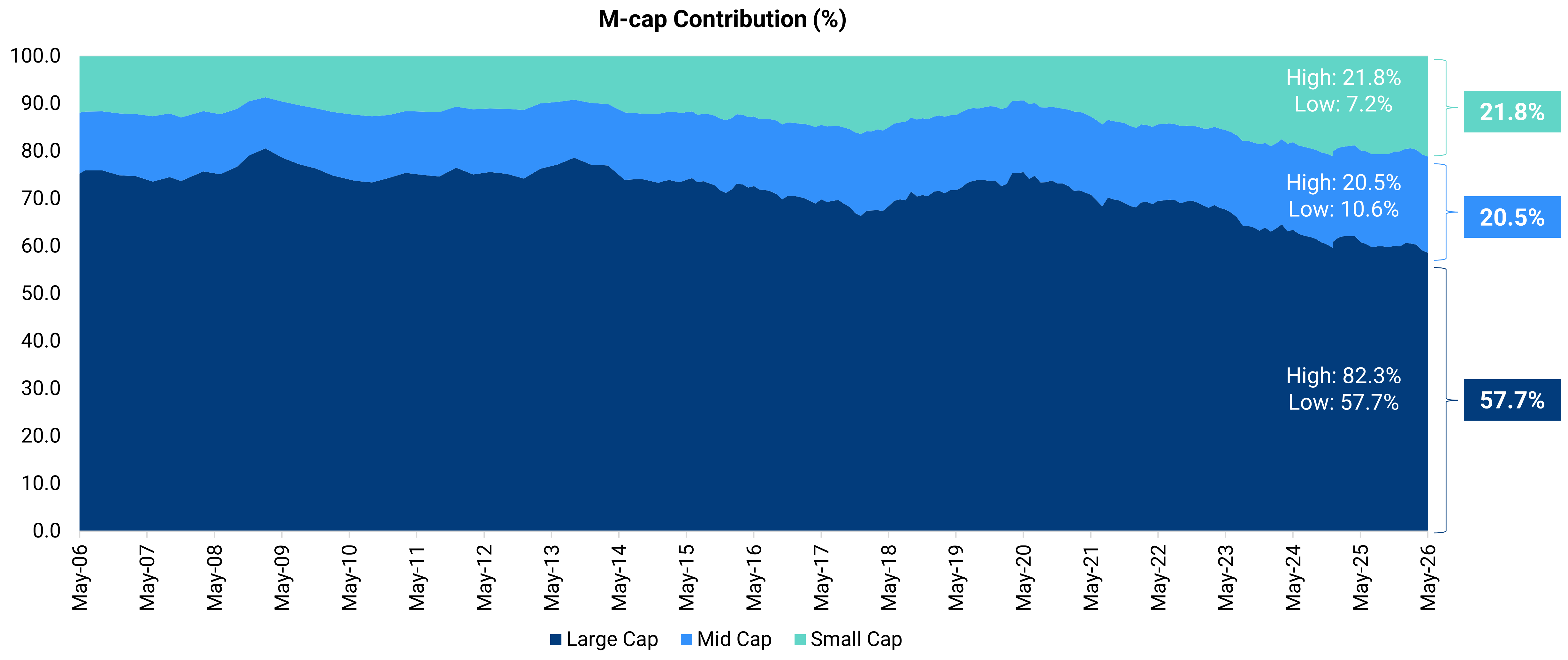
Indian equity markets at a glance

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)	-0.99%	2.73%	-10.12%	-7.22%	8.28%	10.17%	14.77%
	Quality (NIFTY 100 Quality 30 Index)	-2.36%	7.45%	-7.47%	-3.56%	9.10%	9.81%	11.25%
	Low Vol (NIFTY 100 Low Vol 30 Index)	1.06%	7.96%	-6.31%	-1.23%	11.93%	11.40%	13.25%
	Alpha (NIFTY 100 Alpha 30)	-0.41%	14.01%	-0.60%	-3.45%	15.64%	11.61%	16.09%
	Alpha (NIFTY 200 Alpha30)	0.99%	19.22%	5.33%	1.73%	20.05%	17.84%	20.04%
	Momentum (NIFTY 200 Momentum30)	1.56%	14.44%	-0.42%	-2.54%	14.08%	12.60%	17.85%
	Quality (NIFTY 200 Quality30)	-2.57%	7.94%	-7.86%	-5.46%	9.43%	9.61%	12.34%
	Value (NIFTY 200 Value30)	-2.14%	7.92%	3.52%	15.39%	30.32%	27.53%	19.05%
	Momentum (NIFTY Midcap150 Momentum50)	-0.24%	16.27%	2.44%	-0.64%	20.96%	19.72%	21.46%
	Quality (NIFTY Midcap150 Quality50)	0.63%	15.57%	-0.15%	-3.85%	12.14%	9.31%	14.31%
	Quality (NIFTY Smallcap250 Quality50)	-0.19%	14.42%	-2.60%	-11.07%	13.37%	14.06%	15.86%
	Momentum (NIFTY500 Momentum 50)	1.69%	17.40%	2.52%	-2.19%	16.43%	16.05%	19.68%
	Value (NIFTY500 Value 50)	-2.60%	8.21%	4.52%	13.95%	29.22%	26.19%	18.41%
Multi- Factor	Alpha Low Vol (NIFTY Alpha Low Vol 30)	2.51%	9.98%	-2.59%	-2.47%	12.44%	12.04%	14.26%
	Quality Low Vol (NIFTY Quality Low Vol 30)	0.58%	7.48%	-7.87%	-4.88%	7.73%	8.71%	10.89%
	Momentum Quality (NIFTY500 Multicap Momentum Quality 50)	-2.29%	14.07%	1.15%	-4.89%	15.61%	13.90%	17.84%
	Momentum Quality (NIFTY MidSmallcap 400 Momentum Quality 100)	-0.27%	18.61%	6.78%	-0.62%	17.58%	16.31%	18.69%
	Momentum Quality (NIFTY Smallcap 250 Momentum Quality 100)	3.24%	23.52%	5.77%	-3.71%	14.12%	13.31%	17.56%

Source: NSE. Performance up to 1 year is absolute and above 1 year is CAGR. Data as of 30th June 2026. The above indices are TR Indices.

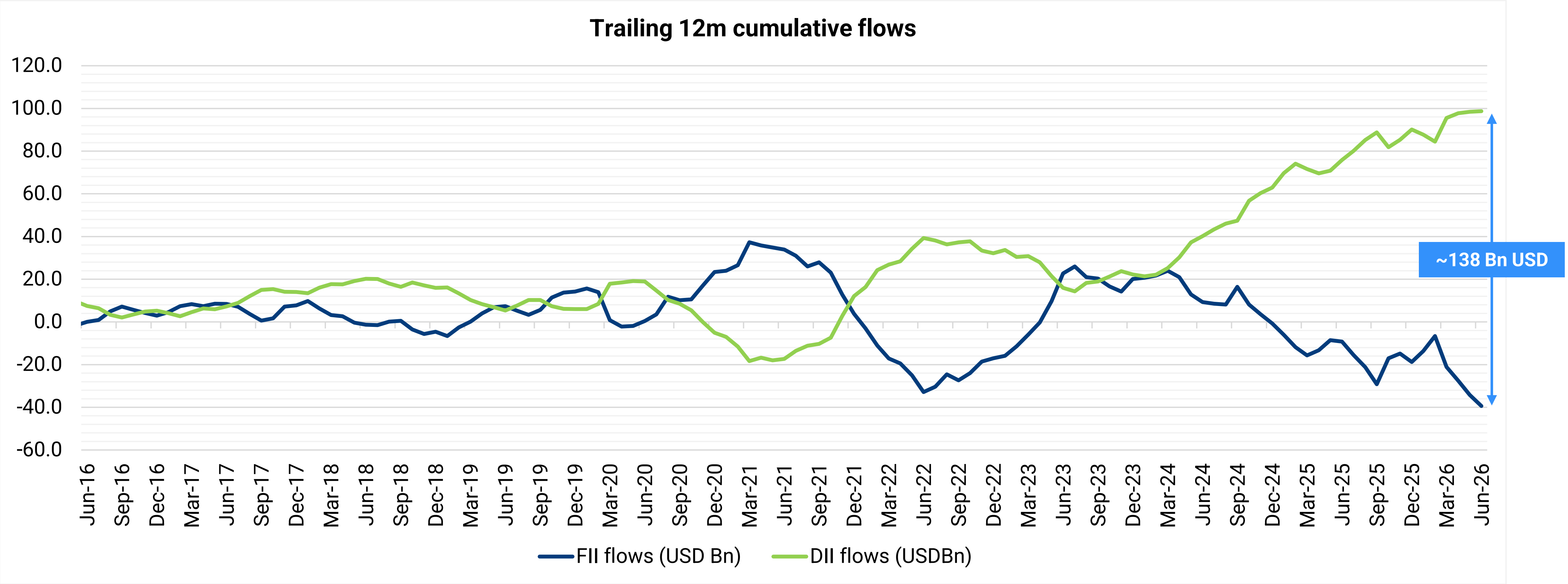
Trends in % share to total M-cap



Source: Bloomberg | Data as on 30th June 2026.

Trends in FII & DII flows

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



Source: Bloomberg | Data as on 30th June 2026.

Do FPIs control the Indian market?

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FPI Outflow

CY	FPI Equity Flow (In Cr)	Nifty 100 TRI	Nifty Midcap 150 TRI	Nifty 500 TRI
2008	-52,987	-53.07%	-64.94%	-56.54%
2009	83,431	84.88%	113.87%	90.96%
2010	1,33,260	19.28%	20.07%	15.27%
2011	-2,714	-24.93%	-31.01%	-26.40%
2012	1,28,361	32.51%	46.69%	33.48%
2013	1,13,134	7.89%	-1.28%	4.82%
2014	97,059	34.88%	62.67%	39.30%
2015	17,801	-1.26%	9.70%	0.22%
2016	20,563	5.01%	6.53%	5.12%
2017	51,252	32.88%	55.73%	37.65%
2018	-33,014	2.57%	-12.62%	-2.14%
2019	1,01,122	11.83%	0.62%	8.97%
2020	1,70,262	16.08%	25.56%	17.89%
2021	25,752	26.45%	48.16%	31.60%
2022	-1,21,439	4.94%	3.91%	4.25%
2023	1,71,107	21.24%	44.61%	26.91%
2024	-191	12.95%	24.46%	16.24%
2025	-1,64,041	10.24%	5.98%	7.76%
2026*	-2,68,868	-6.10%	2.53%	-3.20%

FPI driven market

When FPI sold market delivered negative returns

Market is changing

Outflows remain but return turn positive

Source: NSDL, Bloomberg | *Data as on 30th June 2026 | For a more detailed analysis visit EMF CUE on FIIs.

Do FPIs control the Indian market?

EDELWEISS MUTUAL FUND

CY	FPI Equity Flow (In Cr)	% of Mcap bought/sold by FPIs
2008	-52,987	1.70%
2009	83,431	1.37%
2010	1,33,260	1.83%
2011	-2,714	0.05%
2012	1,28,361	1.86%
2013	1,13,134	1.61%
2014	97,059	0.99%
2015	17,801	0.18%
2016	20,563	0.19%
2017	51,252	0.34%
2018	-33,014	0.23%
2019	1,01,122	0.65%
2020	1,70,262	0.90%
2021	25,752	0.10%
2022	-1,21,439	0.43%
2023	1,71,107	0.47%
2024	-191	0.00%
2025	-1,64,041	0.34%
2026*	-2,68,141	0.56%

FPI driven market

FPIs had a larger influence on Indian equities during earlier market cycles with flows forming a larger share of m-cap

Market is changing

Despite large FPI flows, their relative impact on market cap has declined

Source: NSDL, Bloomberg | *Data as on 30th June 2026 | For a more detailed analysis visit EMF CUE on FIIs.

Equity flows

FPI Flows (USD Mn)

Months	India - DIIs	India - FPIs	Brazil	Indonesia	Malaysia	Philippines	S.Korea	Taiwan	Thailand	Vietnam
CY25	**90,248**	**(18,792)**	**4,616**	**(1,063)**	**(5,163)**	**(883)**	**(4,485)**	**(7,800)**	**(3,211)**	**(4,754)**
CY26TD*	**50,405**	**(28,965)**	**6,250**	**(4,249)**	**(1,170)**	**(244)**	**(94,811)**	**(20,360)**	**882**	**(2,967)**
Jan'26	7,617	(3,260)	4,962	(589)	259	226	449	1,809	141	(239)
Feb'26	4,230	1,688	2,965	21	43	144	(13,690)	7,999	1,743	(304)
Mar'26	15,412	(14,218)	2,235	(1,380)	(11)	(231)	(23,767)	(28,720)	(1,243)	(593)
Apr'26	5,453	(5,221)	592	(990)	76	(211)	593	8,423	(80)	(544)
May'26	8,672	(4,909)	(2,990)	(217)	(945)	(150)	(27,904)	8,385	110	(721)
Jun'26	9,021	(3,045)	(1,514)	(1,094)	(592)	(22)	(30,492)	(18,256)	211	(566)

- **Robust domestic inflows cushion FPI selling:** In CY26TD, DII inflows of nearly ~**$50,000 mn** have more than offset ~**$29,000 mn** of FPI outflows, providing strong support to Indian equities despite heightened global uncertainty and market volatility
- **FPI outflows remain a broad-based EM trend:** India is not an outlier. Across emerging markets, foreign investors have withdrawn capital in CY26TD, with **South Korea, India, and Taiwan** witnessing the largest outflows
- **Only a handful of EMs have attracted net inflows:** **Brazil** and **Thailand** are the only major emerging markets to record net FPI inflows in CY26TD. However, Brazil's momentum has weakened, with flows turning negative since **May 2026**, while Thailand continues to attract only modest inflows

Source: Bloomberg and Kotak Institutional Equities | *Data as on 30th June 2026 | Flows data in USD mn.

Trends in the Commodity market

	Current Rate	1M	3M	6M	1Y	CYTD*
Gold (USD/oz)	4,008	-11.7%	-11.1%	-7.2%	21.3%	-7.2%
Silver (USD/oz)	59	-22.2%	-16.4%	-18.2%	62.3%	-18.2%
Brent Crude (USD/bbl)	73	-20.8%	-35.3%	19.8%	7.9%	19.8%
Aluminium (USD/ton)	3,070	-18.5%	-11.0%	3.4%	18.2%	3.4%
Copper (USD/ton)	13,349	-1.8%	9.9%	7.2%	32.8%	7.2%
Lead (USD/ton)	1,837	-8.5%	-2.2%	-6.6%	-8.9%	-6.6%
Zinc (USD/ton)	3,574	1.6%	12.3%	16.0%	30.4%	16.0%

Key Highlights

- Gold and silver have remained in a corrective phase through 2026, while crude oil has also corrected sharply from its March peak.
- Despite the recent correction in crude, supply-side constraints and geopolitical risks have kept crude prices elevated over the past year.
- Base metals remained broadly in correction over the past three months, with only Copper and Zinc posting modest gains.

Source: Bloomberg. Data as on 30th June 2026.

Trends in the Forex market

Performance of currencies against the USD

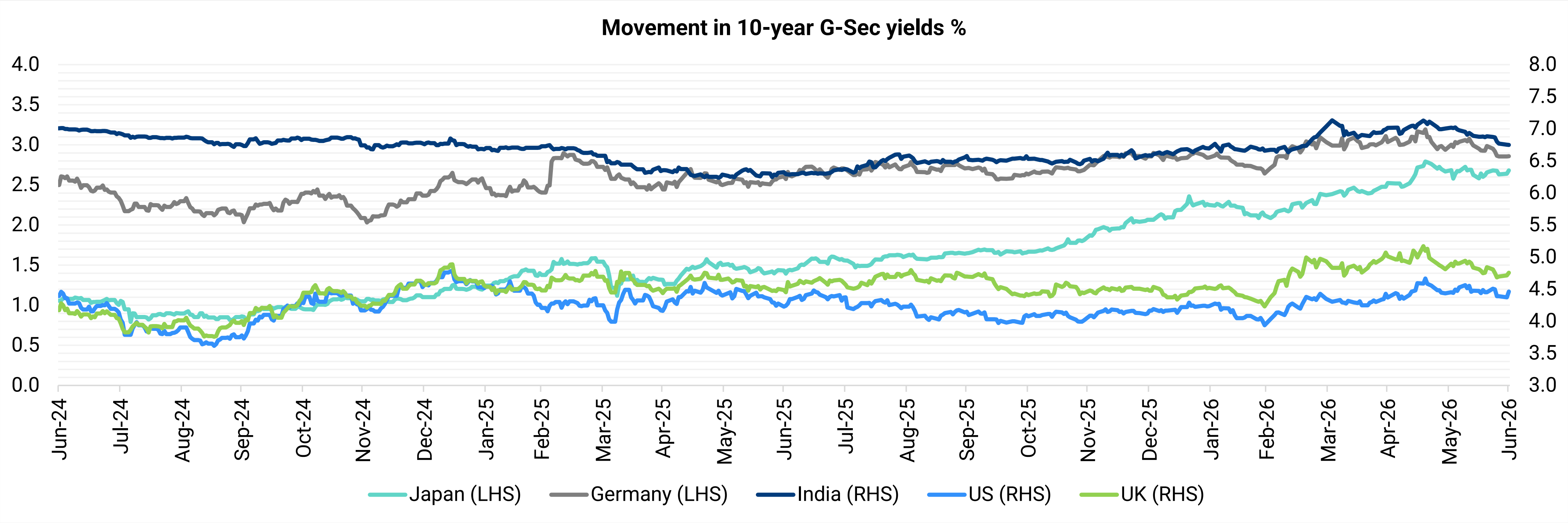
	Currency Rate	1M	3M	6M	1Y	CYTD*
INR	94.67	0.36%	0.15%	-5.40%	-9.40%	-5.40%
Euro	0.88	-2.03%	-0.38%	-2.76%	-3.10%	-2.76%
GBP	0.75	-1.44%	0.58%	0.37%	-3.42%	0.37%
JPY	162.55	-2.02%	-1.75%	-4.36%	-11.39%	-4.36%
CNY	6.79	-0.31%	1.85%	2.97%	5.55%	2.97%
DXY	101.19	2.27%	0.67%	1.78%	4.45%	1.78%
CAD	1.42	-2.84%	-1.92%	-1.40%	-4.15%	-1.40%
AUD	1.45	-3.70%	0.96%	5.73%	5.14%	5.73%
CHF	0.81	-3.39%	-1.12%	-0.47%	-1.90%	-0.47%

Key Highlights

- The INR remained on a depreciating trend over the past year, registering the second-largest decline after the Japanese Yen.
- In contrast, the Chinese Yuan and Australian Dollar emerged as the strongest performers.
- In the last month, the USD strengthened against most major currencies, with the INR showing relative resilience.

Source: Bloomberg. Data as on 30th June 2026 | GBP – Great Britain Pound, JPY – Japanese Yen, CNY – Chinese Yuan, DXY – US Dollar Index, CAD – Canadian Dollar, AUD – Australian Dollar, CHF – Swiss Franc

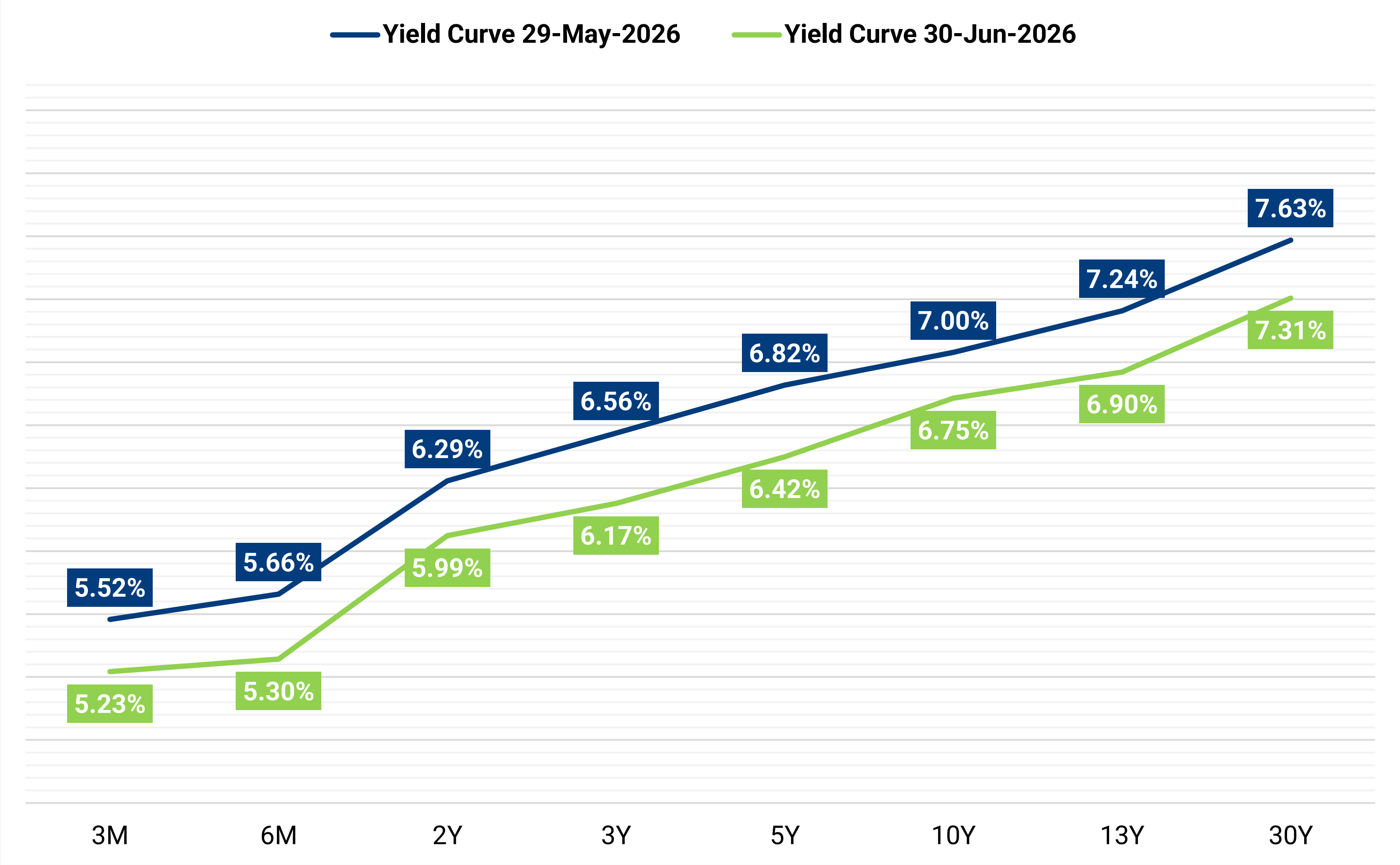
Tracking the 10-year G-sec yields across major economies



	India	US	Japan	UK	Germany
Current YTM	6.75%	4.47%	2.68%	4.76%	2.86%
M-o-M (bps)	(25.40)	2.97	1.60	(5.50)	(7.80)
Q-o-Q (bps)	(28.50)	11.70	30.90	(17.80)	(17.50)
Y-o-Y (bps)	42.60	23.72	125.10	26.80	25.30

Source: Bloomberg. Data as on 30th June 2026.

Tracking India's yield curve



Key Highlights

- Bond markets rallied in Jun'26, as easing geopolitical risks and softer crude oil prices improved sentiment, with India's 10-year G-sec yield falling to 6.75%.
- Indian Bond markets were supported by RBI's unchanged policy stance alongside expanding the fully accessible route (FAR) universe and exempting foreign investors from capital gains also provided near term support

Source: Bloomberg. Data as on 30th June 2026.

Asset class returns

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
8.66%	19.57%	41.29%	7.91%	31.49%	44.40%	31.60%	13.90%	26.91%	25.02%	167.27%	10.21%
8.63%	14.97%	37.65%	6.65%	23.79%	27.97%	28.71%	9.74%	26.29%	22.93%	74.73%	6.20%
7.39%	12.94%	21.83%	6.03%	21.75%	18.40%	4.38%	4.25%	15.37%	20.61%	32.51%	2.88%
1.38%	11.96%	6.05%	5.91%	13.04%	17.89%	3.44%	3.59%	7.82%	17.57%	17.88%	2.84%
0.22%	11.35%	5.11%	-0.21%	10.72%	12.29%	1.35%	2.51%	7.73%	16.24%	7.76%	2.02%
-3.92%	9.85%	4.71%	-2.14%	10.46%	10.42%	-4.21%	0.46%	7.29%	9.57%	7.76%	-1.89%
-6.65%	5.12%	-0.05%	-4.38%	9.53%	9.26%	-8.20%	-12.55%	7.26%	8.95%	6.82%	-3.20%
-9.68%	4.30%	-2.76%	-10.54%	8.97%	-0.29%	-11.83%	-18.11%	-10.46%	7.96%	6.37%	-9.23%

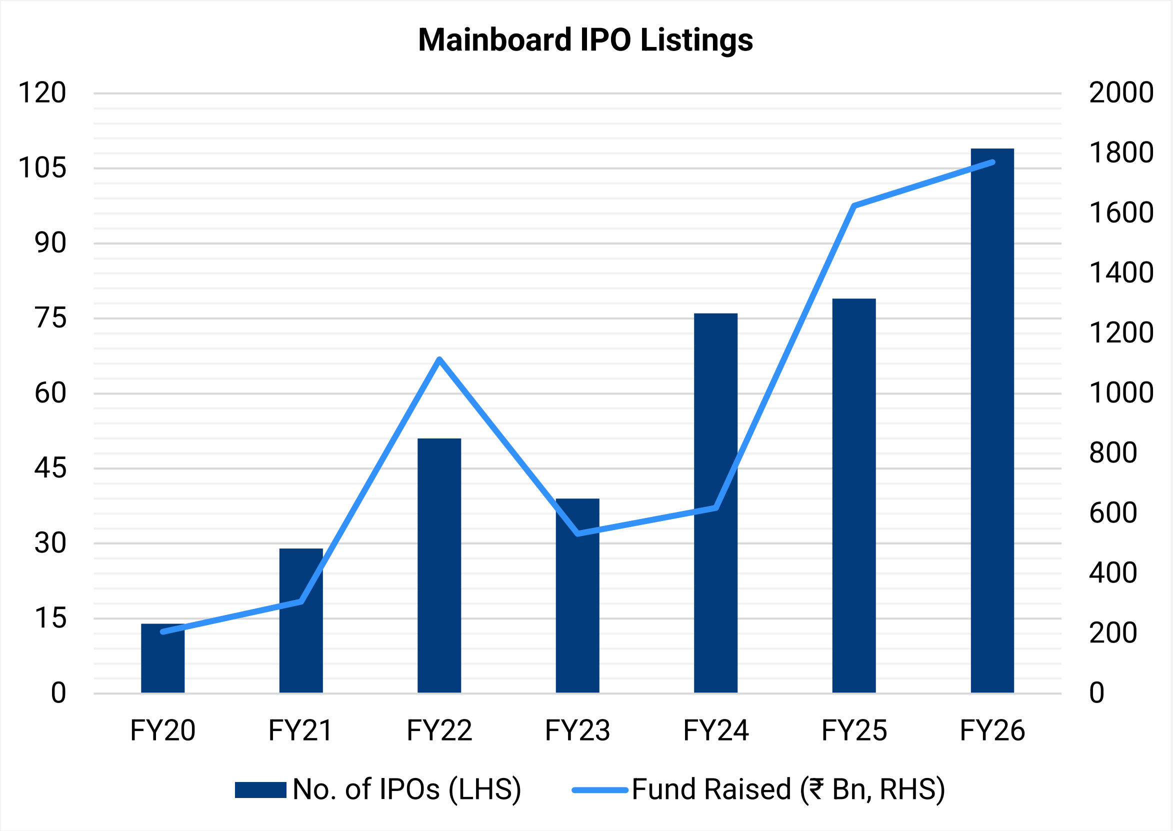
- US Equity
- Gold (Domestic Price)
- Corporate Bond
- ST Bonds
- G-Sec
- Silver (Domestic Price)
- India Equity
- China Equity

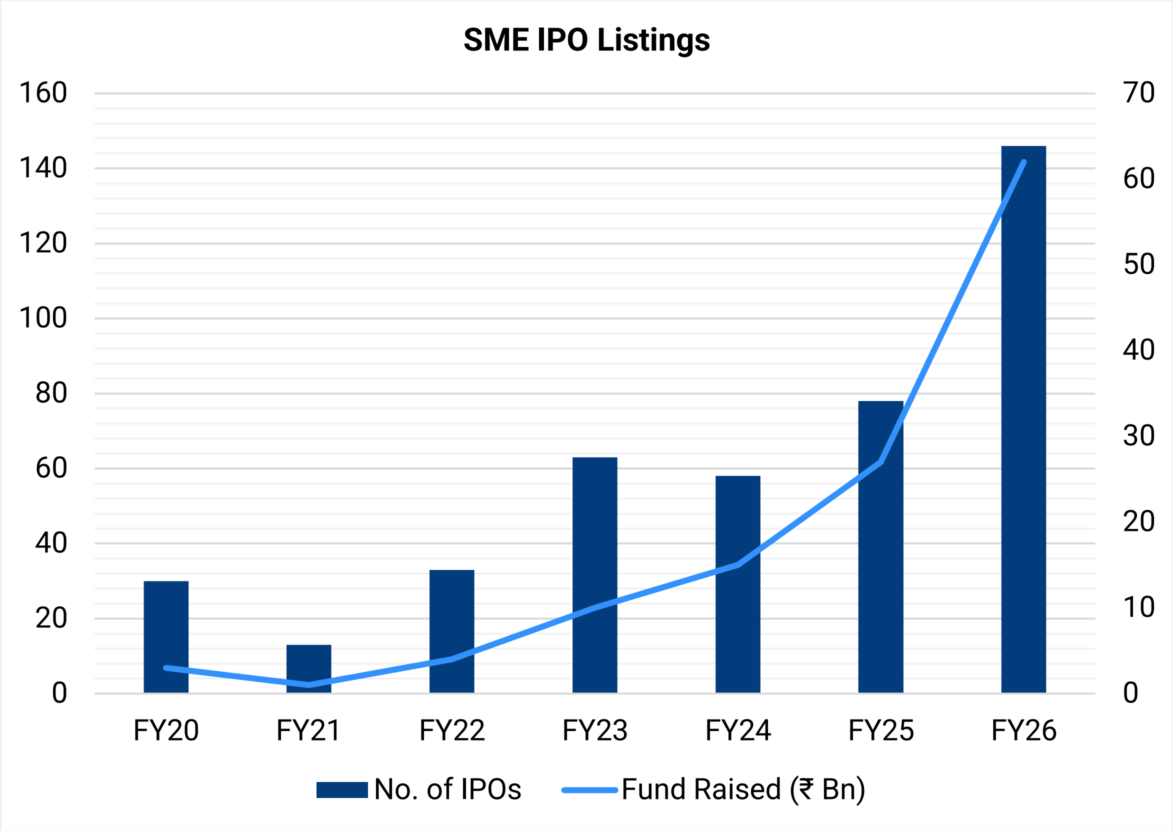
Note: ST Bonds: CRISIL Short Term Bond Index, G-Sec: CRISIL 10 Year Gilt Index, Corporate Bond: CRISIL Composite Bond Index, India Equity: NSE 500 TRI, China Equity: Hang Seng TRI, US Equity: S&P 500 TRI, Gold: Domestic Gold Prices, Silver: Domestic Silver Prices

Source: Bloomberg. *Data as on 30th June 2026.

India's IPO market gains depth

Record mainboard fundraising, coupled with the rapid rise of SME listings, highlights the increasing depth and maturity of India's capital markets





Source: BSE Investor Presentation

Real Estate: Mid-income and aspirational in flavour

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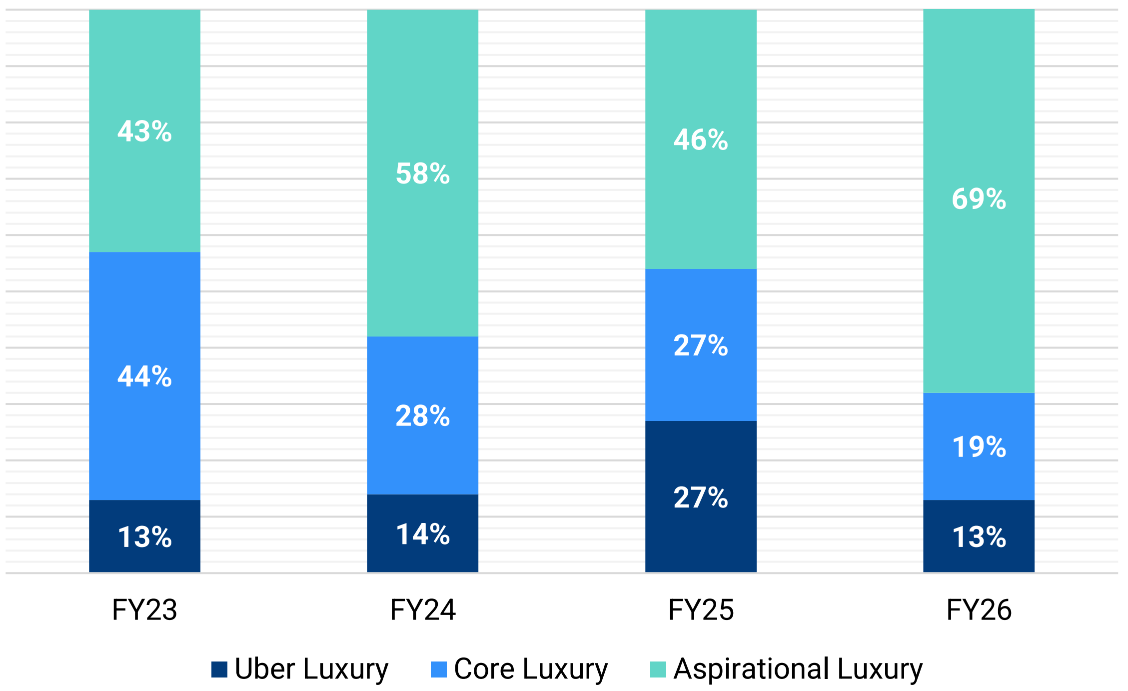
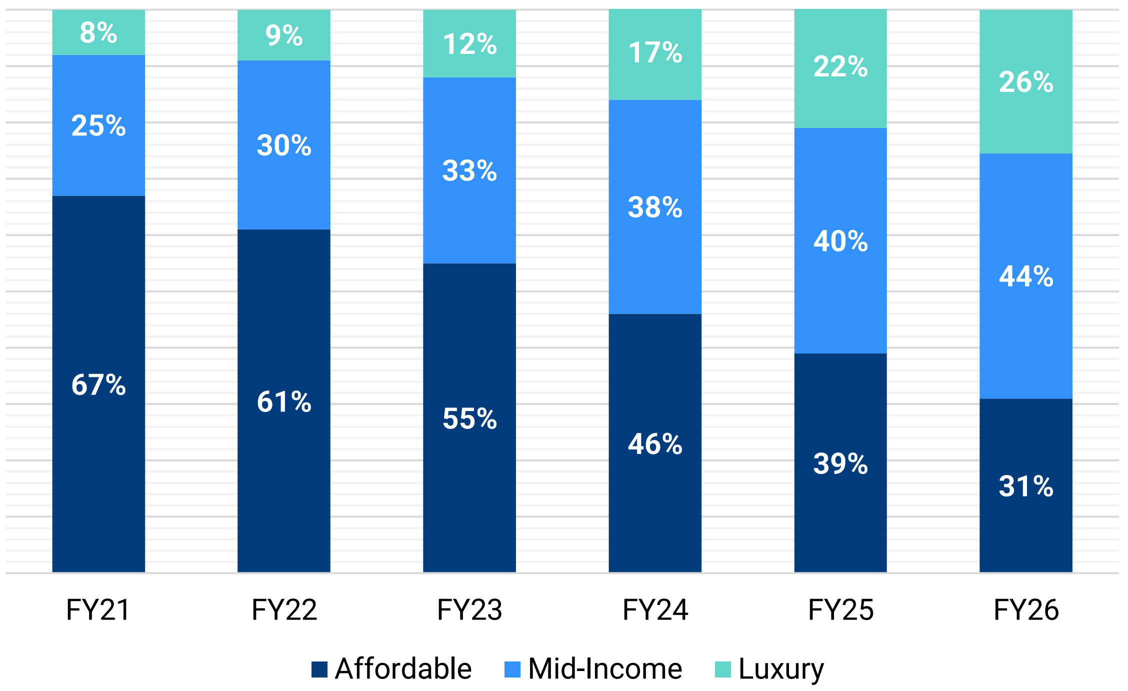
The premiumisation trend in residential real estate remained intact, with higher-value housing segments driving overall market momentum

Rising contribution of aspirational luxury in overall luxury volume growth



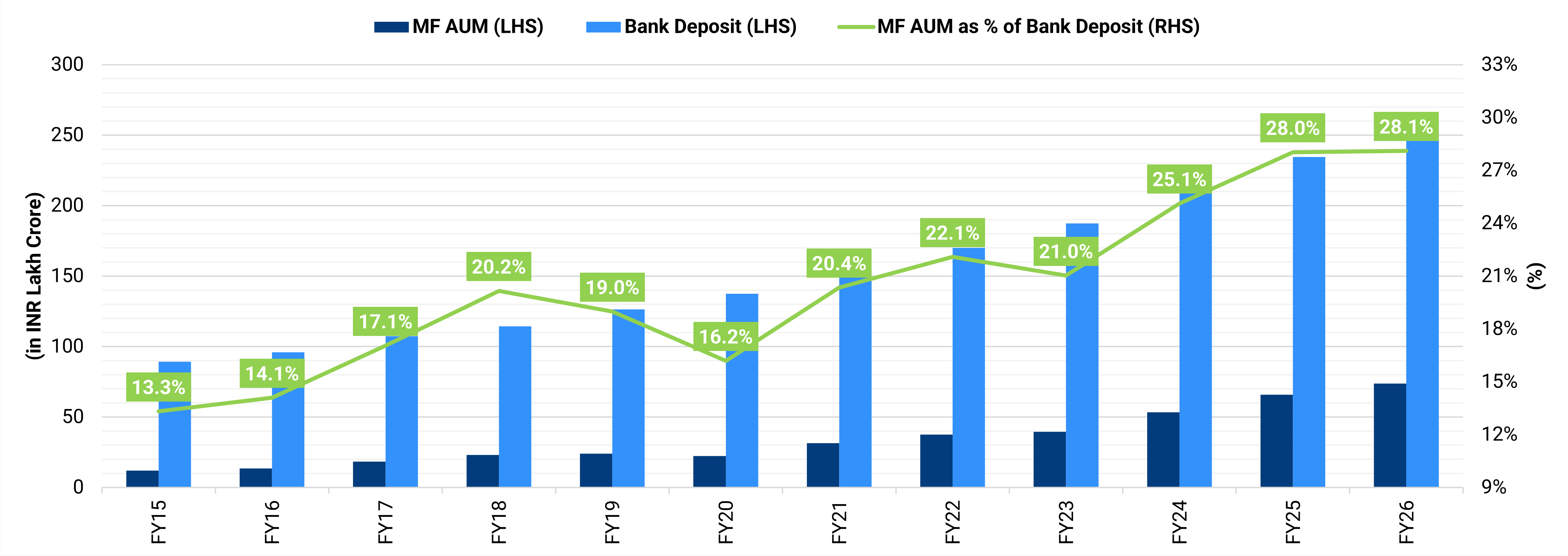
Share of mid-income and luxury in overall absorption mix at ~70% in FY26



Source: Elara Securities Research | Note: Affordable – Avg. Ticket Size < INR 10mn; Mid-income: Avg Ticket Size – INR 10-30 mn; Luxury – Avg. Ticket Size > INR 30 mn | Uber Luxury: Avg. Ticket Size – INR >100 mn; Core Luxury: Avg. Ticket Size of INR 50-100 mn; Aspirational Luxury: Avg. Ticket Size of INR 30-50 mn.

Financialization of savings continues

Despite strong growth, mutual fund assets remain meaningfully smaller than bank deposits, indicating substantial headroom for long-term penetration growth



Source: RBI, AMFI

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

Tracking the key macro indicators

Indicator	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
CPI Inflation (YoY %)	2.1	1.6	2.1	1.5	0.3	0.7	1.3	2.7	3.2	3.4	3.5	3.9
Crude Indian Basket ($)	69.8	71.0	69.1	69.6	65.1	64.3	62.2	63.1	69.0	113.5	114.5	106.2
GST Collection (lkh Crs.)	1.9	2.0	1.9	1.9	2.0	1.7	1.7	1.9	1.8	2.0	2.4	1.9
FX Reserve ($ bn)	703	698	694	700	690	686	697	724	728	688	698	682
Trade Balance ($Bn)	-18.8	-27.4	-26.5	-32.1	-41.7	-24.6	-25.1	-34.6	-27.1	-20.7	-28.3	-28.2
Bank Credit %	9.5	10.0	10.0	10.4	11.3	11.5	14.5	14.6	15.4	16.1	16.0	17.7
Bank Deposit %	10.1	10.2	10.2	9.5	9.7	10.2	12.7	12.5	13.0	13.5	12.3	12.2
CD Ratio %	79%	79%	79%	80%	80%	81%	82%	82%	82%	83%	83%	83%
Manufacturing PMI	58.4	59.1	59.3	57.7	59.2	56.6	55.0	55.4	56.9	53.9	54.7	55.0
Services PMI	60.4	60.5	62.9	60.9	58.9	59.8	58.0	58.5	58.1	57.5	58.8	59.8

Source: RBI and Bloomberg

Indian debt market indicators

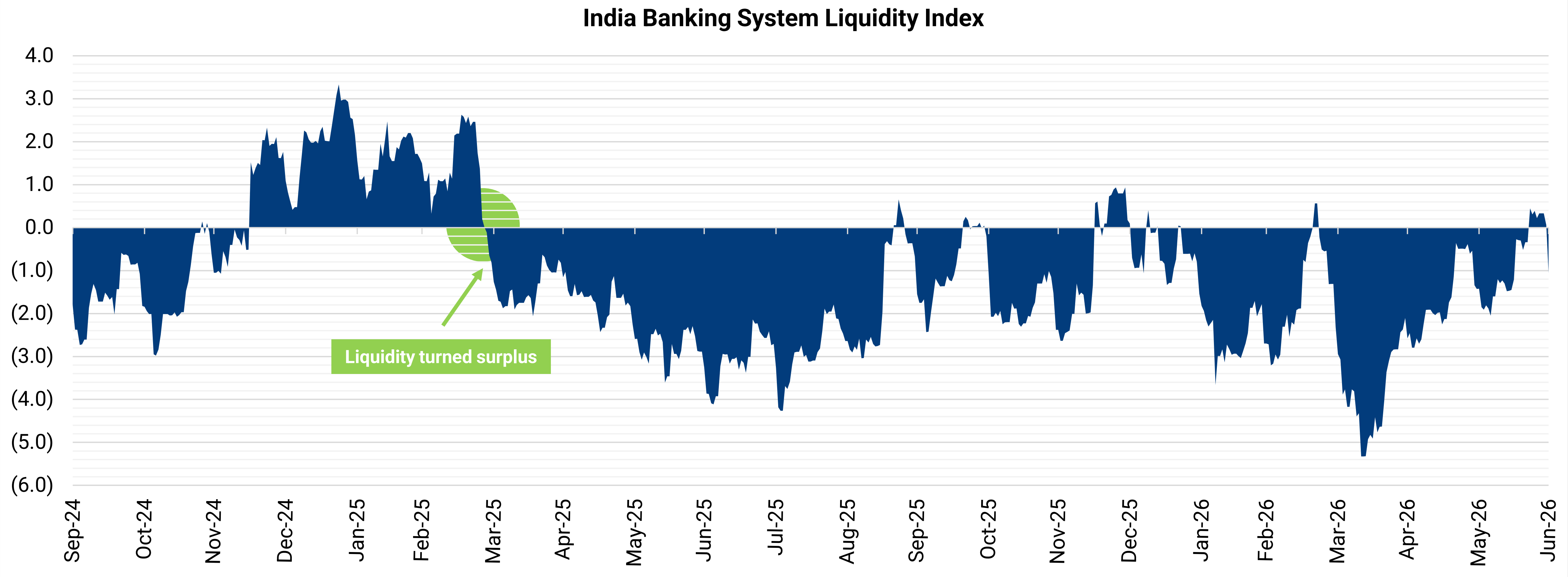
Bond yields eased over the past month, driven by steady foreign inflows and optimism around India's likely inclusion in the Bloomberg Global Aggregate Bond Index

Broad Indices	03-Jul-26	Week Ago	Month Ago	6M Ago	Year Ago
1 Year AAA Corporate Bond	7.38%	7.38%	7.68%	7.01%	6.71%
3 Year AAA Corporate Bond	7.35%	7.31%	7.61%	7.04%	6.87%
5 Year AAA Corporate Bond	7.26%	7.26%	7.57%	7.14%	7.00%
10 Year AAA Corporate Bond	7.51%	7.58%	7.78%	7.32%	7.07%
1 Year G-Sec	5.83%	5.77%	6.17%	5.67%	5.54%
3 Year G-Sec	6.21%	6.19%	6.53%	6.08%	5.83%
5 Year G-Sec	6.41%	6.43%	6.83%	6.34%	6.08%
10 Year G-Sec	6.71%	6.77%	7.03%	6.61%	6.29%

Source: CCIL, Refinitiv

Banking system liquidity in surplus

In Jun'26, the Banking system liquidity briefly slipped into deficit after nearly three months of surplus, before returning to surplus by month-end, supported by RBI's liquidity infusion measures



Source: Bloomberg. Bloomberg Intelligence India Banking System Liquidity index is considered. Data as on 30th June 2026.

FCNR(B) window: Strengthening India's external position

FCNR(B) is a targeted measure to attract stable NRI foreign currency deposits, strengthen India's FX reserves and external position, support the rupee and improve liquidity

How does it work?

1. NRI deposits foreign currency with an Indian bank
2. Banks receive FX → Converts it into INR → Deploys further for lending
3. RBI absorbs FX hedge cost (Swap Window)
4. Banks receive INR liquidity
5. Higher FCNR(B) rates → More NRI inflows

Why did RBI introduce it?

- Pressure on INR amid global uncertainty
- Attract long-term NRI USD deposits
- Improve forex reserves without rate hikes

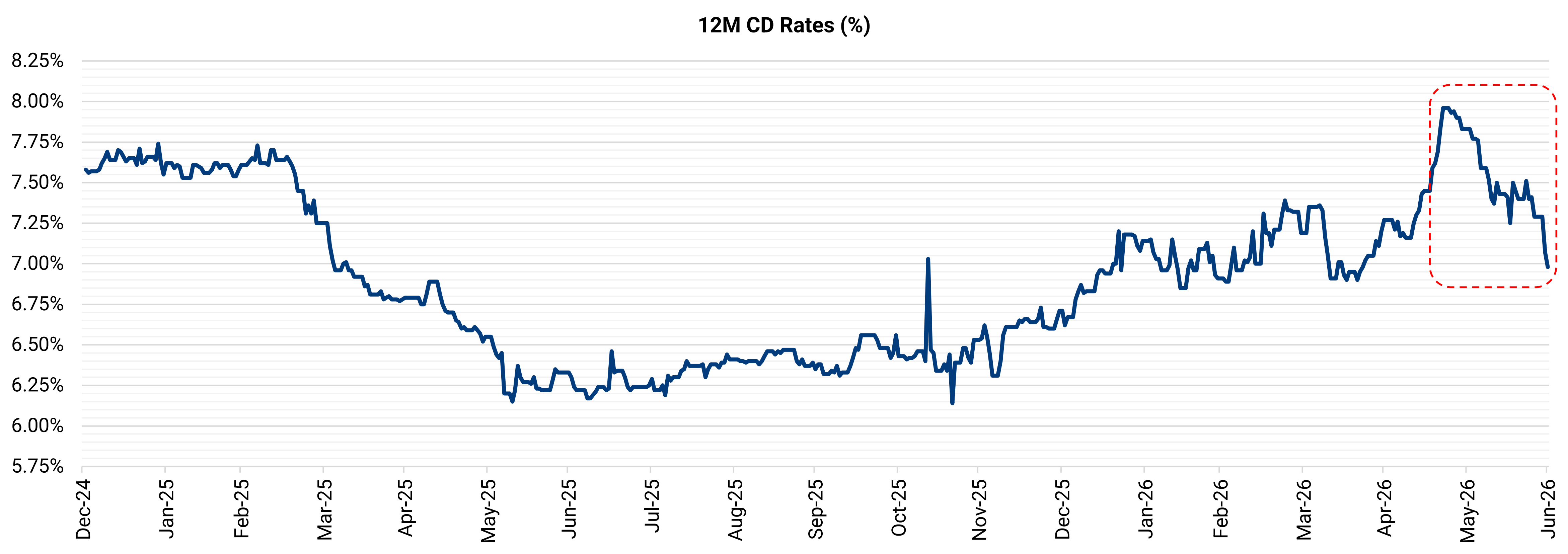
Why does it matter?

- Supports the rupee (INR)
- Strengthens FX reserves
- Improves banking liquidity
- Preserves growth momentum

Source: Public | Note: FCNR (B) – Foreign Currency Non-Resident (Bank) Account

FCNR(B) measures begin to ease deposit costs

Following RBI's FCNR(B) announcement, banks' wholesale deposit cost have started to ease, as reflected in lower CD rates



Source: Yes Securities | Note: CD – Certificate of Deposit

Trend of India's oil imports & its impact due to price change

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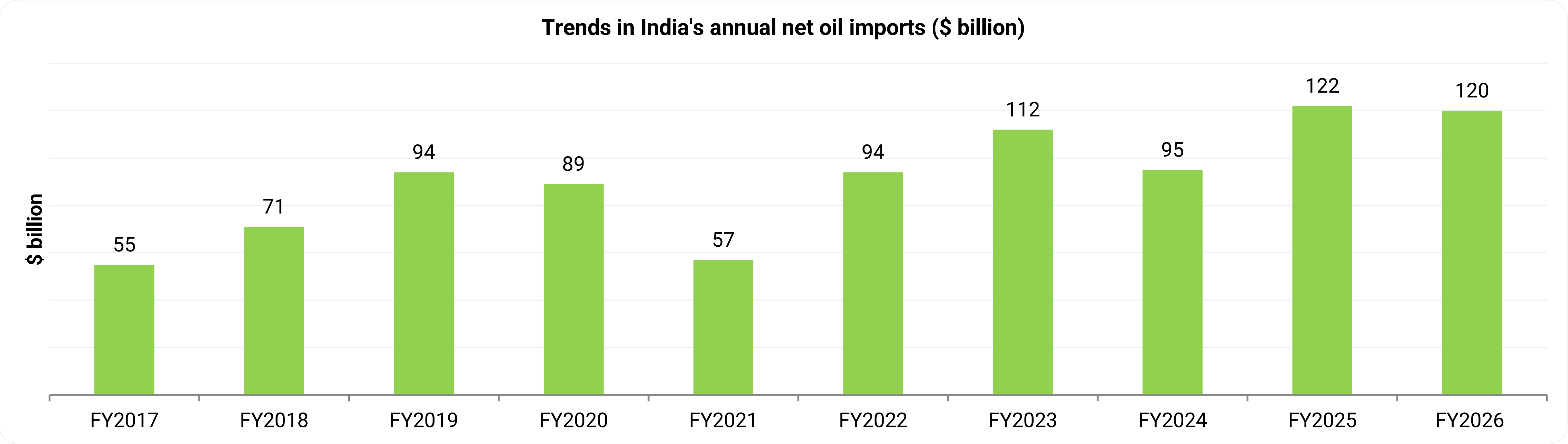
USD 10/barrel rise in average Brent prices would lead to USD ~14.4bn rise in oil import bill



Increase in oil prices changes India's external math

Crude oil price	USD 100/barrel (Base Case)	USD 130/barrel (Worst Case)
CAD as % of GDP	2.1%	3+%
Expected rise in oil import bill by	~USD 45Bn	~USD 86Bn

Source: Elara Securities Research | CAD – Current account deficit

India ranks among the most efficient growth economies

GDP Size	Country	10-Year Avg. (Quarterly GDP)	Std Dev	Growth-to-Volatility Ratio
$32.4T	United States	2.50%	2.50%	0.96
$20.9T	China	5.60%	3.20%	1.73
$5.5T	Germany	0.70%	3.00%	0.25
$4.4T	Japan	0.50%	2.50%	0.19
$4.3T	United Kingdom	1.50%	6.40%	0.23
$4.2T	**India**	**6.10%**	**6.20%**	**0.99**
$3.6T	France	1.30%	4.40%	0.31
$2.7T	Italy	1.20%	5.10%	0.23
$2.7T	Russia	1.50%	3.20%	0.46
$2.6T	Brazil	1.30%	3.30%	0.40

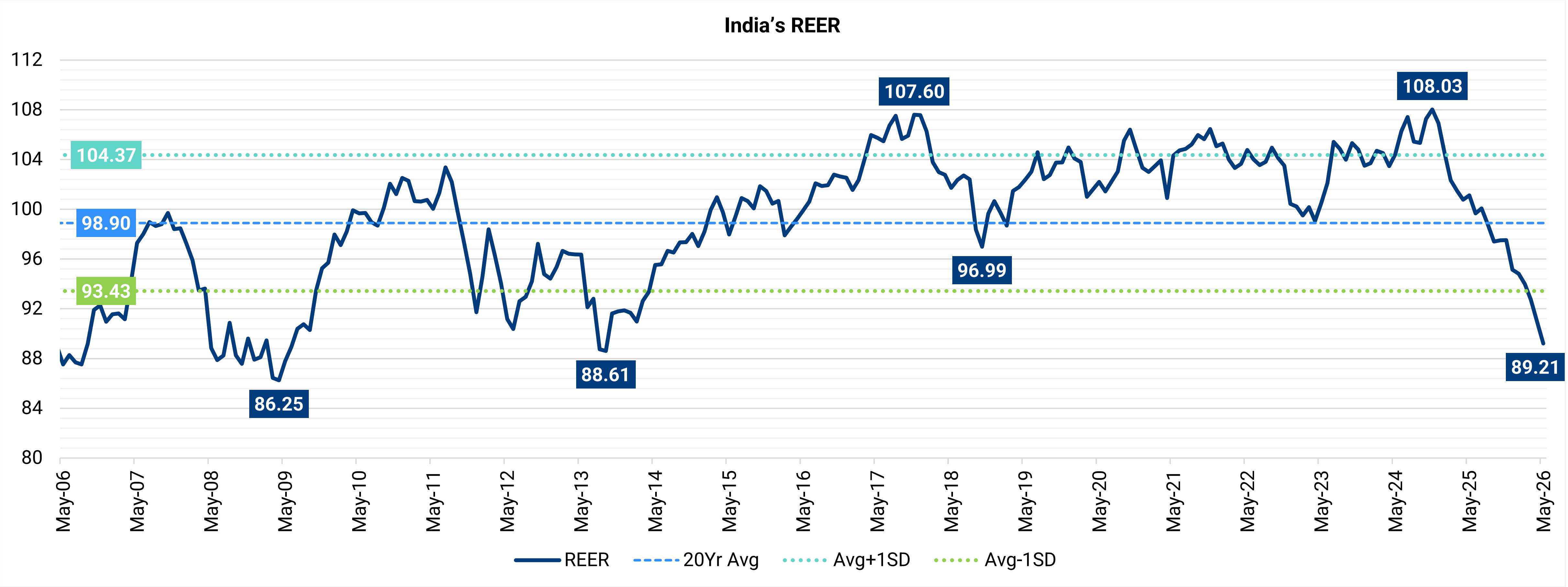
Key Highlights

- Growth-to-Volatility (GVR) Ratio is the Sharpe Ratio of GDP growth. It measures how much growth an economy generates for every unit of volatility.
- On this metric, **China [1.73]** and **India [0.99] stands out**, while developed economies such as **Japan [0.19]**, **Italy [0.23]** and the **UK [0.23]** generate significantly lower growth per unit of volatility.

Source: Bloomberg, Internal Analysis. YoY GDP growth for last 10 year data is considered for analysis | GVR = Mean Growth ÷ Standard Deviation

India's Real Effective Exchange Rate (REER) near 13-year low

REER continues to trend lower. Lower REER is likely to support export momentum by improving price competitiveness, benefiting export-oriented sectors like manufacturing and services



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

How does the macro backdrop stand compared to 2013?

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Category	Heads	2013 Taper Tantrum Period: Pre-crisis year (FY2013)	2013 Taper Tantrum Period: Crisis year (FY2014)	Iran conflict period: Pre-crisis year (FY2026)	Iran conflict period: Crisis year (FY2027 forecast*)	Summary
Growth-inflation dynamics	Real GDP growth (%)	5.5	6.4	7.5	6.6	Higher growth and lower inflation in recent years
	Headline inflation (%)	7.2	9.4	1.9	4.6	
	Core inflation (%)	8.8	7.2	4	4.4	
External sector	Current account balance (% of GDP)	-5	-1.8	-0.8	-2	Lower CAD but also very low capital account surplus in recent years
	Capital account balance (% of GDP)	5	2.7	0.1	0.8	
Currency	Spot FX reserves (months of import cover, EoP)	7	7.8	10.6	8.1	Better FX reserve cover but much higher net Forward short position. Lower nominal INR depreciation now but similar REER levels
	Spot + Forward FX reserves (months of import cover, EoP)	6.7	7	9	6.7	
	USDINR change, EoP (%)	6.7	10.6	9.4	1.6	
	Minimum intra-year point of RBI REER* (Index)	90.4	88.6	92.7	90.2	
Interest rates	Average real repo rate (%)	-1.7	0.5	1.8	1.2	Much higher real policy rates now and real IN-US bond yield differential. But lower nominal bond yield differential
	India-US nominal 10Y Sov Spread (bps)*	641	580	228	263	
	India-US real 10Y Sov Spread (bps)*	-159	-49	231	103	
Debt	Centre's fiscal balance (% of GDP)	-5.1	-4.6	-4.5	-4.4	Lower Centre fiscal deficit now, but higher state deficit and overall public debt
	Combined balance (% of GDP)	-7.1	-6.9	-7.6	-7.1	
	Total public debt (% of GDP)	68.6	69	84.8	82.8	
Private sector balance sheet	Non-fin corporate debt (% of GDP)	75	69	51.9		Much lower corporate debt and Bank NPAs now. But higher household debt
	Household debt (% of GDP)	36.5	35.9	45.5		
	Bank NPAs (%)	9	9.7	2.5		

Source: Citi Research, MoSPI, RBI, Thomson Reuters, Bloomberg, *REER and bond spread value for FY27 is latest as of May 2026. Real bond yield derived by deflating against 6M avg inflation 9M ahead. EoP –End of Period

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

Much of the bad news has been priced in...

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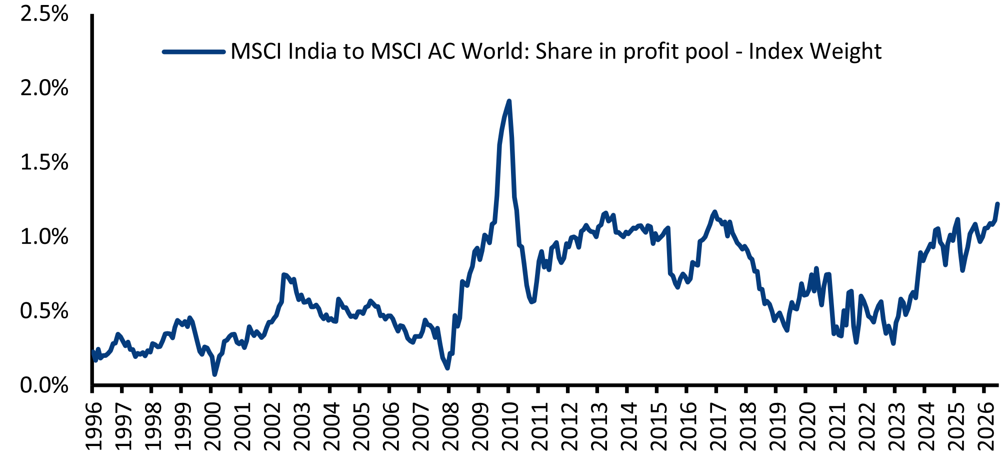
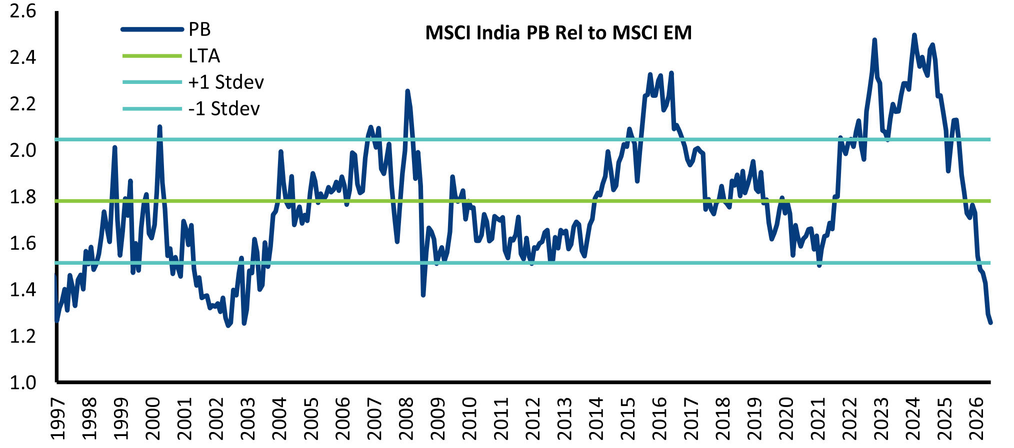
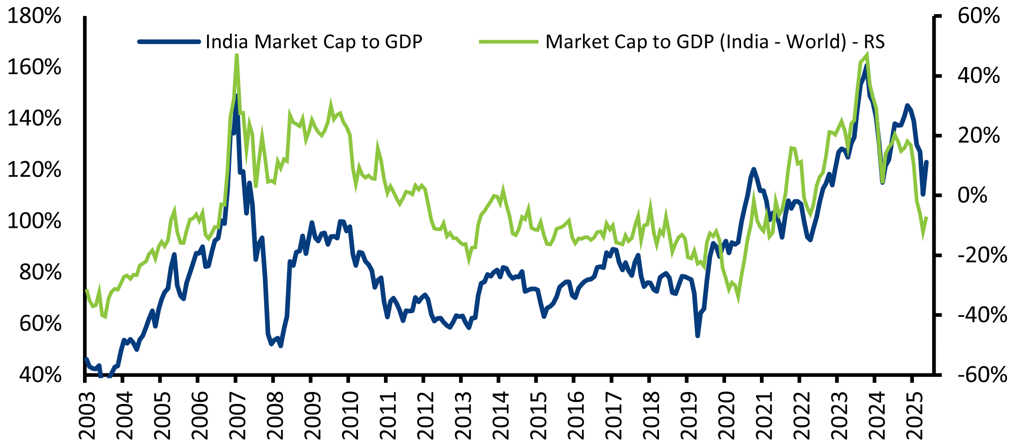
India's Profit Share at its Highest Relative to Index Weight



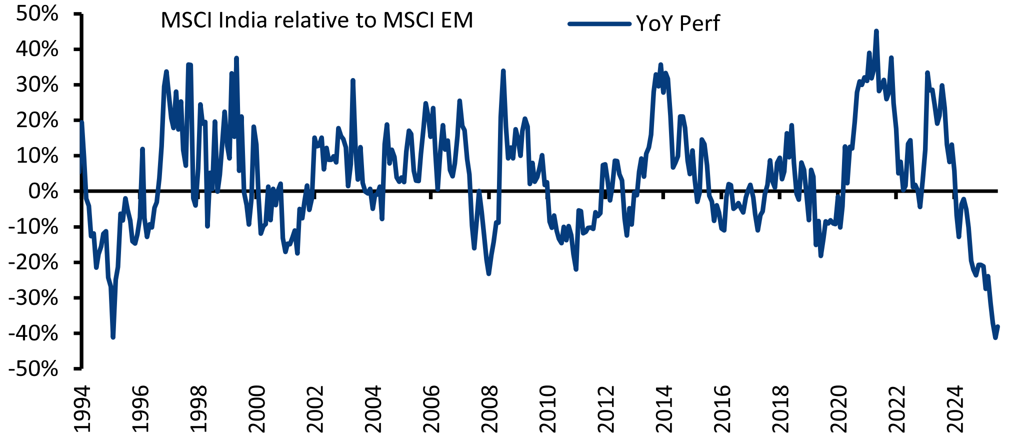
Relative PB



Market Cap to GDP



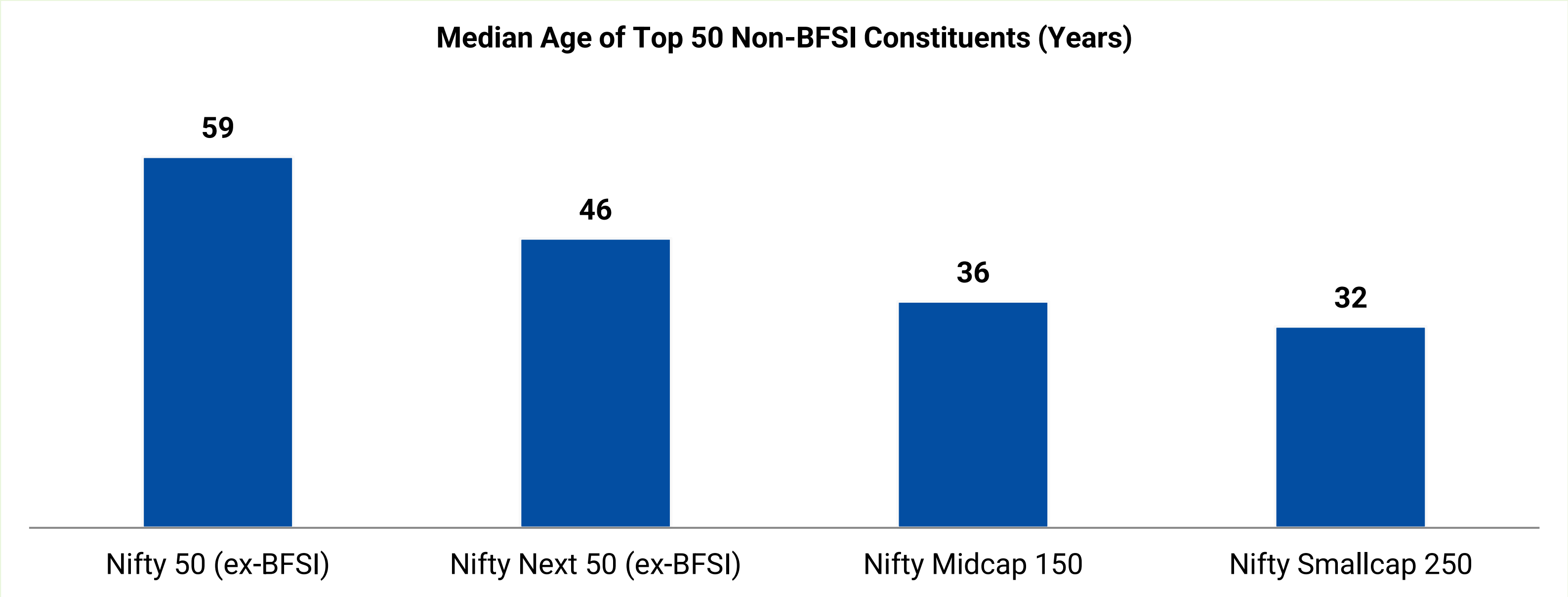
YoY Performance at Multi-year Lows



Source: Morgan Stanley Research

New India lives beyond the Nifty 50

Index	# of cos. (ex-BFSI)	# of cos. with history < 25 yrs	# of cos. with history < 15 yrs	Wt. of cos. with history <25y	Wt. of cos. with history <15y
Nifty 50	38	1	-	1.4%	-
Nifty Next 50	40	8	3	16.0%	7.0%
Nifty Midcap 150	50	10	4	9.0%	3.9%
Nifty Smallcap 250	50	11	5	7.6%	4.0%



Key Highlights

* While the **Nifty 50** continues to represent India's blue-chip companies, it has limited exposure to several emerging growth sectors.
* Structural themes such as **renewables, digital commerce, defence, modern logistics and new-age mobility** are more meaningfully represented beyond the headline index.
* As India's economy transforms, broadening exposure beyond the Nifty 50 may better capture future growth opportunities.

Source: NSE, Internal Analysis. Note: BFSI (banks, NBFCs, insurance, AMCs, wealth, exchanges) excluded. Top 50 stocks (ex-BFSI) across indices considered for analysis.

The Nifty 50 is aging!

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The Nifty 50 (ex-BFSI) remains heavily tilted towards legacy sectors. It reflects established India, while many of the country's emerging growth engines remain underrepresented

38
Non-BFSI companies in Nifty 50

37
of them are founded BEFORE 2001

59
Median age (years) of a Nifty 50 company

1.4%
Index weight in <25-year-old companies

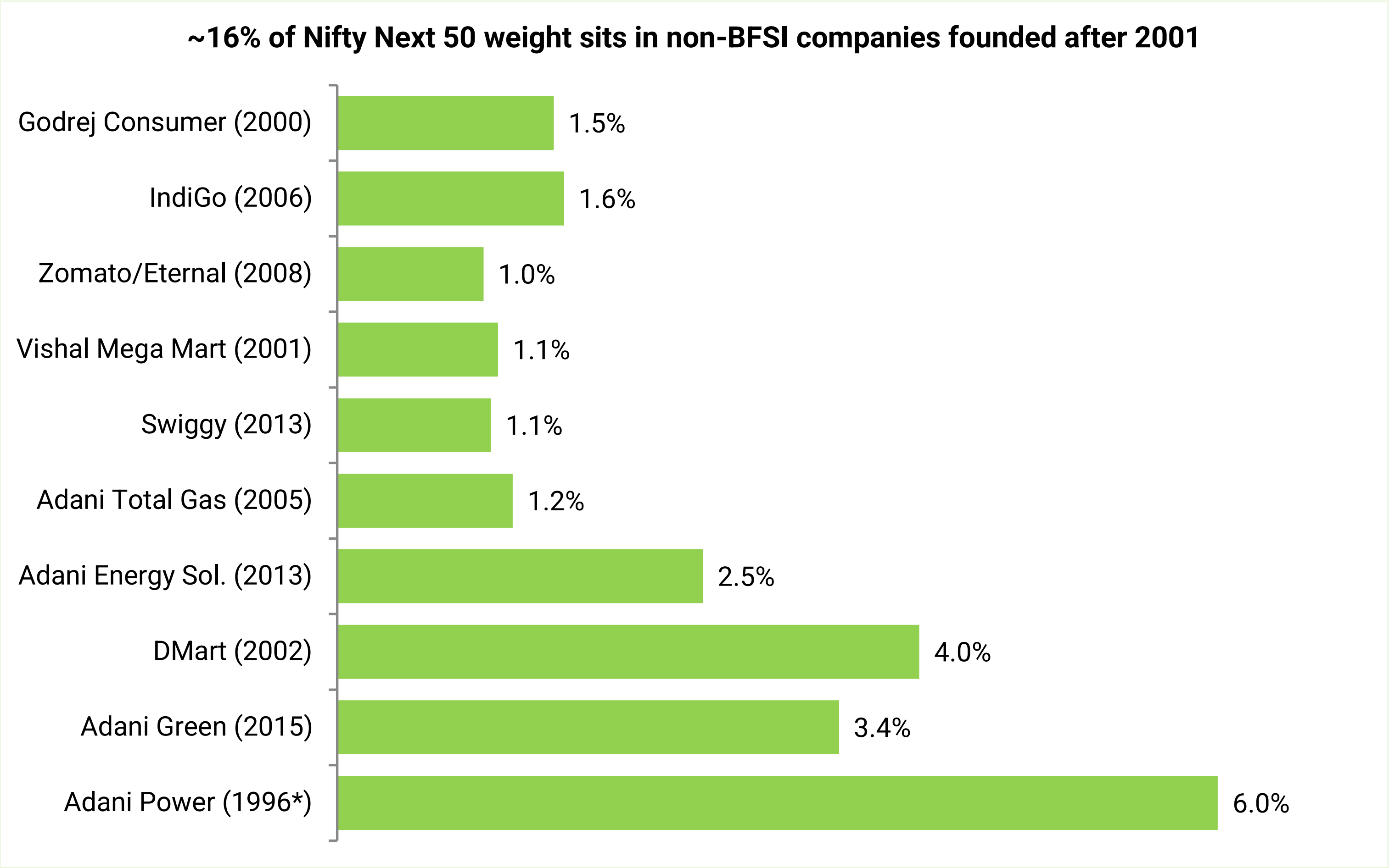
Nifty 50 Non-BFSI – Youngest vs Oldest

Youngest 5	Founded
Eternal (Zomato)	**2008**
UltraTech Cement	2000
Adani Ports	1998
Bharti Airtel	1995
HCL Technologies	1991

Oldest 5	Founded
Britannia	1892
Tata Steel	1907
ITC	1910
Hindustan Unilever	1933
Cipla	1935

Source: NSE, Internal Analysis. Note: BFSI (banks, NBFCs, insurance, AMCs, wealth, exchanges) excluded. Stocks mentioned are for illustrative purposes only and may or may not be the part of the portfolio.

Nifty Next 50 is where 'New India' has scale.



Key Highlights

* Nifty Next 50 isn't a second-tier index. It is the incubation ground for the next generation of market leaders.
* From **renewables** (Adani Green, Adani Total Gas), and **digital platforms** (Info Edge) to **new-age consumption** (DMart, IndiGo, Swiggy, Zomato), Nifty Next 50 already houses businesses operating at meaningful scale.

Source: NSE, Internal Analysis. *Note: Adani Power operating since 1996; listed 2009 | Stocks mentioned are for illustrative purposes only and may or may not be the part of the portfolio.

Mid and Small caps house the youngest India

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36 yrs	**32 yrs**	**21**	**9**
Median age of top 50 non-BFSI in Midcap 150	Median age of top 50 non-BFSI in Smallcap 250	Non-BFSI companies <25 yrs old (combined)	Non-BFSI companies <15 yrs old (combined)

Where New-Economy India lives — by theme

GREEN / RENEWABLES

- **NTPC Green (2022)**
- **Adani Green (2015)**
- **ACME Solar (2015)**
- **Adani Energy Sol (2013)**
- Waaree Energies (1989)
- JSW Energy (1994)

DIGITAL & E-COMMERCE

- **PhysicsWallah (2020)**
- **Meesho (2015)**
- **Swiggy (2013)**
- **Nykaa (2012)**
- **Delhivery (2011)**
- Lenskart (2010)
- Zomato/Eternal (2008)

MODERN INFRA & MOBILITY

- **Motherson Sumi Wiring (2020)**
- **ABB Power Products (2019)**
- **Aegis Vopak (2013)**
- **Schneider Electric Infra (2011)**
- ZF Comm. Vehicles (2008)
- Indus Towers (2007)
- JSW Infrastructure (2006)

Source: NSE, Internal Analysis. Note: Companies in Bold/highlighted represents founded in the last 15 years | Stocks mentioned are for illustrative purposes only and may or may not be the part of the portfolio.

Every market is a bet on one theme except India

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Global markets are increasingly rewarding concentration. India continues to reward breadth.

COUNTRY	DOMINANT THEME	SECTOR CONCENTRATION	WEIGHT
Taiwan TAIEX	AI / Semiconductors		~76%
South Korea KOSPI	AI / Memory Chips		~42%
United States S&P 500	AI / Big Tech		~34%
Brazil Ibovespa	Commodities (Mining + Oil)		~20%

India **No single dominant theme** **No single sector >36%**

Financials 36% Oil & Gas 11% IT Services 9% Autos 7% FMCG 6% Telecom 5% Others 26%

Sources: FTSE Russell / LSEG (Taiwan tech ~76%, Korea tech ~42% of equity market, Dec 2024); S&P Dow Jones Indices & Slickcharts (Mag 7 ~33.7% of S&P 500, Apr 14, 2026); Bespoke Investment Group via CNBC (Mag 7 contribution to 2024 returns); B3 Brasil Bolsa Balcão (Ibovespa); NSE Indices & Tickertape (Nifty 50 sector mix, Apr 2026). Data: April 2026. All figures rounded.

India outperformed recently despite global AI euphoria

Country	Rating	10Y Yield (%)	Equity 1M Return	12M Fwd. PE	GDP growth
Emerging Market					
India	BBBu	6.7	3.7	18.5	7.6
Thailand	BBB+	2.0	3.3	14.9	2.4
Brazil	BB	14.6	1.4	8.3	2.3
Taiwan	AA+u	1.8	0.7	20.1	8.7
Malaysia	A-	3.6	-0.5	14.6	5.2
Indonesia	BBB	7.1	-1.2	8.2	5.1
Mexico	BBB	9.0	-1.8	12.6	0.6
China	A+u	1.7	-2.0	14.4	5.0
South Africa	BB	8.4	-2.3	9.1	1.1
South Korea	AA	4.2	-8.1	7.3	1.0
Hong Kong	AA+	1.4	-8.9	10.0	3.5
Median		**4.2**	**-1.2**	**12.6**	**3.5**
Developed Market					
Spain	A+u	3.4	8.8	14.5	2.8
Italy	BBB+u	3.7	5.0	13.5	0.5
France	A+u	3.7	4.0	14.7	0.9
Germany	AAAu	2.9	3.4	15.5	0.2
United Kingdom	AAu	4.8	2.9	12.9	1.3
Singapore	AAAu	2.1	2.1	15.6	5.0
Japan	A+u	2.8	1.7	17.2	1.2
Australia	AAAu	4.8	0.7	17.2	2.0
Canada	AAA	3.4	0.5	15.8	1.7
USA	AA+u	4.5	-0.9	20.2	2.1
Median		**3.6**	**2.5**	**15.6**	**1.5**

Key Highlights

- Indian equities outperformed global peers, delivering [+3.7%] returns over the past month, ahead of the median Emerging Markets [-1.2%] & Developed Markets [+2.5%], underscoring the market's relative resilience
- This came even as AI-driven themes continued to dominate investor attention globally

Source: ICICI Securities | Returns as on 3rd July 2026

Can markets defy currency weakness once again?

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More often than not, markets have bounced back after periods of currency depreciation

CY	Min USD/INR	Max USDINR	% INR Depreciation from the peak	1Y CAGR from lows* (Nifty 50 TRI)	3Y CAGR from lows* (Nifty 50 TRI)	5Y CAGR from lows* (Nifty 50 TRI)
2008	39.27	50.29	21.92%	93.14%	23.92%	19.55%
2009	46.09	51.97	11.31%	95.71%	28.21%	20.21%
2011	44.08	53.72	17.95%	24.47%	21.45%	12.91%
2012	48.7	57.16	14.80%	11.45%	18.93%	14.72%
2013	53.14	68.83	22.80%	52.42%	18.91%	18.78%
2018	63.37	74.39	14.81%	11.25%	21.63%	14.98%
2022	73.89	83.02	11.00%	13.20%	14.97%	?
2026^	89.89	96.83	7.17%	?	?	?

Source: Bloomberg, NSE. Past performance may or may not be sustained in the future. ^Data as on 29th May, 2026. * From USDINR lows.

Sectoral bull runs are higher than index bull runs

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Sectoral bull runs tend to be sharper and more concentrated than broader index rallies, often delivering higher peak returns

Bull Market Period	Nifty 500 TRI	#1 Sector	#1 Return %	Returns over Nifty 500	#2 Sector	#2 Return %	Returns over Nifty 500
Apr 05 – Jan 08	241%	**Infrastructure**	390%	1.62x	**Commodity**	296%	1.23x
Mar 09 – Nov 10	170%	**Bank**	308%	1.82x	**Auto**	284%	1.68x
Sep 13 – Mar 15	82%	**Transportation**	142%	1.73x	**Bank**	133%	1.63x
Feb 16 – Jan 18	74%	**Realty**	194%	2.62x	**Oil and Gas**	111%	1.50x
Mar 20 – Oct 21	159%	**Technology**	241%	1.52x	**Realty**	219%	1.38x
Jun 22 – Sep 24	93%	**Realty**	208%	2.23x	**Auto**	163%	1.74x

Source: AceMF, Internal Analysis | Data considered from 2005 to 2026 | Periods are illustrative. Returns are absolute, based on peak-to-trough movements for each phase.
Sector returns are calculated using TRI | Past performance may or may be sustained in the future.

The alpha in anxiety:
Turning India VIX spikes into entry points

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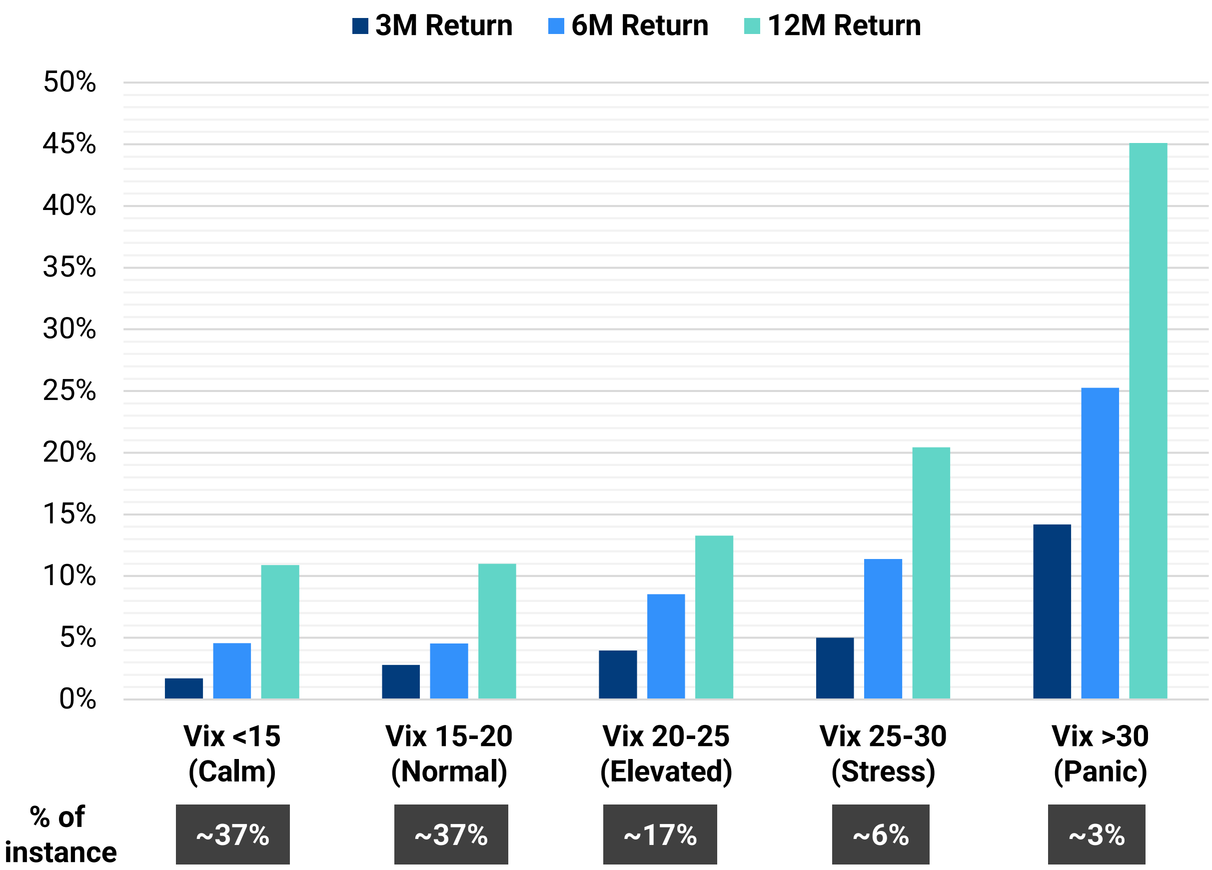
Analyzing India VIX and Average Forward Returns



Analysis: When India VIX stays between 25–30 for 5 straight sessions?

- Instances observed: 17
- Avg 3M forward return: ~5%
- Avg 6M forward return: ~11%
- Avg 12M forward return: ~21%

Have we witnessed a similar VIX phase recently?

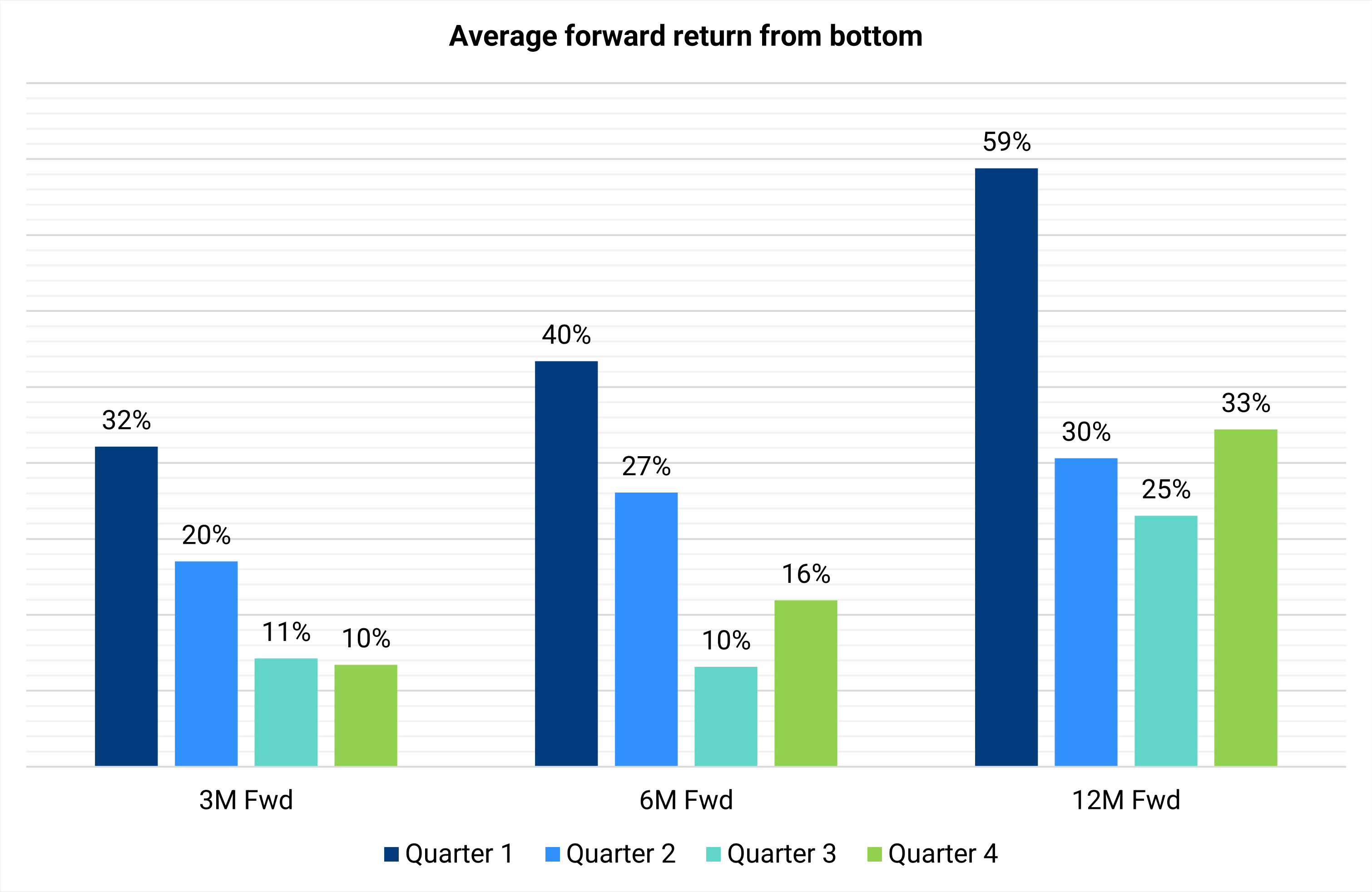
- India VIX traded in the stress zone of ~25–28 range from 27 March to 06 April 2026
- ***Whether history repeats itself from here will be worth tracking***

Key Observations:

- Historically, such phases have often coincided with market bottoms and subsequently strong recoveries
- Volatility spikes are not risks to be feared, but statistically better opportunities to capture higher returns

Source: Bloomberg, Internal Analysis | India VIX considered for analysis | Data considered from 31st March 2010 to 30th April 2026 | Past performance may or may be sustained in the future.

Calendar Q1 bottoms: Pattern worth watching?



Key Highlights

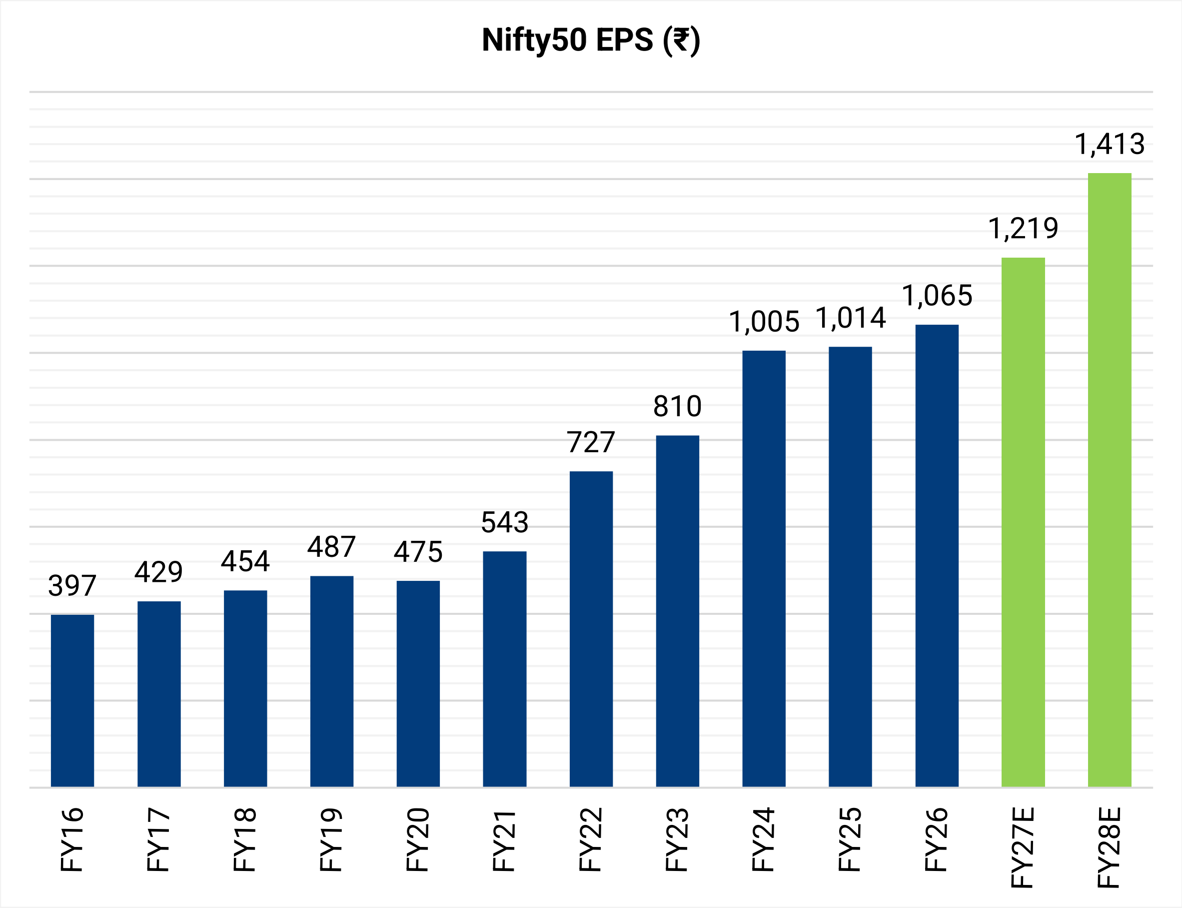
- 7 out of 22 years, annual bottom was formed in Q1 (Jan–Mar)
- No Q1 bottom year has ever ended 3M/ 6M/ 12M later in the red
- Q1 drawdowns have seen materially stronger returns of ~2x vs non-Q1 avg

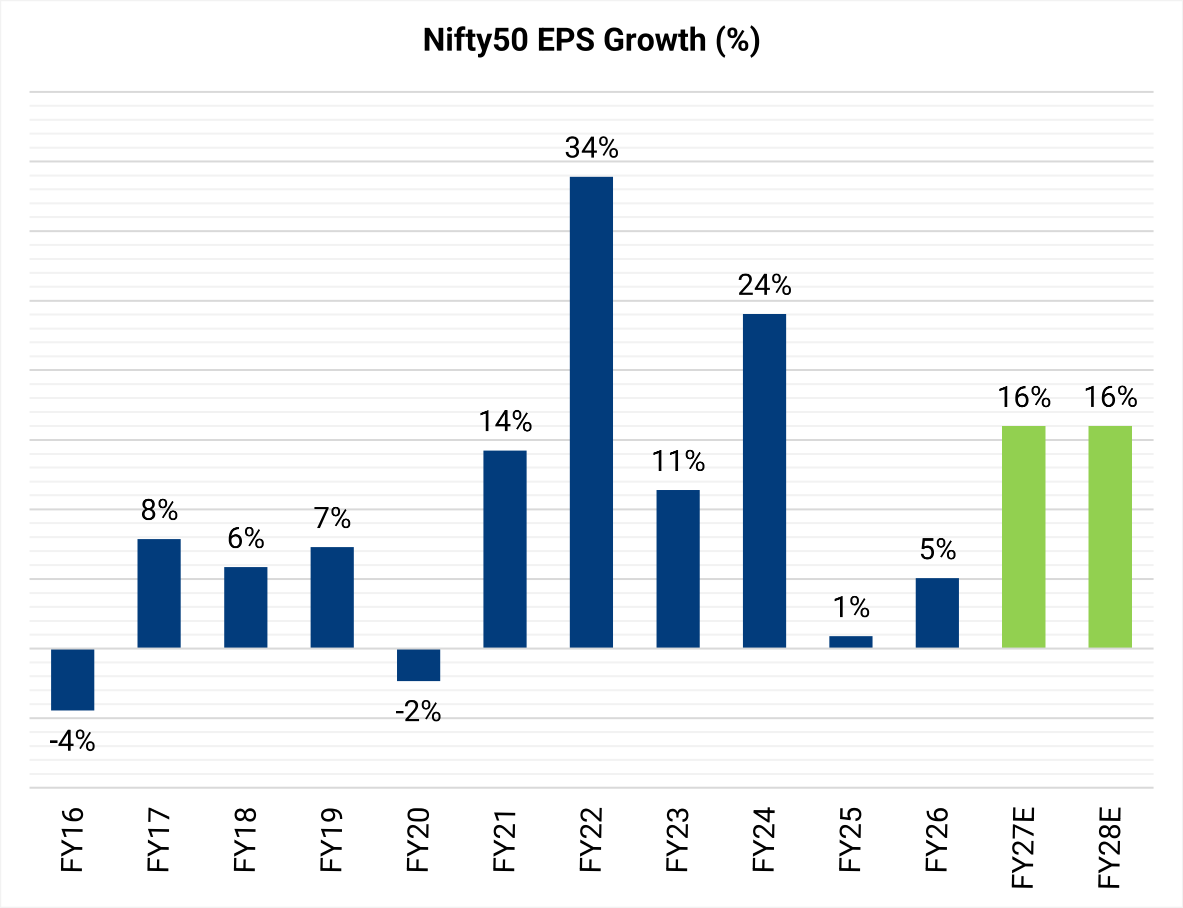
Is 2026 likely to follow the pattern?

- As of now, the pattern remains intact
- What plays out, would be interesting to watch out!

Source: AceMF, Internal Analysis | Data considered from 31st March 2005 to 30th April 2026 | Past performance may or may be sustained in the future.

Earnings growth

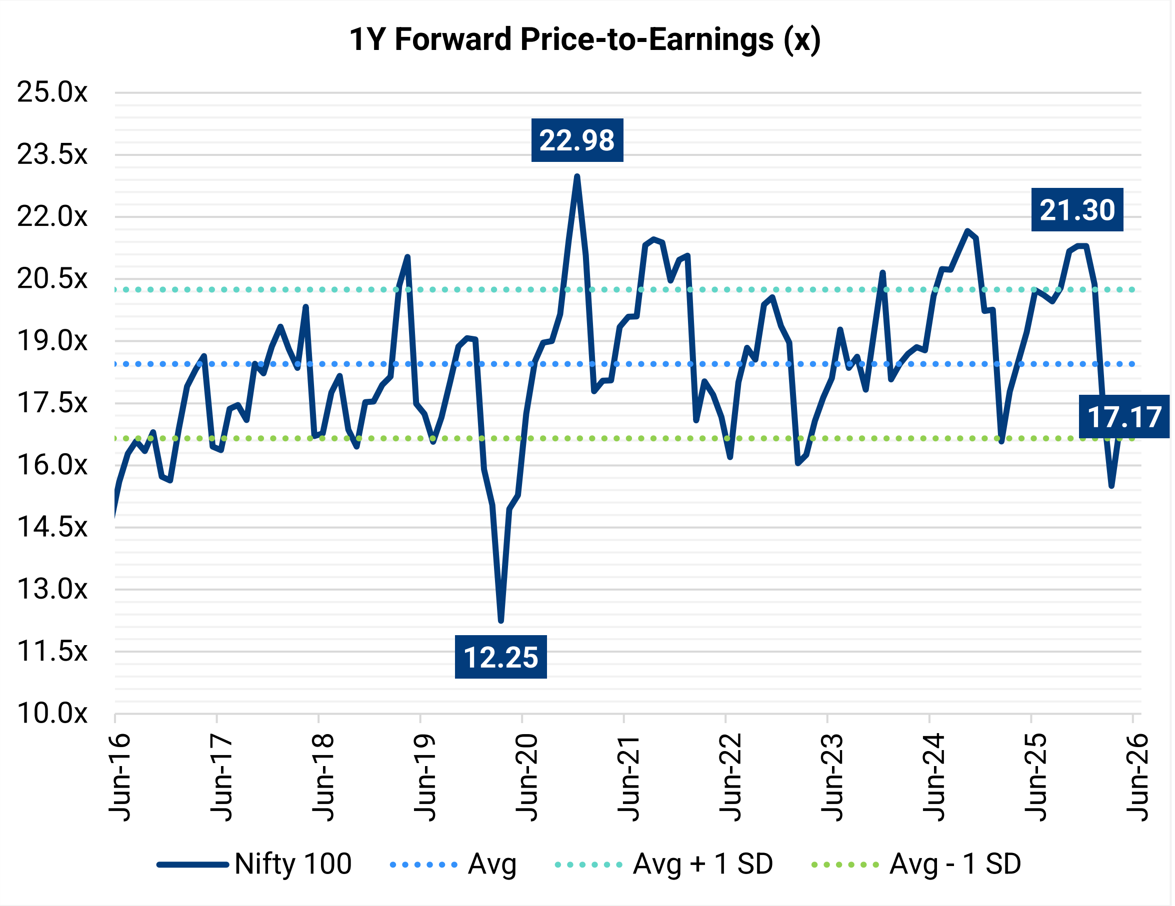


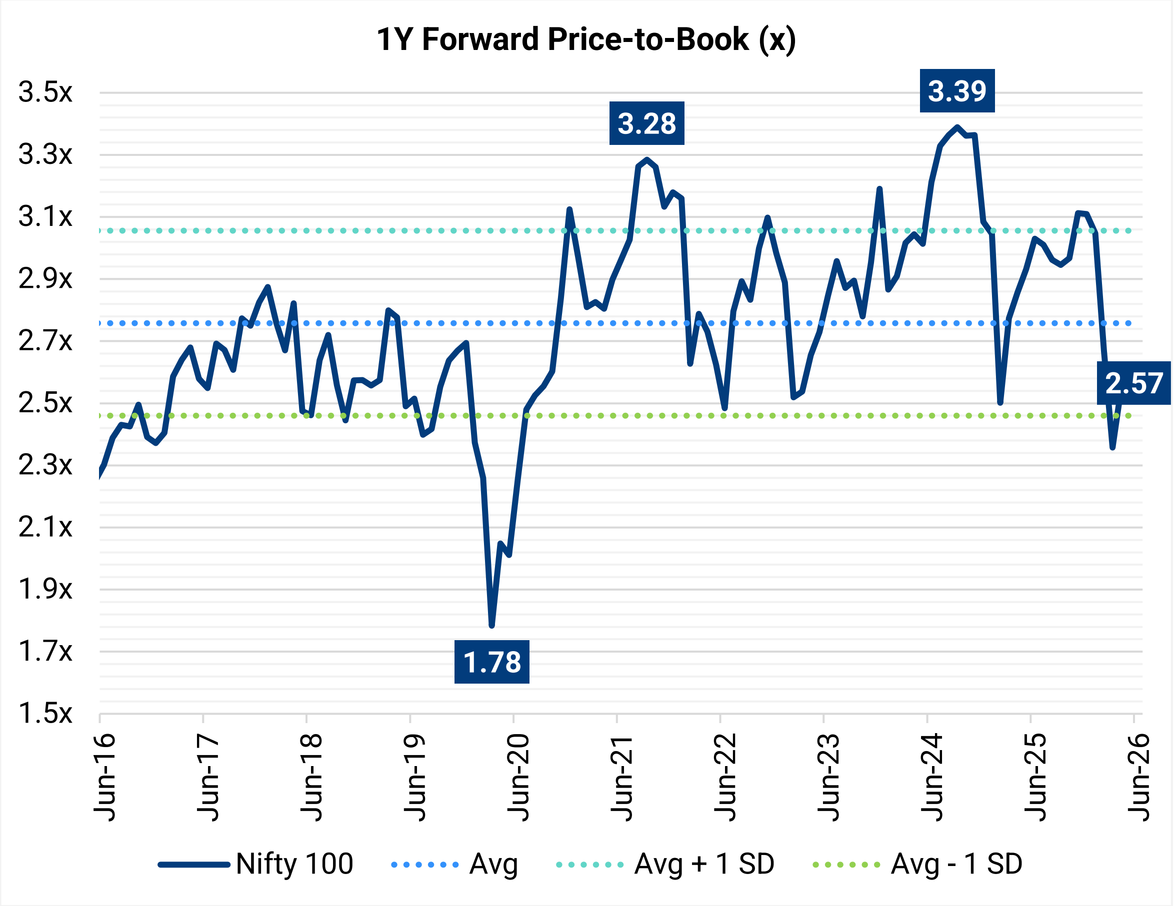


Source: Bloomberg estimates, MOFSL | Data as on 30th June 2026.

Valuations – Large Cap

Large-cap valuations have corrected from its peak and currently stand below its 10-year average, pointing to relatively reasonable undervaluation

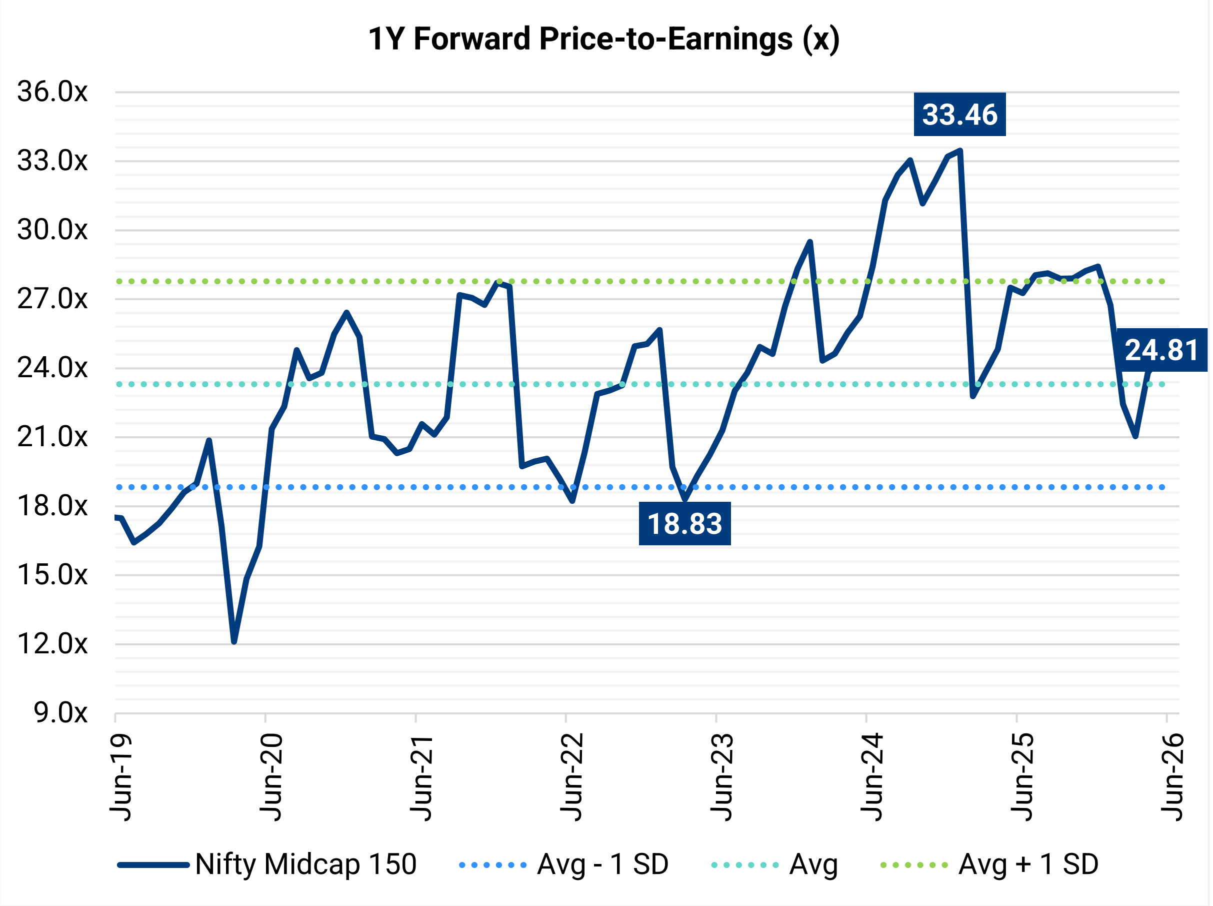


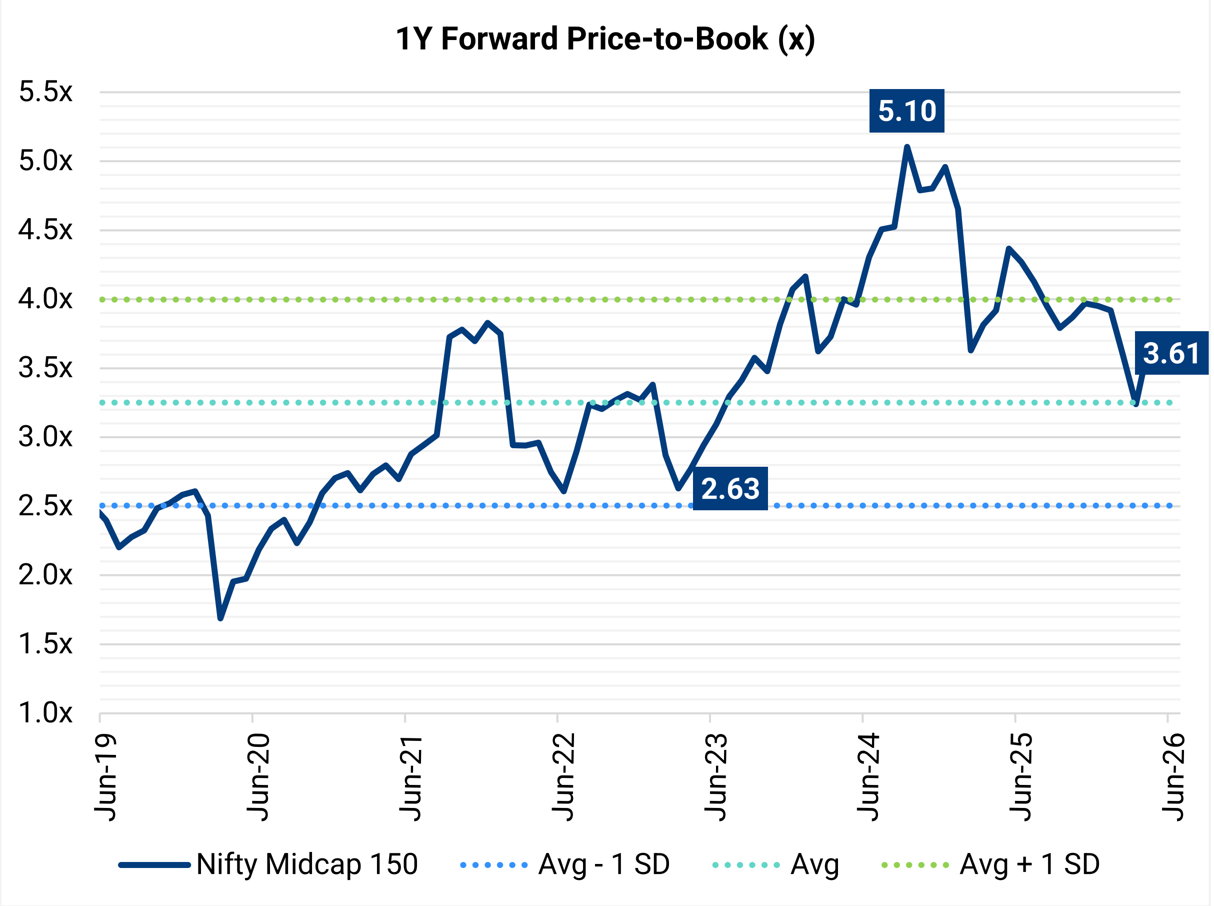


Source: Bloomberg estimates | Data as on 30th June 2026.

Valuations – Mid Cap

Mid-cap valuations have moderated and are now trading near long-term averages

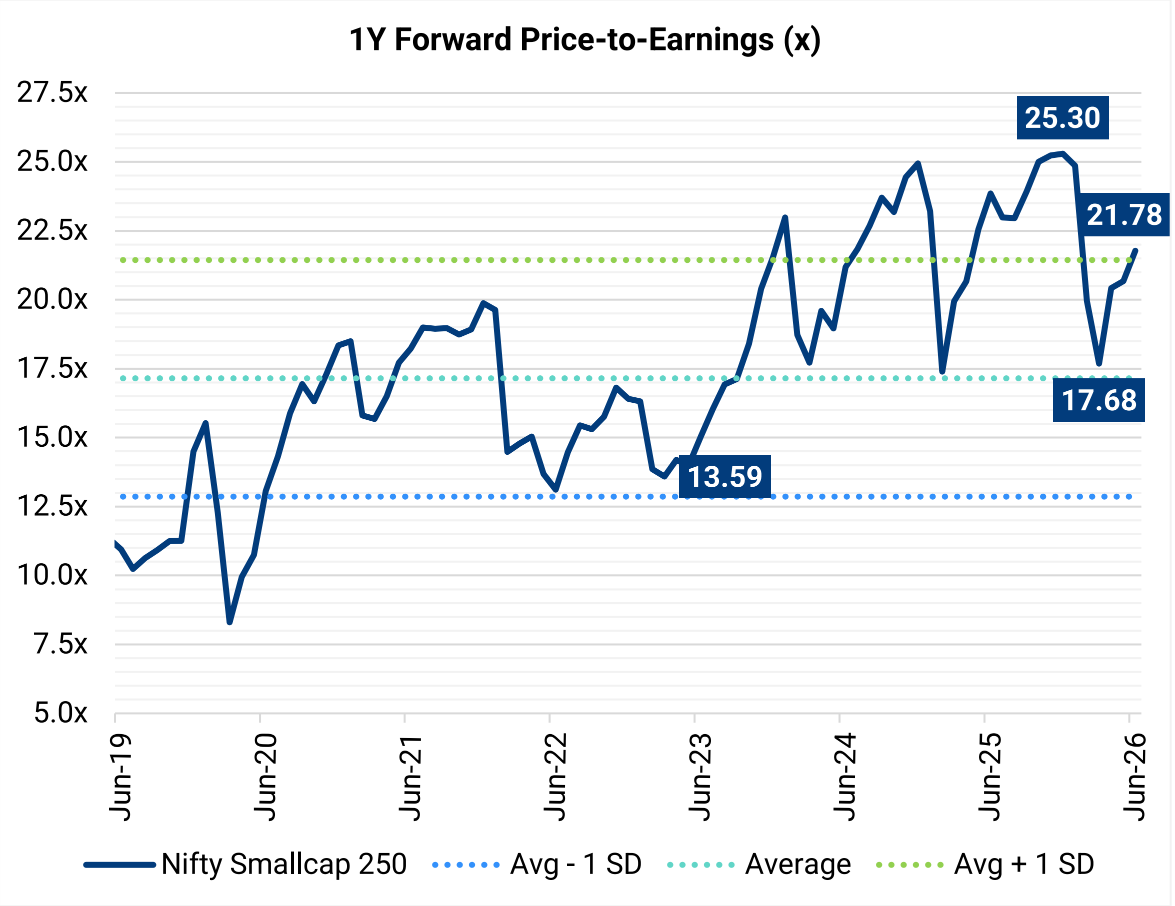


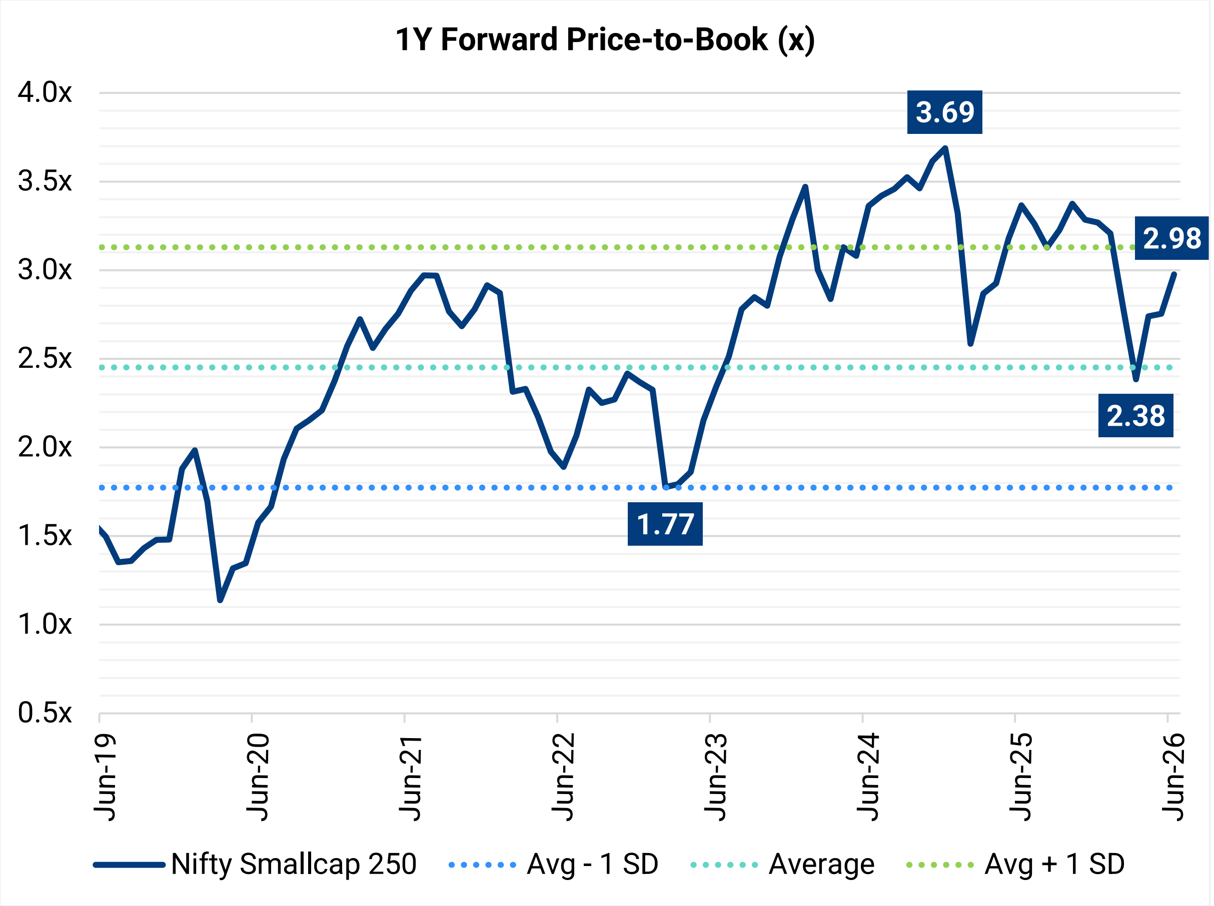


Source: Bloomberg estimates | Data as on 30th June 2026.

Valuations – Small Cap

Small cap valuations moderated from its peak, but is currently trading above its long-term average

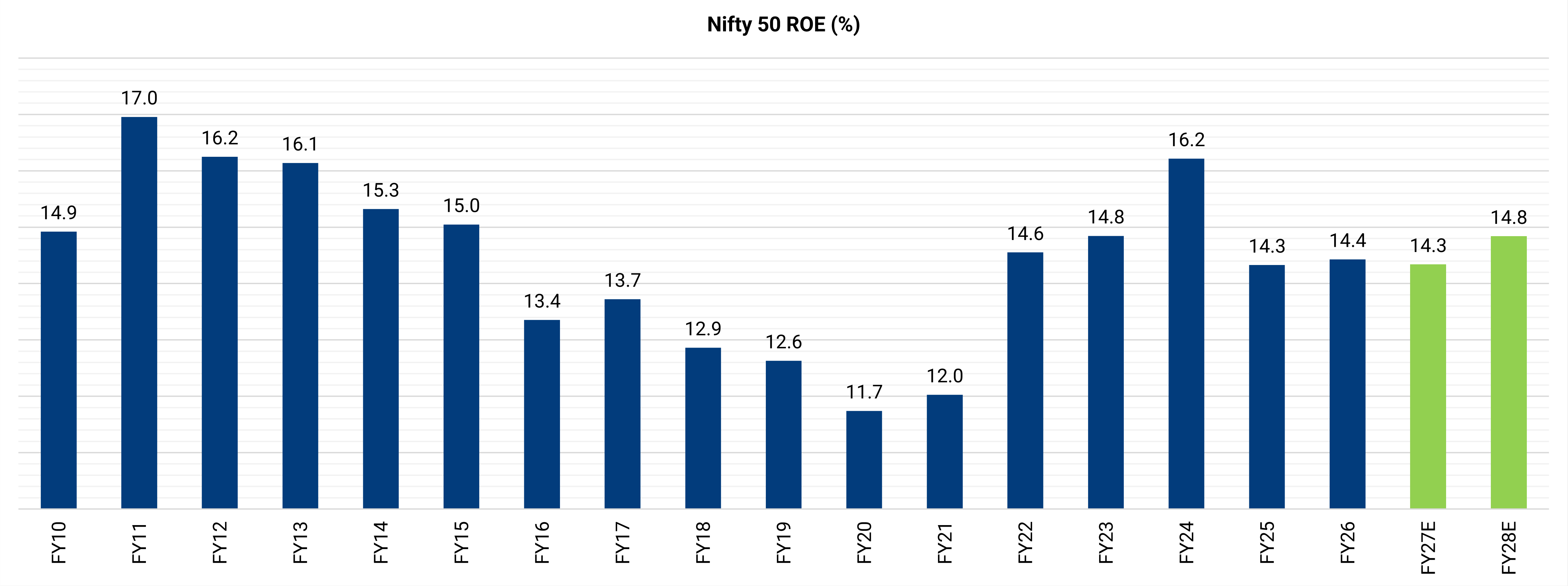




Source: Bloomberg estimates | Data as on 30th June 2026.

Return on Equity

Nifty50 ROE continues to register strong double-digit growth



Source: Bloomberg | TTM ROE considered. Data as on 30th June 2026.

Sectoral valuation

EDELWEISS MUTUAL FUND

Valuations across Financials, Technology, and Consumer sectors remain below its decadal averages

Sector	Current P/E	10-year Average	Current P/B	10-year Average
Auto	25.7	23.7	4.1	3.6
Banks – Private	**15.1**	20.9	**2.0**	2.5
Banks – Public	**8.4**	11.2	1.2	0.9
Capital Goods	41.4	27.7	7.7	4.4
Consumers	**38.3**	42.7	**8.9**	10.0
Healthcare	35.5	27.9	4.6	3.7
Infrastructure	15.2	14.3	**1.0**	1.2
Metals	12.0	10.5	2.0	1.7
NBFCs	15.3	13.2	2.4	1.9
Oil & Gas	15.0	13.3	**1.4**	1.5
Real Estate	**26.9**	33.7	3.2	2.5
Technology	**14.3**	21.5	**4.4**	5.9

Source: Bloomberg | Data as on 30th June 2026. The green colour indicates current levels are below 10-year average.

Analysis of sector-wise FPI holdings

Sectors	Portfolio Share		Change
	Jun-26	Jun-25	
Financials	30.8%	31.6%	-0.8%
Industrials	7.8%	5.7%	2.1%
Healthcare	7.4%	6.6%	0.8%
Auto & Ancillary	7.3%	6.9%	0.4%
Oil & gas	6.8%	7.3%	-0.5%
Service	6.4%	6.6%	-0.2%
Telecom & Media	5.4%	5.1%	0.3%
IT	4.9%	8.2%	-3.3%
FMCG	4.4%	5.1%	-0.7%
Metals & Mining	4.2%	2.8%	1.4%
Utilities	4.1%	3.4%	0.7%
Construction Material	3.4%	3.4%	0.0%
Durables	2.6%	2.6%	0.0%
Agriculture & Chemicals	1.8%	1.9%	-0.1%
Realty	1.6%	2.1%	-0.5%
Others	1.2%	0.8%	0.4%

Source: NSDL, MACM Research

Key Highlights

- FPI outflows accelerated in Jun'26, marking the fourth straight month of selling, with net outflows increasing to $5.2bn from $3.4bn previous month
- **Oil & Gas remained the most sold** sector ~$1.4bn, **followed by Auto & Ancillary, Metals & Mining and IT**, while Utilities, FMCG and Industrials also witnessed FPI outflows
- **FPI buying** was **led by Services** ~$0.4bn, while **turned net buyers in Financials after three months** of outflows. Consumer Durables ~$0.2bn and Realty ~$85mn also witnessed inflows.

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	(0.00)	0.12	0.08	(0.37)	0.08	0.29	0.38	0.06	16.12%
Gold	-	1.00	0.81	0.92	0.09	0.06	0.01	0.07	0.04	14.51%
Silver	-	-	1.00	0.98	(0.03)	0.04	0.08	0.18	0.05	29.19%
Gold + Silver	-	-	-	1.00	0.01	0.05	0.06	0.15	0.05	20.72%
USD/INR	-	-	-	-	1.00	(0.16)	(0.11)	(0.26)	(0.00)	4.79%
Nifty 10Y G-sec	-	-	-	-	-	1.00	(0.02)	(0.00)	(0.16)	4.22%
S&P 500 TRI	-	-	-	-	-	-	1.00	0.19	0.21	17.89%
Hang Seng TRI	-	-	-	-	-	-	-	1.00	0.10	21.74%
Crude Oil	-	-	-	-	-	-	-	-	1.00	43.78%

Source: Bloomberg. Data as on 30th June 2026 | SD is annualized and is calculated on daily returns.

Large, mid and small cap performance

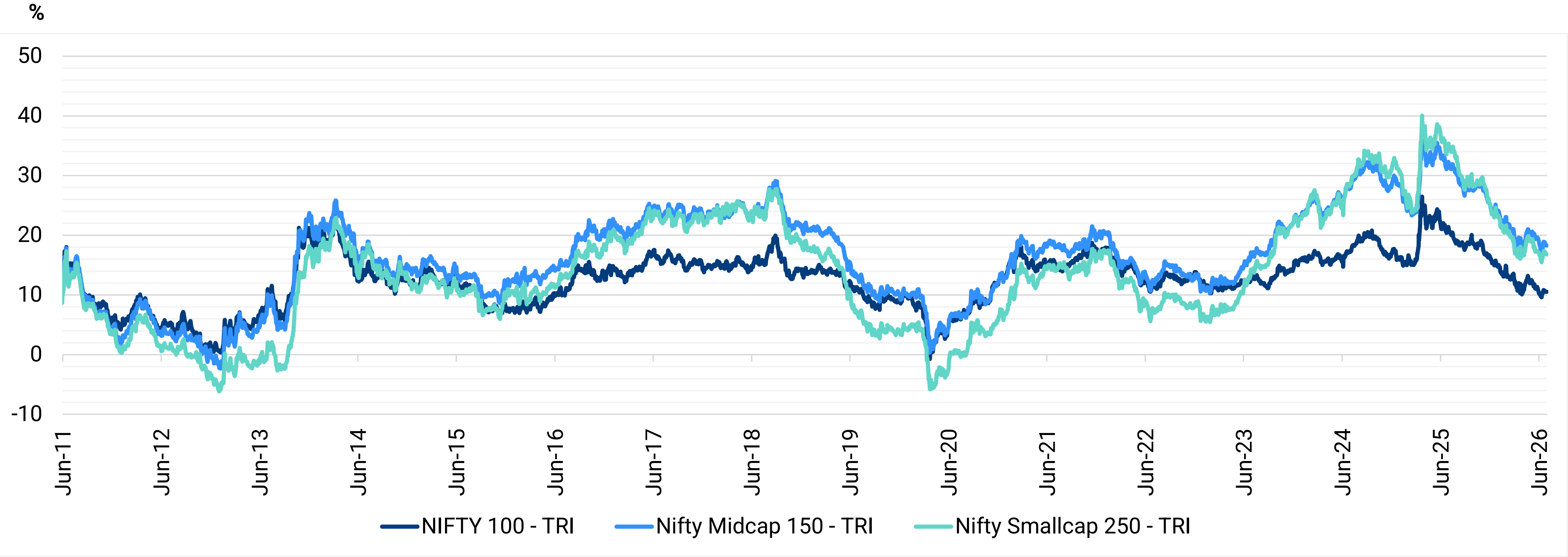
EDELWEISS MUTUAL FUND

In 9 of the past 15 CY, mid and small caps have outperformed large caps

Period	Large Cap	Mid Cap	Small Cap
CY 2011	-24.93%	-31.01%	-35.07%
CY 2012	32.51%	46.69%	40.39%
CY 2013	7.89%	-1.28%	-6.44%
CY 2014	34.88%	62.67%	71.66%
CY 2015	-1.26%	9.70%	11.27%
CY 2016	5.01%	6.53%	1.39%
CY 2017	32.88%	55.73%	58.47%
CY 2018	2.57%	-12.62%	-26.15%
CY 2019	11.83%	0.62%	-7.26%
CY 2020	16.08%	25.56%	26.46%
CY 2021	26.45%	48.16%	63.34%
CY 2022	4.94%	3.91%	-2.64%
CY 2023	21.24%	44.61%	49.09%
CY 2024	12.95%	24.46%	27.21%
CY 2025	10.24%	5.98%	-5.48%
CY 2026 TD*	-6.10%	2.53%	6.41%

Source: Bloomberg. *Data as on 30th June 2026 | Large cap – Nifty 100 TRI, Mid cap – Nifty Midcap 150 TRI, Small cap – Nifty Smallcap 250 TRI. Past performance may or may not sustain in future.

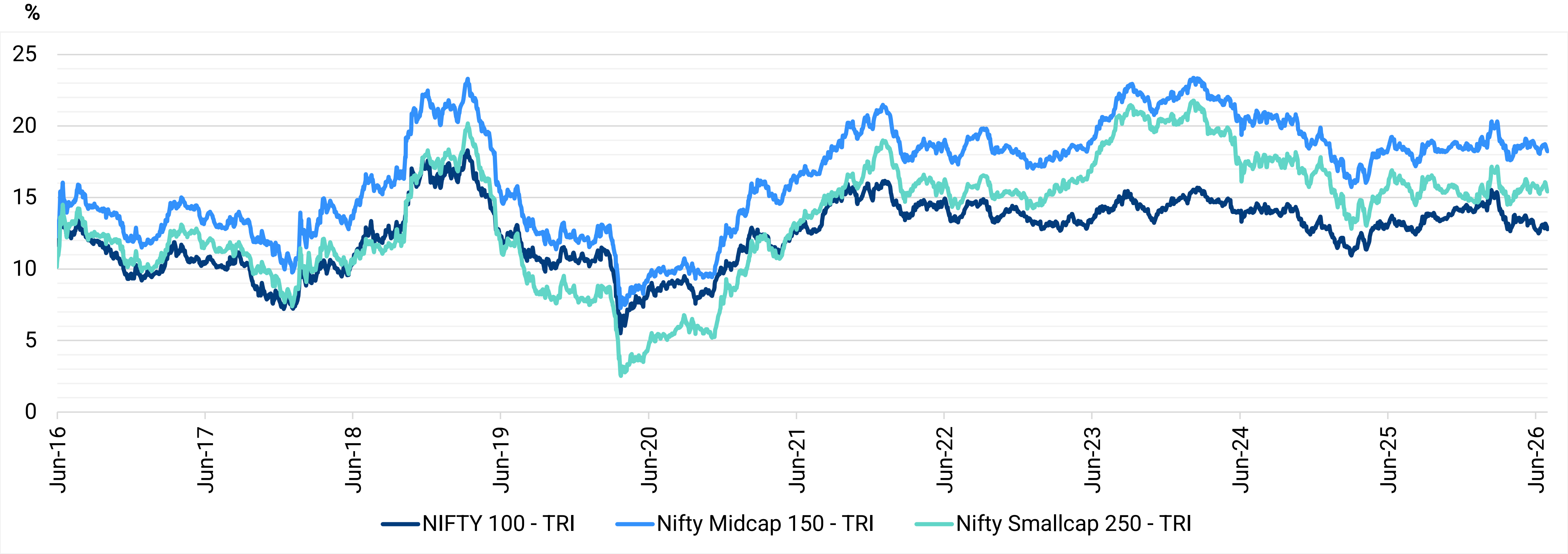
5 year rolling returns



Return Range	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 (%)	12.98%	**16.47%**	14.13%

Source: Bloomberg. Data as on 30th June 2026 | Daily rolling considered from 1st April 2005 to 30th June 2026. Past performance may or may not be sustained in the future.

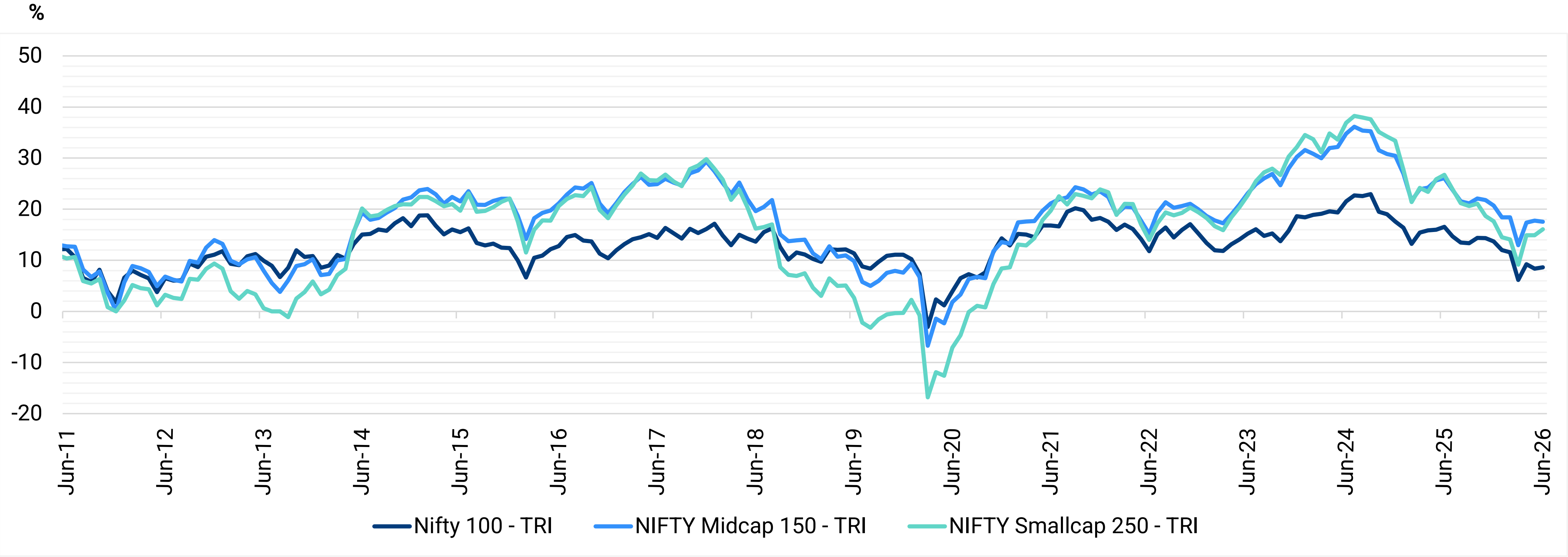
10 year rolling returns



Return Range	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 (%)	12.63%	**16.32%**	13.61%

Source: Bloomberg. Data as on 30th June 2026 | Daily rolling considered from 1st April 2005 to 30th June 2026. Past performance may or may not be sustained in the future.

5 year SIP rolling returns

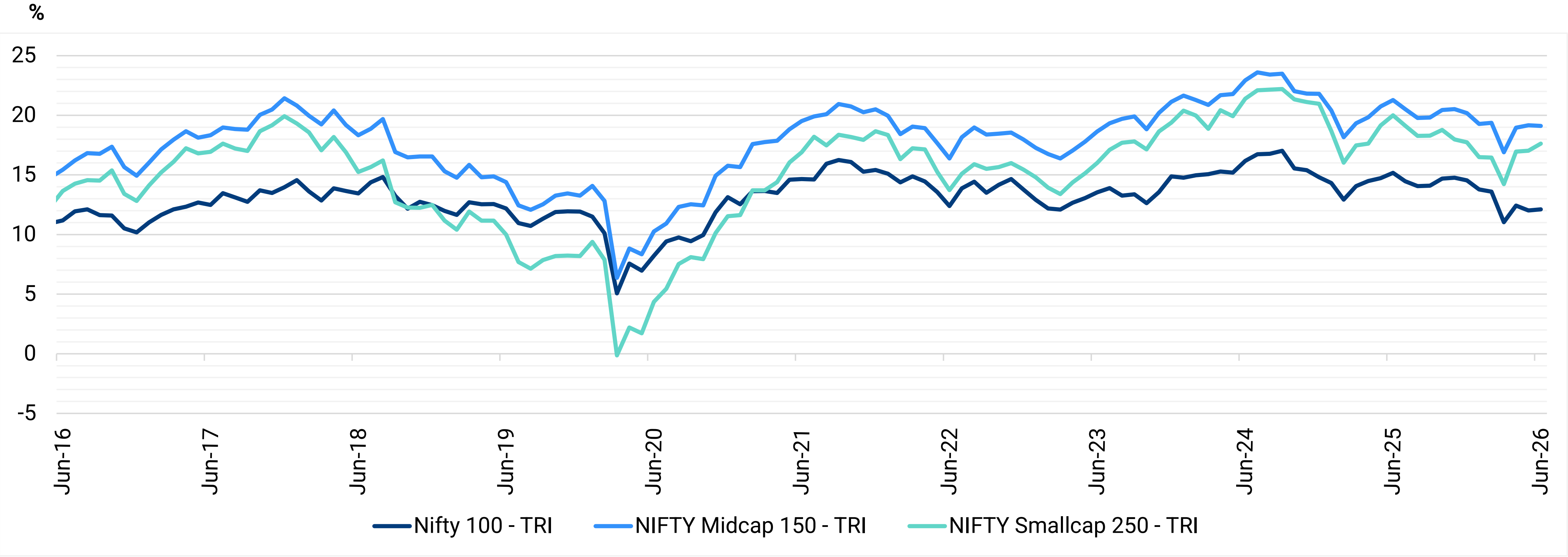


Return Range	NIFTY 100 – TRI	Nifty Midcap 150 – TRI	Nifty Smallcap 250 – TRI
Min (%)	**-3.03%**	-6.71%	-16.81%
Max (%)	22.95%	36.14%	**38.26%**
Average (%)	13.09%	**17.66%**	15.47%

Source: Bloomberg. Data as on 30th June 2026 | SIP taken is at the end of the month. Monthly rolling return considered. Past performance may or may not be sustained in the future.

10 year SIP rolling returns

EDELWEISS MUTUAL FUND



Return Range	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 (%)	12.97%	**17.59%**	14.95%

Source: Bloomberg. Data as on 30th June 2026 | SIP taken is at the end of the month. Monthly rolling return considered. Past performance may or may not be sustained in the future.

Drawdowns

EDELWEISS MUTUAL FUND

Small Caps tend to see sharper drawdowns

Period	Large Cap (%)	Mid Cap (%)	Small Cap (%)
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%
CY 2025	-9.99%	-17.25%	-23.54%
CY 2026 TD*	-14.91%	-13.91%	-15.42%

Source: Bloomberg. *Data as on 30th June 2026 | 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.

Midcaps are more consistent than you think

3 Year Absolute Return at the end of each CY	Large Cap	Mid Cap	Small Cap	All Cap
2025	51%	91%	79%	59%
2024	44%	87%	85%	54%
2023	61%	124%	139%	75%
2022	53%	94%	102%	61%
2021	64%	87%	92%	69%
2020	33%	10%	-13%	26%
2019	52%	37%	9%	47%
2018	43%	45%	19%	42%
2017	39%	85%	83%	46%
2016	40%	92%	95%	47%
2015	44%	76%	79%	46%
2014	93%	136%	125%	95%
2013	7%	0%	-15%	3%
2012	19%	22%	7%	13%
2011	65%	78%	68%	61%
2010	3%	-10%	-20%	-4%
Average	**44%**	**66%**	**58%**	**46%**

Key Highlights

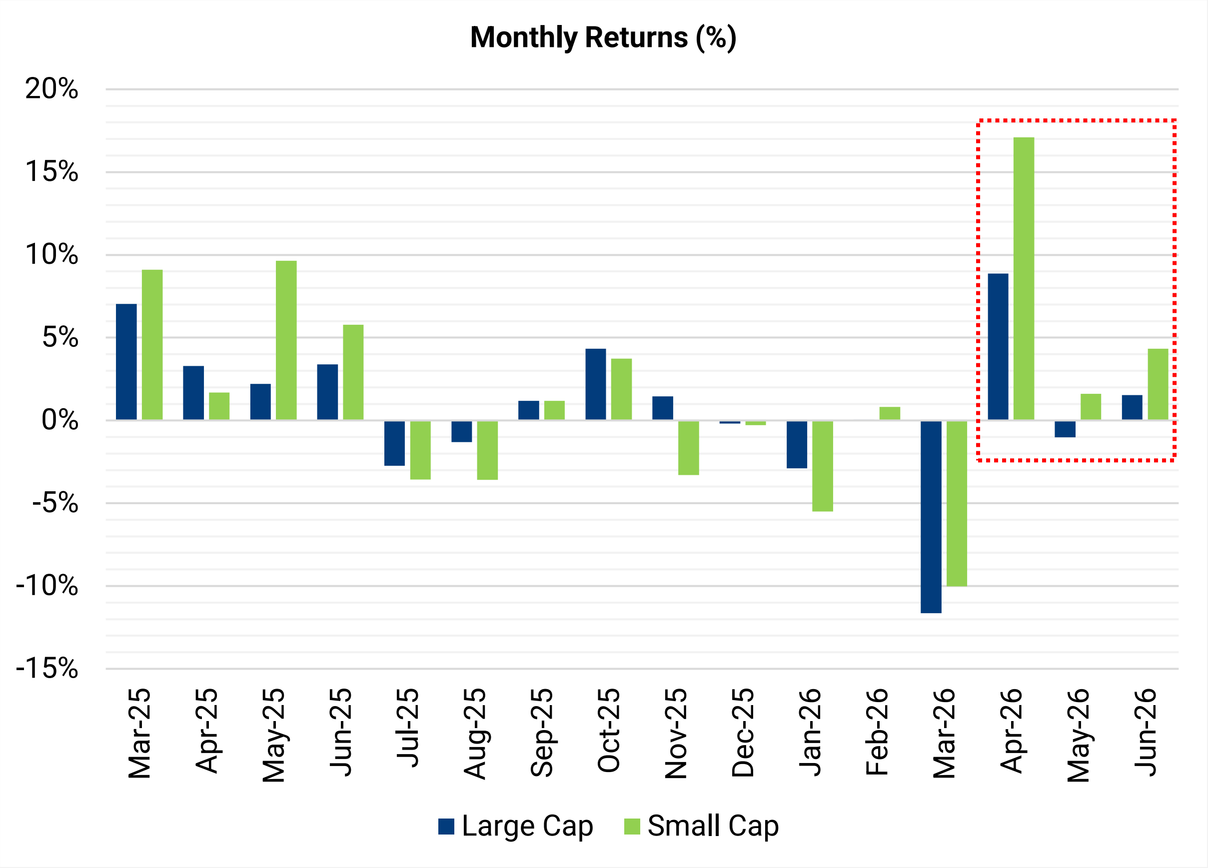
* **Better consistency:** Midcaps have delivered steadier returns than both large caps and small caps over the past 15 years.
* **Stronger earnings growth:** Midcap earnings growth has outpaced large caps, underpinning long-term returns.

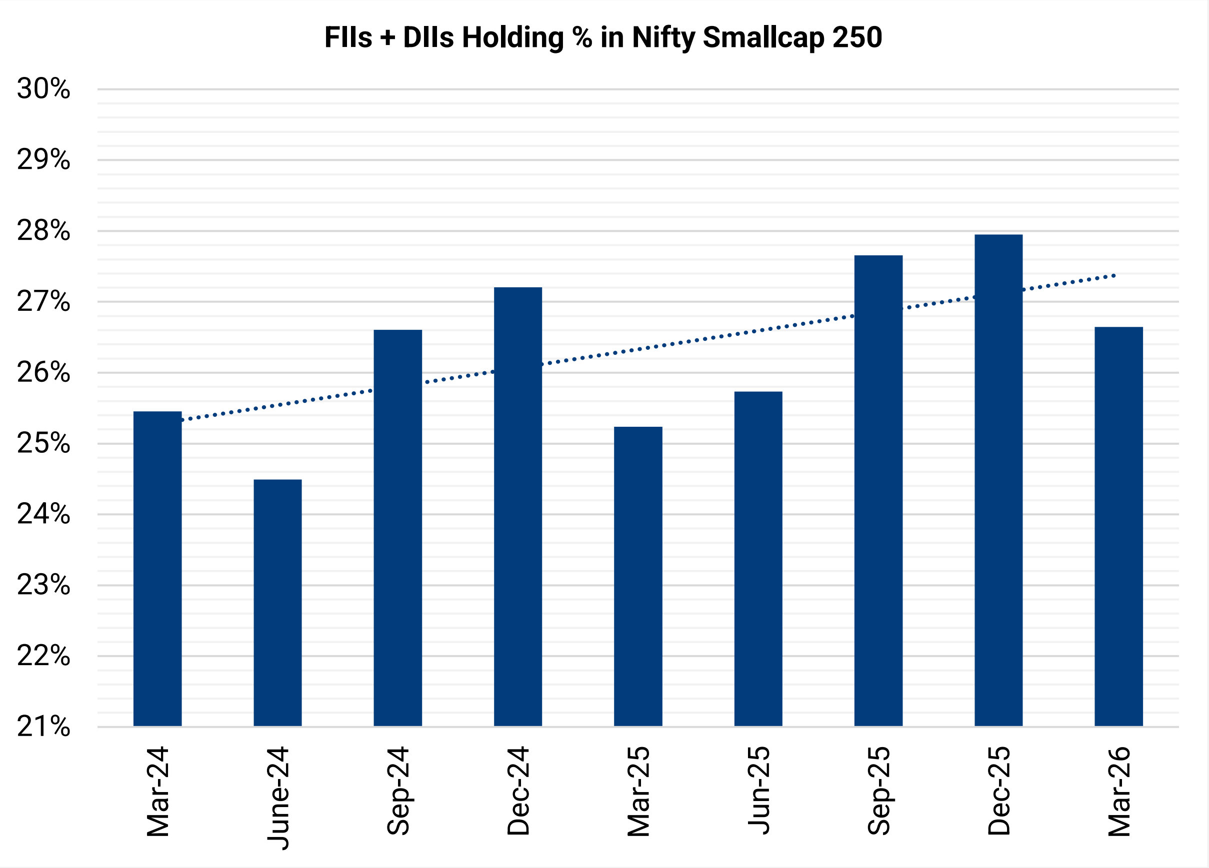
Source: AceMF, Internal Analysis | Note: Large cap – Nifty 100 TRI; Mid cap – Nifty Midcap 150 TRI; Smallcap – Nifty Smallcap 250 TRI; All Cap – Nifty 500 TRI

Small caps – Time to revisit?

EDELWEISS MUTUAL FUND

A meaningful correction in small-cap valuations from their peak has improved the risk-reward equation, while institutional holdings have broadly continued to trend upward over the same period





Source: AceMF, Bloomberg, Internal Analysis | Data as on 30th June 2026 | Note: Large cap – Nifty 100 TRI; Smallcap – Nifty Smallcap 250 TRI | FIIs includes ADR and GDR; DIIs includes MF and Insurance | Past performance may or may be sustained in the future.

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

Equity Market commentary

- We believe the worst of the geopolitical uncertainty is likely behind us. With oil prices remaining below US$100 and domestic fundamentals resilient, markets are increasingly refocusing on earnings and growth.
- Financials remain among our sectoral preference. The sector offers earnings resilience if geopolitical risks persist and meaningful earnings upgrade potential if the macro environment normalizes. We also expect credit growth, which likely bottomed during late 2025, to improve meaningfully through 2026.
- We remain constructive on power, energy, and industrial capital goods. Recent global energy disruptions have reinforced the need for energy security, creating incremental opportunities for companies exposed to power infrastructure, transmission, industrial capex and related segments.
- We also remain positive on the defence theme, where higher strategic spending and the likelihood of a gradual increase in defence expenditure as a share of GDP should continue to benefit private sector defence companies over the medium term.
- The recent correction has improved the risk-reward in mid and small caps, with valuations becoming more reasonable and entry points more attractive.
- On technology, our preference remains selective. While the AI-driven transition could keep sector-wide growth and sentiment uneven over the next few quarters, Indian IT appears relatively better positioned than global technology peers, which have recently witnessed sharper rally led by AI euphoria. We are relatively cautious on mass consumption, where near-term demand headwinds could weigh on earnings.
- Overall, we continue to favour a calibrated, opportunity-led approach, with a bias towards domestic growth sectors offering improving earnings visibility and structural tailwinds.

Source: Internal

Fixed Income commentary

- RBI's FCNR(B) measures are a major positive for fixed income markets. Expected inflows of over USD 50 billion by September 2026 could significantly improve investor sentiment, strengthen the INR, enhance banking system liquidity, and increase deposit growth by approximately 2–2.5 percentage points.
- The US-Iran truce and reopening of the Strait of Hormuz have pushed crude oil prices down to around USD 75/bbl. The sharp decline in oil prices has eased concerns around inflation, current account pressures, and potential rate hikes, triggering a strong rally in both equity and bond markets.
- FPI debt inflows rebounded strongly in June, with nearly USD 5.5 billion flowing into government bonds following tax-related reforms. Consequently, 5-, 10-, 15-, and 30-year G-Sec yields declined by 40 bps, 27 bps, 35 bps, and 33 bps respectively, while 2- to 5-year AAA corporate bond yields compressed by around 40-50 bps amid improving sentiment and favorable demand-supply dynamics.
- Market focus has now shifted to the potential inclusion of G-Sec in Bloomberg Barclays Global Bond Indices. Such inclusion could attract an estimated USD 30 billion of passive inflows over the next year, providing further support to the broader economy and bond valuations.
- Improving system liquidity from FCNR(B) inflows should reduce banks' dependence on short-term funding. As a result, we expect further tightening in the spread between 3-month Bank CDs and 3-month Treasury Bills, creating opportunities at the short end of the curve.

Source: Internal

Factor Investing commentary

- **Market Context:** Market conditions have improved materially from the stress observed at the end of FY26. While earnings revisions remain broadly flat to negative across styles, investors have increasingly focused on medium-term growth visibility rather than near-term earnings upgrades.
- **Performance Trends:** Q1 FY27 witnessed a sharp recovery across factors following the broad-based de-risking seen in Q4 FY26. Momentum, Growth and Quality delivered strong returns over the last three months, significantly outperforming broader market benchmarks and reversing a large part of the earlier correction.
- **Strategy Forward:** Maintain overweight exposure to Growth and Momentum to participate in the ongoing cyclical recovery and domestic capex cycle. Financials, Capital Goods and metals remain the key sectors for factor allocations as earnings visibility improves and market breadth broadens.
- Midcap-oriented universes have meaningfully outperformed large-cap indices, reflecting greater investor risk appetite and stronger participation in domestic growth themes. Broad market data also shows mid and small cap indices outperforming large cap over the last three months.

Source: Internal

Our Long-Only Equity Funds

Equity funds overview

<table>
<tr><th>Scheme</th><th colspan="3">Edelweiss
Mid Cap Fund</th><th colspan="3">Edelweiss
Small Cap Fund</th><th colspan="3">Edelweiss
Focused Fund</th><th colspan="3">Edelweiss
Large & Mid Cap Fund</th></tr>
<tr><td>AUM (Rs Cr.)</td><td colspan="3">17,769</td><td colspan="3">6,589</td><td colspan="3">1,030</td><td colspan="3">4,684</td></tr>
<tr><td>Market Cap Allocation</td><td>Large
15%</td><td>Mid
73%</td><td>Small
12%</td><td>Large
0%</td><td>Mid
30%</td><td>Small
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13%</td></tr>
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• Automobile and Auto Components
• Capital Goods</td><td colspan="3">• Capital Goods
• Automobile and Auto Components
• Financial Services</td><td colspan="3">• Automobile and Auto Components
• Capital Goods
• Chemicals</td><td colspan="3">• Capital Goods
• Automobile and Auto Components
• Consumer Durables</td></tr>
<tr><td>Under-Weight Sectors</td><td colspan="3">• Consumer Durables
• Information Technology
• Services</td><td colspan="3">• Oil, Gas & Consumable Fuels
• Power
• Services</td><td colspan="3">• Textiles
• Telecommunication
• Services</td><td colspan="3">• Fast Moving Consumer Goods
• Oil, Gas & Consumable Fuels
• Metals and Mining</td></tr>
</table>

Data as on 30th June 2026. 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.)	442			3,462			3,338		
Market Cap Allocation	Large 61%	Mid 20%	Small 19%	Large 65%	Mid 27%	Small 8%	Large 44%	Mid 27%	Small 29%
Over-Weight Sectors	• Financial Services • Automobile and Auto Components • Information Technology			• Financial Services • Capital Goods • Construction			• Financial Services • Capital Goods • Chemicals		
Under-Weight Sectors	• Fast Moving Consumer Goods • Consumer Services • Services			• Oil, Gas & Consumable Fuels • Services • Telecommunication			• Oil, Gas & Consumable Fuels • Telecommunication • Services		

Data as on 30th June 2026. 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 (%)	15.1	17.0	17.9	18.3	24.6	26.4	18.3
FY28E EPS growth (%)	18.1	18.6	17.1	17.3	20.0	22.1	16.9
PEG (x)	1.1	1.2	1.1	1.1	1.1	1.0	1.1
FY27E ROE (%)	19.9	18.7	19.1	19.6	21.9	18.4	19.8
FY28E ROE (%)	20.4	19.7	19.9	20.2	22.1	19.3	20.3
PER FY27E (x)	21.9	24.7	22.6	23.6	29.9	29.0	22.9
PER FY28E (x)	18.6	20.9	19.3	20.2	25.0	23.8	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 30th June 2026. 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 30th June 2026. 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	• Coromandel International Ltd • FSN E-Commerce Ventures Ltd • PNB Housing Finance Ltd • MRF Ltd	• ITC Hotels Ltd • Prestige Estates Projects Ltd • Engineers India Ltd • Shriram Pistons & Rings Ltd	• Federal Bank Ltd	• Trent Ltd	• Trent Ltd • Ingersoll Rand (India) Ltd • Shriram Pistons & Rings Ltd • Cipla Ltd • Dr. Reddy's Laboratories Ltd	• Aditya Birla Sun Life AMC Ltd • Shriram Pistons & Rings Ltd	• Dr. Reddy's Laboratories Ltd
Exits	• National Aluminium Company Ltd • Dabur India Ltd	• Blue Star Ltd • Teamlease Services Ltd • Lenskart Solutions Ltd	• Cholamandalam Investment & Finance Company Ltd	• Tata Motors Ltd • Kwality Wall's India Ltd	• Tata Motors Ltd • Tata Capital Ltd • Swiggy Ltd	• Bank of Baroda	• Hindalco Industries Ltd • Muthoot Finance Ltd • National Aluminium Company Ltd • Vishal Mega Mart Ltd

Data as on 30th June 2026. 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	
Solar Industries India Ltd	2.15	Multi Commodity Exch. of India Ltd	2.63	Ather Energy Ltd	1.96
Federal Bank Ltd	1.88	Fortis Healthcare Ltd	2.46	Bharat Heavy Electricals Ltd	1.78
City Union Bank Ltd	1.78	Ajanta Pharma Ltd	2.34	Cummins India Ltd	1.45
CreditAccess Grameen Ltd	1.71	Avalon Technologies Ltd	2.29	Phoenix Mills Ltd	1.36
Max Healthcare Institute Ltd	1.52	City Union Bank Ltd	2.23	Power Mech Projects Ltd	1.34
Cummins India Ltd	1.47	KEI Industries Ltd	2.15	Ashok Leyland Ltd	1.27
HDFC Asset Management Company Ltd	1.34	Radico Khaitan Ltd	2.05	Solar Industries India Ltd	1.24
Karur Vysya Bank Ltd	1.30	Kirloskar Pneumatic Company Ltd	1.88	Billionbrains Garage Ventures Ltd	1.22
IPCA Laboratories Ltd	1.18	Gabriel India Ltd	1.77	Max Healthcare Institute Ltd	1.18
Marico Ltd	1.13	Equitas Small Finance Bank Ltd	1.75	Federal Bank Ltd	1.12

Active exposure is holding % in relation to the benchmark of the fund. Holdings as on 30th June 2026. 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	2.15	Ather Energy Ltd	1.96	Marico Ltd	4.56	Radico Khaitan Ltd	2.41
Larsen & Toubro Ltd	1.63	Multi Commodity Exch. Of India Ltd	1.64	KEI Industries Ltd	4.42	NTPC Ltd	1.70
Tata Steel Ltd	1.47	Gabriel India Ltd	1.62	Mankind Pharma Ltd	4.00	Karur Vysya Bank Ltd	1.64
Fortis Healthcare Ltd	1.42	BSE Ltd	1.53	Shriram Finance Ltd	3.79	Bikaji Foods International Ltd	1.58
Karur Vysya Bank Ltd	1.24	Netweb Technologies India Ltd	1.40	Tata Steel Ltd	3.65	Navin Fluorine International Ltd	1.54
Multi Commodity Exch. of India Ltd	1.16	CreditAccess Grameen Ltd	1.38	Larsen & Toubro Ltd	3.48	Multi Commodity Exch. Of India Ltd	1.51
City Union Bank Ltd	1.16	Bharat Electronics Ltd	1.29	IDFC First Bank Ltd	3.15	Larsen & Toubro Ltd	1.45
L&T Finance Ltd	1.15	Torrent Pharmaceuticals Ltd	1.28	Coforge Ltd	2.89	Craftsman Automation Ltd	1.41
Marico Ltd	1.13	City Union Bank Ltd	1.20	NTPC Ltd	2.71	City Union Bank Ltd	1.38
Ultratech Cement Ltd	1.10	Muthoot Finance Ltd	1.18	Max Healthcare Institute Ltd	2.58	Tata Steel Ltd	1.37

Active exposure is holding % in relation to the benchmark of the fund. Holdings as on 30th June 2026. Figures are in%

Why We Own What We Own

India's Consumption

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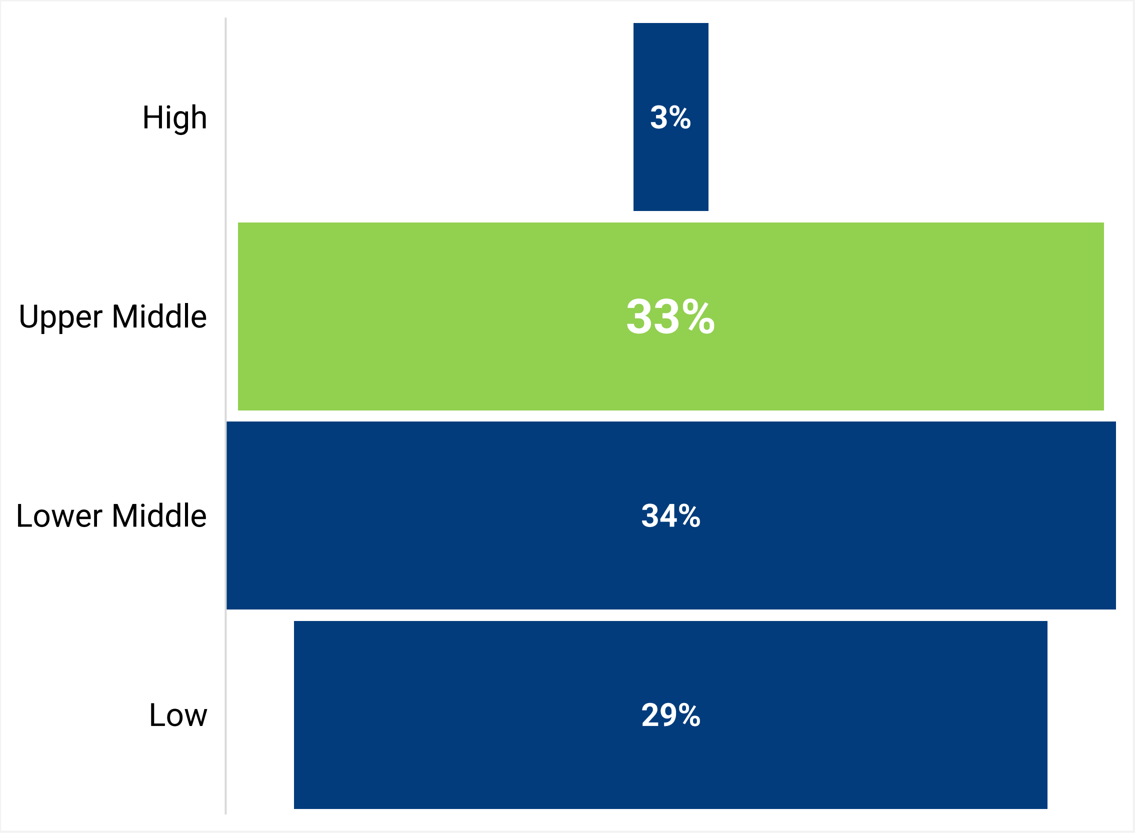
USD 4.2 trillion consumer spending by 2030, up from USD 2.4 trillion in 2024

1	Demographic advantage	*Retail / FMCG*
2	Rising Income	*Hotels / QSR*
3	Urbanization	*Real Estate*
4	Digitalization / New-age consumption	*Quick Commerce*
5	Easy credit availability	*Consumer Durables*
6	Premiumization	*Auto*

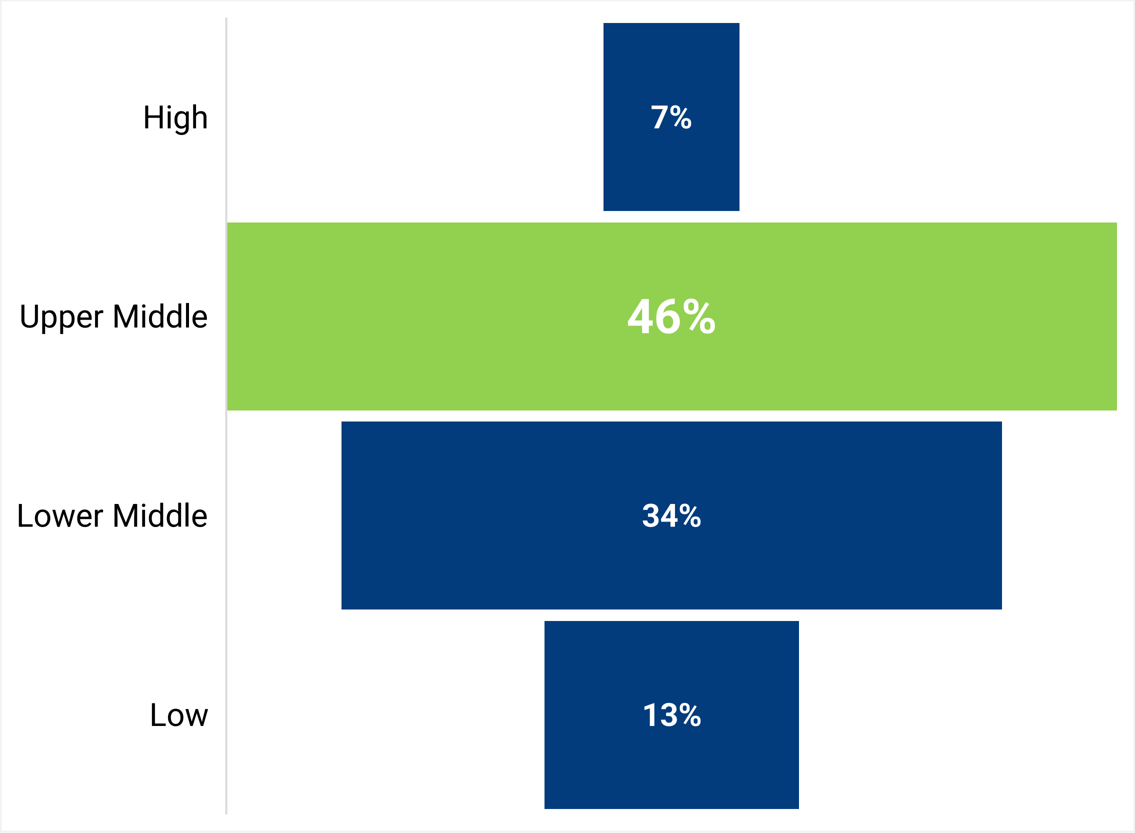
Source: Statista, Consumer spending numbers are estimated. The list of sectors provided above is illustrative and not exhaustive. The fund's portfolio may or may not invest in stocks from these sectors. QSR- Quick Service Restaurant.

Rising middle class to reshape India's consumption basket

2024 household by income distribution (Total HH's – 305.7 mn)



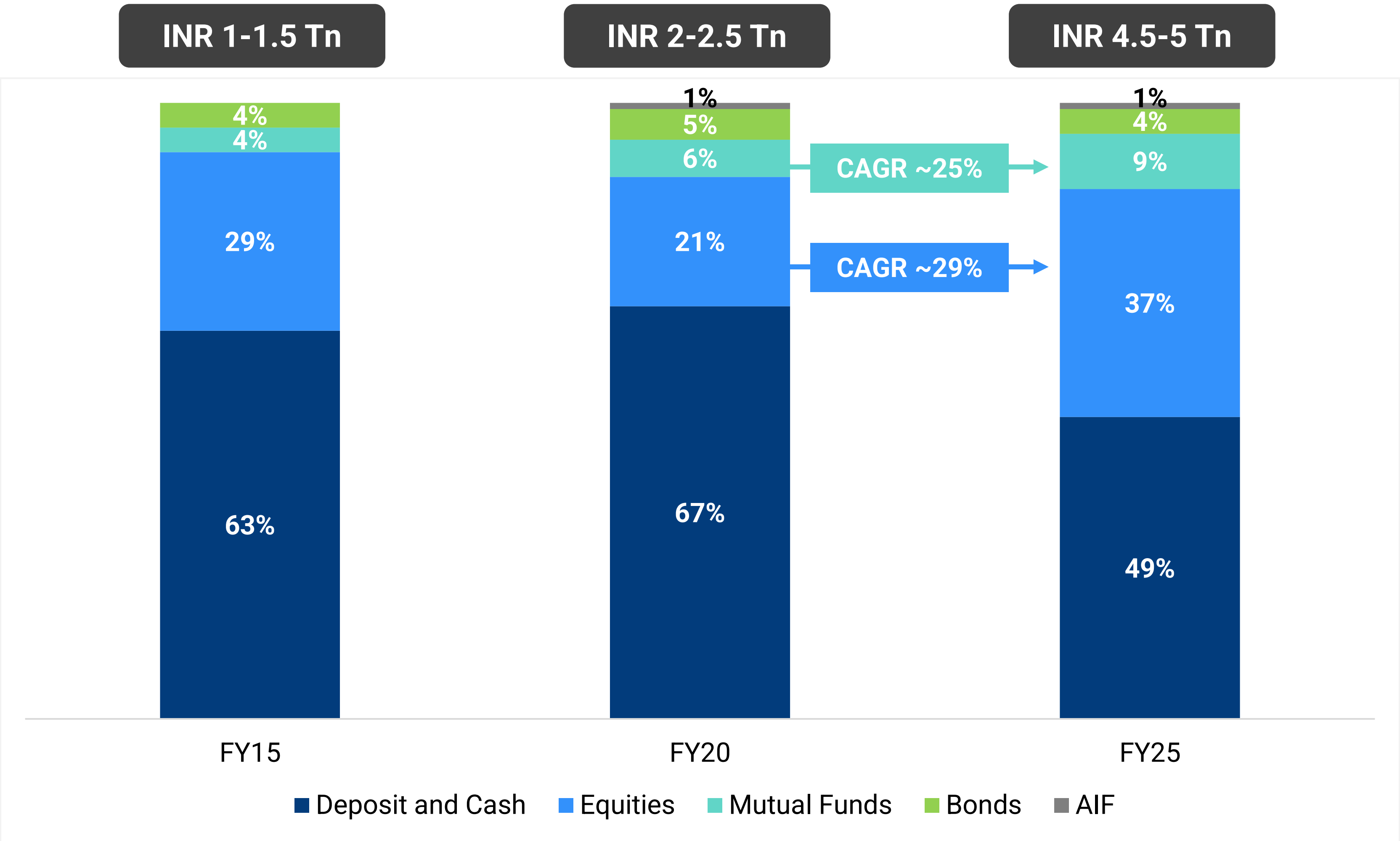
2031E household by income distribution (Total HH's – 360.5 mn)



Source: Morgan Stanley Research

India's evolving financial behavior

AUM split by asset classes



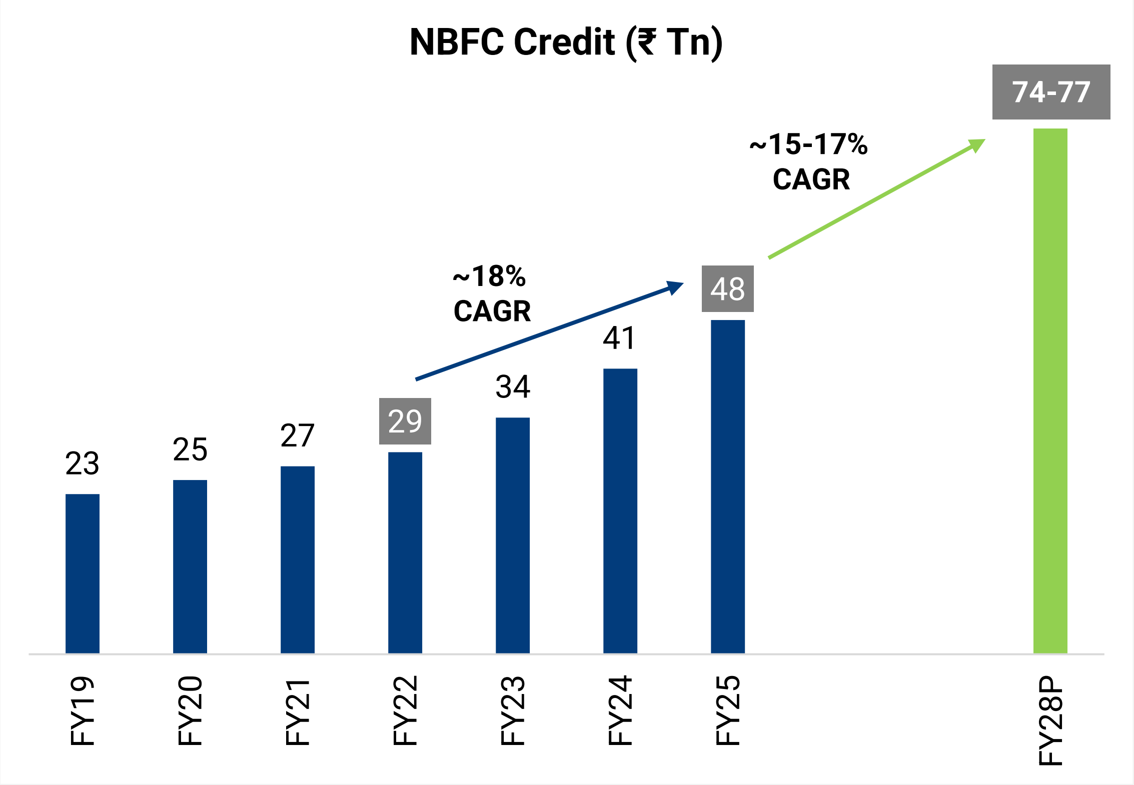
Key Highlights

- 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

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%

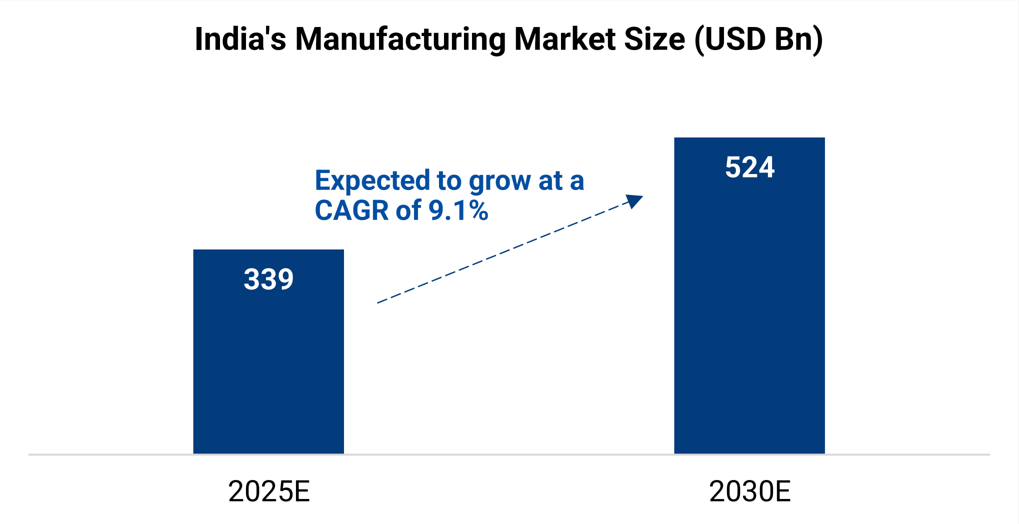
06 Better regulatory oversights and pro-active actions

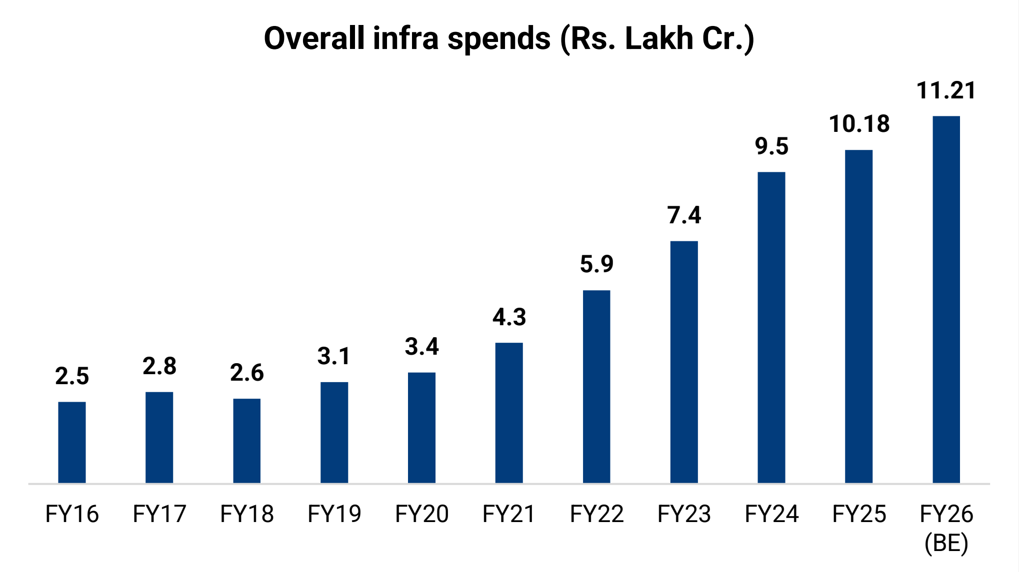
Source: JM Financials | P – Projected

India’s Manufacturing

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

1. Policy push for self-reliance and local production (Make in India and Atmanirbhar Bharat)
2. PLI schemes across 14 sectors incentivizing domestic manufacturing
3. China+1 Strategy and Positive FDI cues. Global supply chain diversification driving investment in India
4. India positioning itself as a global manufacturing hub and boosting exports supported by trade agreements
5. India’s CAPEX cycle in an uptrend ~ further room for growth. Capacity utilization in Private sector at 12 year high.





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

Defence – Built for Bharat, Ready for the World

The Union Budget for 2025-26 envisaged an outlay of Rs. 6.81 lakh crore, represents an enhancement of 9.5% over the Budget of 2024 -25

Modernization-led CAPEX opportunity

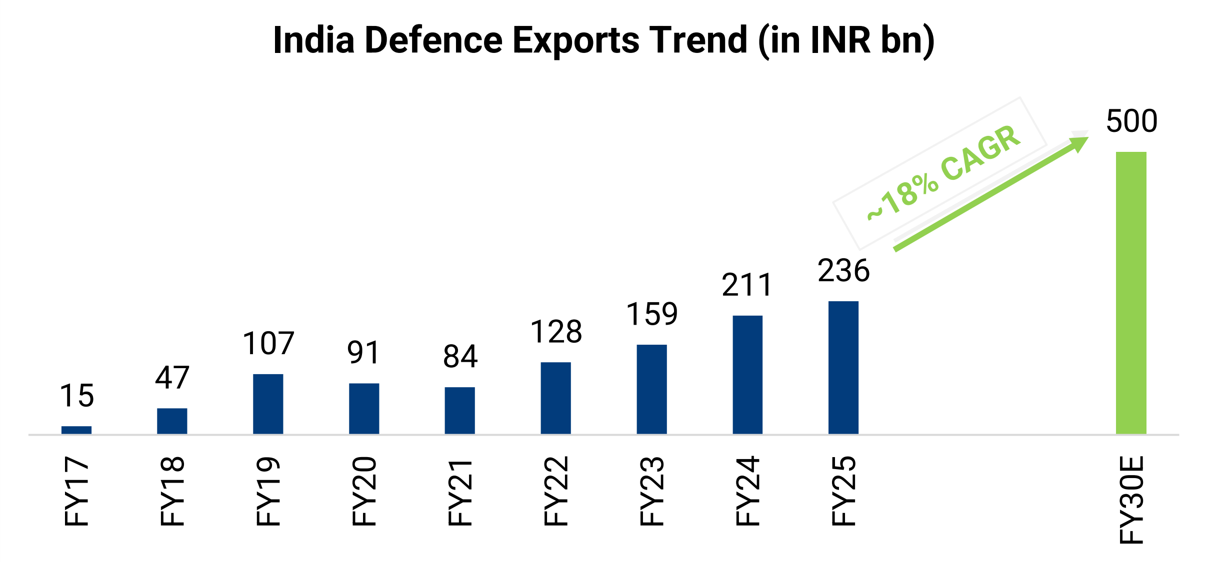
- Capex-driven shift to drones, missiles, radars & submarines; HAL, BDL, BEL leading with strong order books

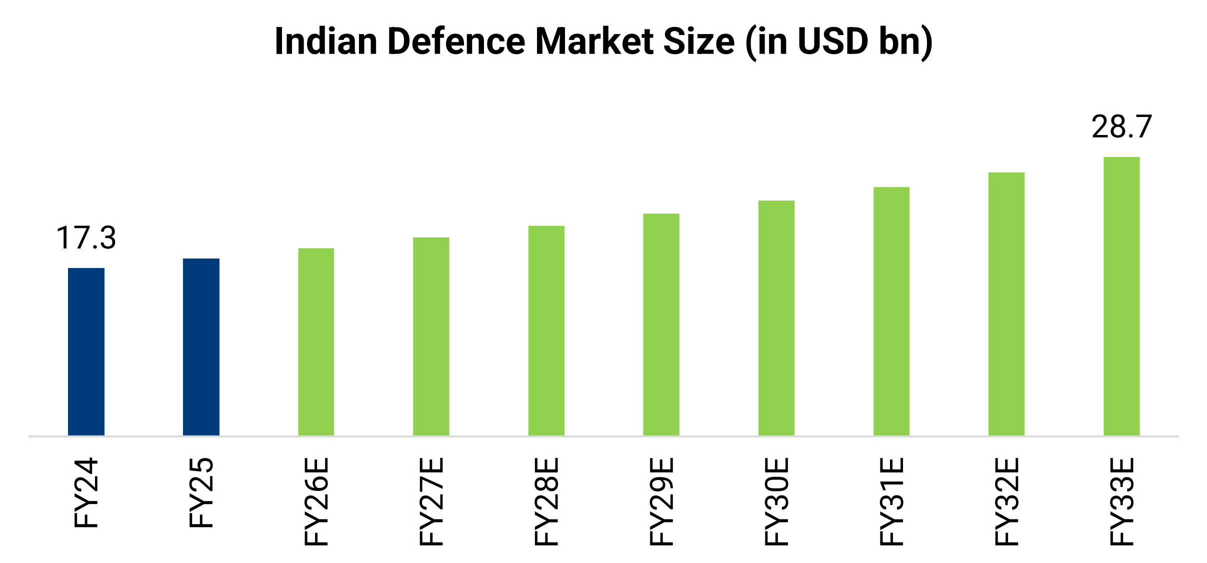
Import Substitution + Export Boost = Make in India success

- Driven by Defence Procurement Policy (DPP), import embargoes, and the Make in India initiative, India is transitioning from a historically import-heavy defence ecosystem to a self-reliant, indigenous manufacturing powerhouse.

Strong Policy & Strategic Tailwinds

- Localization push via import bans, defence corridors, and incentives; supported by tech tie-ups, private sector entry, and rising strategic relevance amid China-Pakistan threats and Quad dynamics.





Source: IBEF, IMARC, MOFSL, Ministry of Defence

Investment Process

Our philosophy while managing your money

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

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

Management
- Family Representation
- Board Governance
- Align Shareholder Interest

Business Partners
- Un-related Ownership
- Related-party Suppliers
- Related-party Customers

Investors
- Stock-price manipulation
- Unfair treatment of minority share-holders
- Price-rigging ahead of placements /insider sales

Financial Representation
- Aggressive A/c policies
- Earnings Smoothing
- Capitalization of Expenses

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

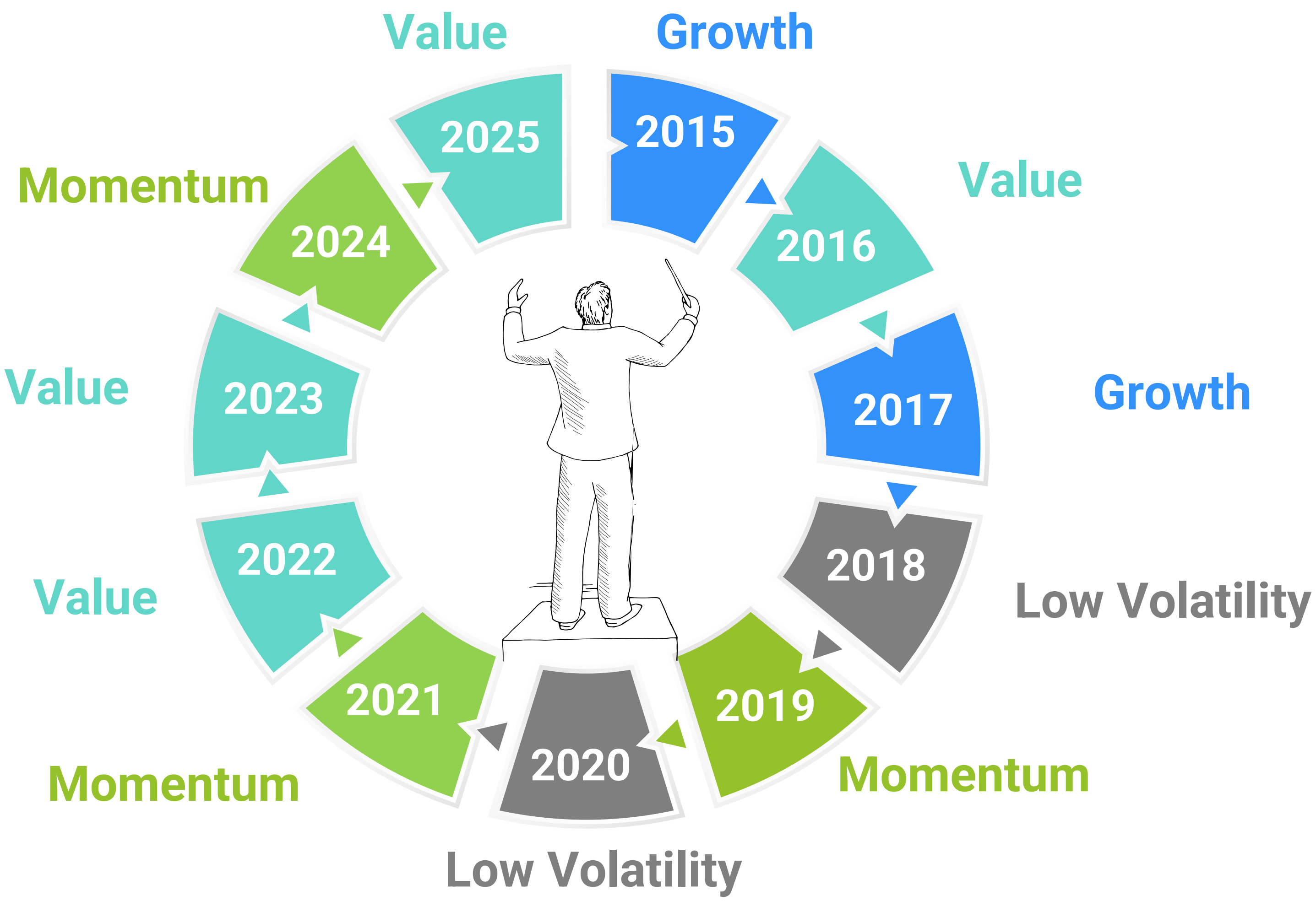
- We derive discounted value based on % discount compared to intrinsic value of the stock
- This bucket includes event driven, deep Value and turn-around businesses
- Current Examples of businesses with static value – SBI and Indian Bank

Compounding Investment Value

- We derive compounded value based on estimated growth in intrinsic value over the 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.

Investment Style Agnostic

Style agnostic approach is an evergreen way of wealth creation



Robustness

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

Qualitative factors:

1. **Scalability** of sector in which the business operates
2. **Ability** of business to grow faster than the sector growth rate
3. **Capability** of the management to capture the opportunity on sustainable basis

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

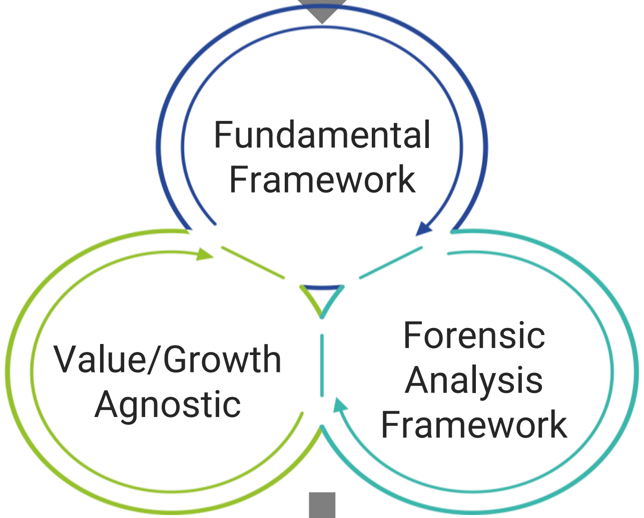
Investment Process	Idea Generation/ Research	Portfolio Construction/ Monitoring	Trading
Risk Management	* Quality * Corp. Governance * Price * Liquidity	* Reg. Guidelines * Sell Discipline * Portfolio Risk * Residual Macro Bets	* Best Price Monitoring * Liquidity Monitoring

Our investment process

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



Investment style agnostic

Analyse quality using Forensics

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[1] 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

[1]We intend to maintain sectoral exposures within a +/- 5% range relative to the fund's benchmark, while retaining flexibility to adjust allocations based on market opportunities and Fund Manager's discretion.

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.

Equity Investment Team

Fund Management Team

Trideep Bhattacharya
Chief
Investment Officer,
Equities
Exp: 4/25

Sumanta Khan
Fund Manager
Exp: 2/18
Cap goods, IT, Utilities, Telecom

Ashwani Agarwalla
Fund Manager
Exp: 4/18
BFSI

Dhruv Bhatia
Fund Manager
Exp: 2/14
Real Estate, Hotels, Cement, Textiles

Nikhil Gada
Fund Manager
Exp: 1*/14

Raj Koradia
Assistant Fund Manager
Exp: 2/7
Chemicals, Metals, Oil & Gas, Industrial consumables

Equity Research Team

Aniruddha Kekatpure
Head, Research
Exp:2/21
Consumer Staples, Consumer Discretionary

Ashish Sood
Research Analyst
Exp: 5/10
Capital Markets and Auto

Mehul Dalmia
Research Analyst
Exp: 4/9
Pharma and IT Services

Gnyan Thaker
Research Analyst
Exp: 1/3

Tejal Nagmoti
Research Analyst
Exp: 1/2

Suraj Soulkar
Research Analyst
Exp: 1/10

Aksh Vashishth
Research Analyst
Exp: 1/10

Experience – Experience in Edelweiss MF/Total Experience *Date of Joining – 1st April 2026

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

Mr. Kedar Karnik
Senior Fund Manager

Mr. Rahul Dedhia
Fund Manager

Mr. Hetul Raval
Dealer and Fund Manager

Ms. Riya Shah
Analyst and Junior Dealer

Factor Investing team

Mr. Bhavesh Jain

Co-Head- Factor investing

Over 17 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 over 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

Ms. Manasi Jalgaonkar

(Assistant Fund Manager)

Mr. Dishant Garg

(Quant Analyst)

Mr. Mayan Pahwa

(Research Analyst)

Mr. Ankit Jindal

(Research Analyst)

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For risk-o-meters **click here** *

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Thank You

Know more, www.edelweissmf.com