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WINDS OF CHANGE

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The global investment landscape is witnessing a significant shift following the US midterm elections. With Democrats gaining control of both chambers of Congress, the scope for fresh fiscal stimulus could be limited, while regulatory challenges surrounding AI investments may intensify. This, coupled with growing concerns over the economic returns on AI capex, has triggered a sharp correction in technology and semiconductor stocks, erasing over US$12 trillion in market capitalisation from the 2026 peaks across the AI-linked trade. A prolonged unwinding of this trade could also pose risks to global economic growth.

Crude oil prices have remained volatile since the onset of the war, oscillating between US$70 and US$126/bbl. We expect diplomatic negotiations and military strikes to coexist until the new US Congress takes charge in January 2027, with crude likely to trade in the US$90–100/bbl range. Unlike previous periods of global uncertainty, India is on a stronger macroeconomic footing. Further, the recent moderation in oil prices has eased pressures on the current account deficit and currency. Meanwhile, manufacturing activity remains above its long-term trend, input cost inflation is moderating and export orders are growing at their fastest pace in six months.

> *"Amid this background, we believe that Indian equities are witnessing the "**Winds of Change**", as several factors that worked against India over the past two years are gradually turning favourable."*



Sandipan Roy
CIO,
Motilal Oswal Private Wealth

India's limited participation in the global AI rally is now emerging as a relative advantage, positioning it as a potential hedge against the AI trade. As of October-end, the Nifty had underperformed the S&P 500 by 37% in dollar terms over two years. Historical instances of such significant underperformance were followed by periods of Indian outperformance. The changing global dynamics are already reflecting in foreign flows, with FPIs investing approximately US$9 billion during the last one month since Oct 16, reversing the trend of continuous outflows. Global brokerages are turning increasingly constructive on Indian equities. Potential changes to capital gains taxation and STT could further support this momentum.

This coincides with encouraging Q2FY27 corporate earnings, with Nifty 500 adjusted PAT growing 28.4% YoY, the highest in eight quarters. With 10 of the 12 major sectors trading below their 10-year average P/E multiples, the combination of earnings, valuations and flows has become increasingly favourable, particularly for large caps.

Considering the recent sharp rally, we maintain a Neutral view on Equities, with 50% allocation to large caps/hybrid, 40% to mid & small caps and 10% to global equities. We recommend lumpsum deployment in large-cap and hybrid strategies while staggering investments in other equity strategies, using meaningful corrections for aggressive deployment.

In fixed income, the outlook has decisively shifted from rate-cut expectations towards monetary tightening. Elevated energy prices have reignited inflationary pressures, prompting a hawkish stance from the Fed and the RBI. We expect further monetary tightening of 25–50 bps by mid-2027. Until greater visibility emerges on the policy rate peak, we continue to favour accrual over duration, with core allocation to private credit, high-yield NCDs and income generating assets like InvITs, and the balance to arbitrage and conservative SIF strategies.

Precious metals have come under pressure amid rising global yields and a stronger dollar. However, sustained central bank purchases and record global gold ETF holdings continue to underpin demand. Gold remains an important portfolio allocation given elevated geopolitical risks and growing fiscal concerns, with the recent correction bringing prices closer to key support levels. Silver, on the other hand, warrants a more measured approach given its greater dependence on industrial demand, higher cyclicality and price volatility. Hence we continue to maintain a neutral allocation to Precious Metals, with a clear preference for Gold over Silver.

Happy Investing!



US Midterms: Blue wave, but Trump keeps the veto

Democrats won both chambers on 3 Nov 2026 and lead the national House vote by ~13 points. The new Congress sits from 3 Jan 2027.

THE RESULT

SENATE (DEMOCRATS)

47 → 55

+8 seats · majority 51 · Alaska pending

HOUSE (DEMOCRATS)

214 → 256

+42 seats · majority 218 · 11 uncalled

GOVERNORS

Democrats now hold a majority; flipped Texas (first since 1995) and Georgia

SENATE FLIPS

Texas, North Carolina, Ohio, Iowa, Kansas, South Carolina, Maine, Mississippi

HOUSE

Swept swing seats in Pennsylvania, Iowa and Michigan

WHY VOTERS SWUNG

- **Trump's approval ~39%:** below water in all 11 competitive Senate states
- **Cost of living:** ~2/3 say tariffs hurt the economy; Iran war pushed up petrol and diesel
- **AI backlash:** ~3/4 oppose a data centre near them, fearing power bills
- **Corruption:** 89% see it as widespread (73% in 2024)
- **Turnout gap:** GOP voters stayed home; Dem-leaning 2024 non-voters showed up
- **Weak candidates:** Trump picks lost all 4 Senate primaries he backed

WHAT IT MEANS FOR TRUMP'S POWER

HE CAN STILL

- **Veto** any bill; override needs 67 Senate / 290 House votes vs Democrats' 55 / 256
- **Rule by executive order,** run foreign and military policy
- **Use Sec 232 / 301 tariffs,** and pardons

HE CAN NO LONGER

- **Pass laws alone:** no new tax cuts or spending without Democrats
- **Confirm at will:** judges, cabinet, Fed governors need a Democratic Senate
- **Avoid oversight:** subpoenas, hearings, power of the purse
- **Veto the budget resolution** or strike line items

Sources: Yahoo News (seat counts as of 13 Nov 2026); KCRA; Brookings; AP, CBS, Fox voter polls via Election Central; Nuvama FI Research (4 Nov). Seat gains vs pre-election Congress.

US Midterms: What changes for AI, crude, trade and the deficit

With Democrats gaining control of both chambers of Congress, the scope for fresh fiscal stimulus could be limited, while regulatory challenges surrounding AI investments may intensify.

	BEFORE: UNIFIED REPUBLICAN CONTROL	AFTER: DIVIDED GOVERNMENT (LIKELY)	NET EFFECT
AI SPENDING	Fast build-out backed by executive orders and federal-land data centres Push to override state AI laws; light regulation	Democrats chair tech committees; ratepayer rules, a data-centre tax and tighter chip-export curbs on the table Trump vetoes any moratorium; build-out goes on	**Slower, costlier AI capex** AI stocks sold off; India gains as a non-AI diversifier
CRUDE AND GEOPOLITICS	Trump ran the Iran war unchecked; Hormuz restricted Brent swung $71–118 through 2026	War-powers votes, hearings and NDAA conditions, but a veto blocks any forced end to the war Qatari peace plan stalled within days (12 Nov)	**Risk premium stays** Brent ~$94 and headline-driven; key risk for India's CAD
TARIFFS AND TRADE	Sec 232 / 301 tariffs after IEEPA tariffs were struck down (Feb) Sudden country-specific hikes; Congress sidelined	Tariffs stay: Trump would veto any rollback More oversight makes sudden new hikes harder	**Same level, fewer shocks** India: 18% deal framework still pending
US SPENDING AND DEFICIT	Room for more fiscal expansion (OBBBA, July 2025) FY26 deficit $1.99tn (~6% of GDP)	No new tax-cut package, but no consolidation either Shutdown risk at 11 Dec deadline; debt-ceiling fight mid–late 2027	**Gridlock, brinkmanship** Brief UST relief (10Y ~4.9%); mild support for Indian bonds

Sources: Carnegie Endowment; Brookings; The National (5 Nov); Business Today (15 Nov); Le Private Banker (12 Nov); Nuvama FI Research (4 Nov 2026, citing CBO). Market levels as of mid-Nov 2026.

AI trade reversal: >$12.8 trillion erased from 2026 market peaks

Every major market tied to the AI and commodity boom has given back gains; India, which never joined that rally, is not on the list

MARKET VALUE WIPED OUT FROM 2026 PEAK TO 6 NOV ($ TRN)



MARKET	FALL FROM PEAK
Indonesia	-51%
South Korea	–37%
China	-18%
Japan	-13%
Taiwan	-12%
Hong Kong	-9%
US	-6%

WHAT IT MEANS

Deepest falls came in markets most leveraged to chips and commodities

India peaked in Sep 2024 and de-rated early – it is now where rotation money is going

Source: Kotak MF, Bloomberg, Elara Capital, Peak Market value till 6th Nov 2026
The above data is for informational purpose only. Performance related data may or may not be sustained in future.

India's buffers are stronger than in past shocks

The pressure point this time is foreign capital flows, not India's own balance sheet.

INDICATOR	GFC 2008–09	TAPER 2013	COVID 2020	RUSSIA–UKRAINE 2022	WEST ASIA 2026–
INR depreciation	15.3%	21.8%	5.6%	10.1%	6.0%
Current account (% GDP)	–2.3	–4.8	–0.9	–2.1	–0.5*
CPI inflation (%)	9.1	9.9	4.8	6.7	6.1#
Real GDP growth (%)	3.1	5.5	3.9	7.6	7.8**
FPI flows (US$ bn)	–14.0	26.9	1.4	–5.2	–16.0

-0.5% vs -4.8%

Current account deficit now vs the 2013 taper tantrum

6.1% vs 9.9%

CPI inflation in this shock vs 2013

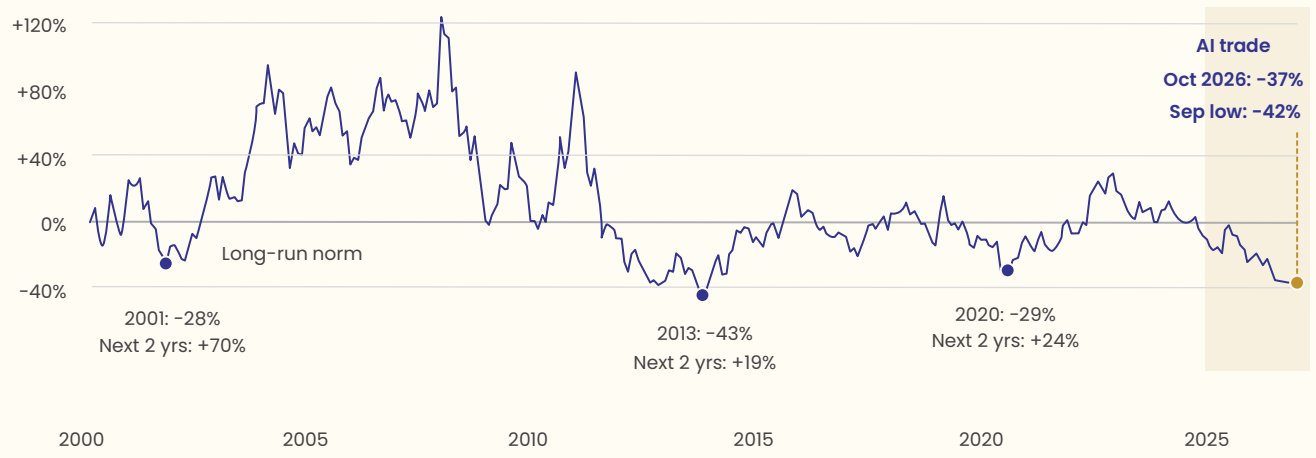
-$16 bn

FPI outflows: the one indicator as weak as in past crises. Flows, not fundamentals, are the pressure point.

*CAD nos. are for Q1FY27, #CPI Inflation is for Oct'26, **Real GDP growth is for Q1FY27. Source: Kotak Institutional Equities via Edelweiss Mutual Fund (TEMPO, Nov 2026); MoSPI (Oct 2026 CPI).

Indian equities emerging from an AI laggard to an AI hedge

NIFTY 50 VS S&P 500: 2-YEAR RELATIVE RETURN, US$



THE TURN, IN FOUR NUMBERS

+11.7%
Nifty 50 30 Sep–11 Nov

-9%
Nasdaq from its 6 Oct record

-47%
Korea's KOSPI from its June peak

$6.4 bn
FPI equity buying 1–11 Nov

AI UNWIND Yes
Main driver: India owns little AI hardware.

OVERHEATED PEERS Yes
KOSPI +76% in 2025, then +123% more to its June peak.

US MIDTERMS Partly
An accelerant: the AI sell-off began 6 Oct.

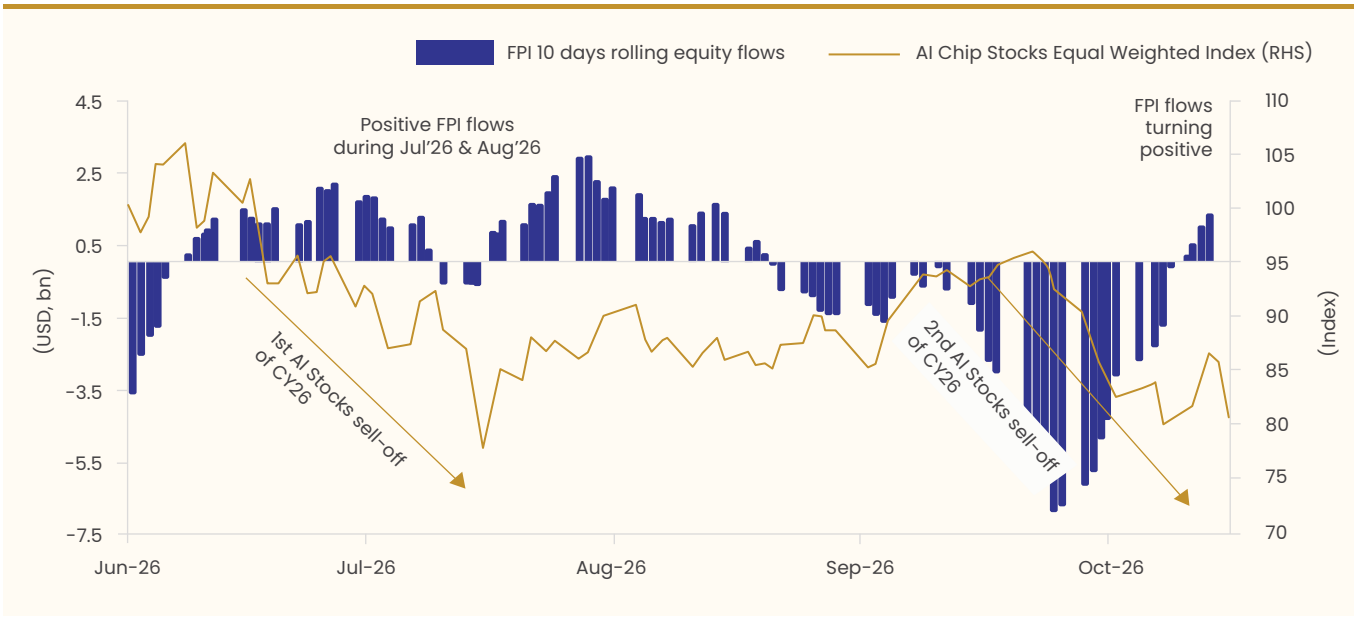
STILL EARLY Watch
Nifty -4% in 2026 vs EM +7%.

At end-October the Nifty had lagged the S&P 500 by 37% over two years in dollars, one of its widest gaps since 2000. Each earlier trough (2001, 2013, 2020) was followed by two years of Indian outperformance.

Source: NSE (Nifty 50); S&P 500 and USD/INR (Fed H.10) via FRED; month-end closes, price only; KRX; Nasdaq; NSDL. The above data is for informational purpose only. Performance related data may or may not be sustained in future.

AI sell-offs brought foreign money back to India

In both 2026 AI chip sell-offs, foreign flows into Indian equities turned positive. FPIs invested approximately US$9 billion during the last one month since Oct 16, reversing the trend of continuous outflows.



JUN–AUG

First AI sell-off: FPI flows into India turned positive through July and August

LATE OCT

Second sell-off: heavy September–October outflows reversed into inflows

Source: I-Sec Research (FPI 10-day rolling equity flows, US$ bn; AI chip stocks equal-weighted index) – via Kotak AMC Market Outlook (Nov 2026); NSDL.

Potential changes to capital gains taxation could support this momentum

Since mid-October, the Finance Ministry has signalled openness to reviewing equity capital gains taxation, amid sustained foreign outflows and concern over India's competitiveness for global capital.

HOW THE SIGNAL HAS STRENGTHENED

13 OCT 2026

Open to suggestions

FM, at the Bloomberg New Economy Forum, says she is open to stakeholder views on LTCG and STT

28 OCT 2026

Outreach begins

Finance Ministry officials reach out to market participants on capital-market taxation

2 NOV 2026

Concerns acknowledged

FM says circumstances have changed and investor concerns deserve consideration

16 NOV 2026

Under examination

CBDT Chairman confirms proposals to rationalise LTCG and STT are being examined ahead of the Budget

IMPORTANT DISTINCTION

13 Oct: receptive to discussing LTCG and STT, but no commitment to change

2 Nov: more explicit; acknowledged changed circumstances and investor concerns

16 Nov: formally under examination at CBDT for the Budget

WHAT IT MEANS FOR EQUITIES

A potential positive sentiment catalyst, especially for FPIs who sold ~$30bn Jan–Oct 2026.

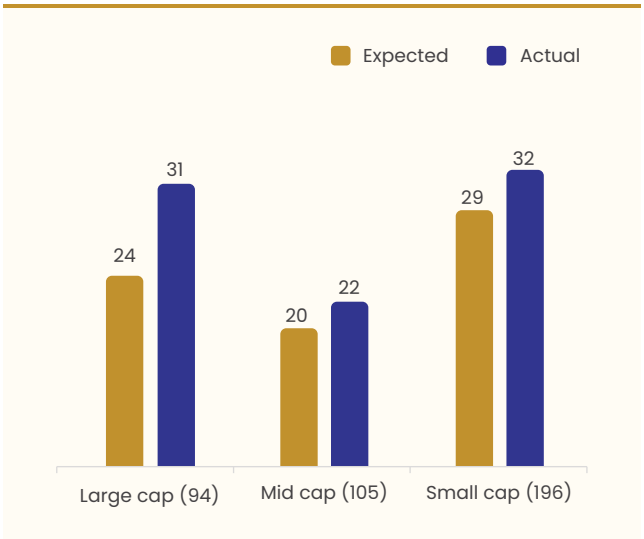
Not yet an announced tax cut: watch the Union Budget.

Sources: Business Standard; The Economic Times (Oct–Nov 2026). FPI outflow figure: Motilal Oswal, via Business Today (10 Nov 2026).

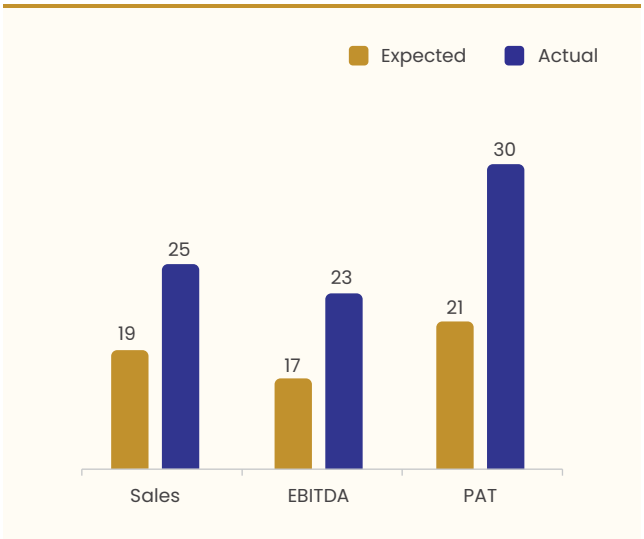
Flows coincide with strong Q2 FY27 earnings; profits beat expectations across market caps

Profits of companies under MOFSL coverage rose 30% vs 21% expected; large caps beat estimates by the widest margin

PAT GROWTH BY MARKET CAP, YOY (%)



ALL COMPANIES, YOY GROWTH (%)



FY27 PROFIT UPGRADES

- Textiles +10.0%
- Utilities +4.4%
- Metals +3.7%
- Capital markets +3.2%
- Cement +2.8%

FY27 PROFIT CUTS

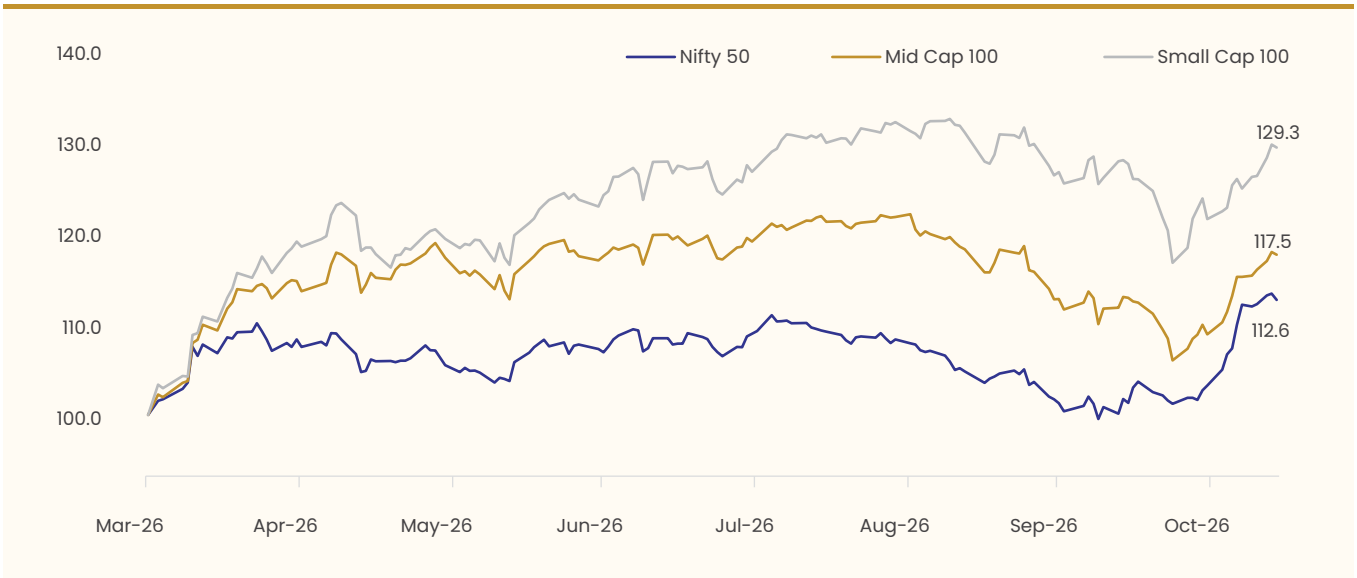
- New-age tech –56.3%
- Jewellery –20.9%
- Travel & leisure –13.7%
- Oil & gas –12.2%
- Retail –11.3%

Source: MOFSL India Strategy - Review 2QFY27 (15 Nov 2026).

Combination of earnings, valuations and flows has become increasingly favourable, particularly for large caps

One month performance is Opposite of what was seen so far this FY till Oct 12

PERFORMANCE OF MARKET CAP INDICES



	ABSOLUTE CHANGE	
INDEX	APR 01 - OCT 12	OCT 12 - NOV 13
Nifty 50	0.1%	12.4%
Nifty Mid Cap 100	11.7%	5.2%
Nifty Small Cap 100	27.8%	1.2%

Source: Nifty Indices, Internal Research. Disclaimer: The above data is for informational purpose. The analysis may or may not be sustained in future.

Ultimately, Indian equities are witnessing "Winds of Change" with 6 shifts turning in India's favour

Two external and four domestic shifts are moving together, strengthening the case for Indian equities, led by large caps.

POLITICAL External

Unified Republican control ⟶ **Divided Washington**

55/256

Democratic Senate / House seats; gridlock eases US yields (10Y 4.92%)

ROTATION External

Crowded AI trade ⟶ **Hunt for non-AI markets**

+8.6%

Nifty's best week since 2021, as Taiwan fell 12.2% (week to 6 Nov)

FLOW Domestic

FIIs sell, DIIs buy ⟶ **FIIs buy, DIIs book profits**

+₹85,024 cr

FPI buying in Nov to date; DIIs sold ₹48,390 cr (2–13 Nov)

POLICY Domestic

Tax status quo ⟶ **Open to attracting capital**

LTCG/STT

Review under examination by CBDT ahead of the Budget (16 Nov)

CONVICTION Domestic

Downgrades on oil shock ⟶ **Upgrades and target raises**

4 calls

HSBC to Overweight, Citi Nifty 28,000, Jefferies 14%, Bernstein buy

LEADERSHIP Domestic

SMID-led rally ⟶ **Large caps take the lead**

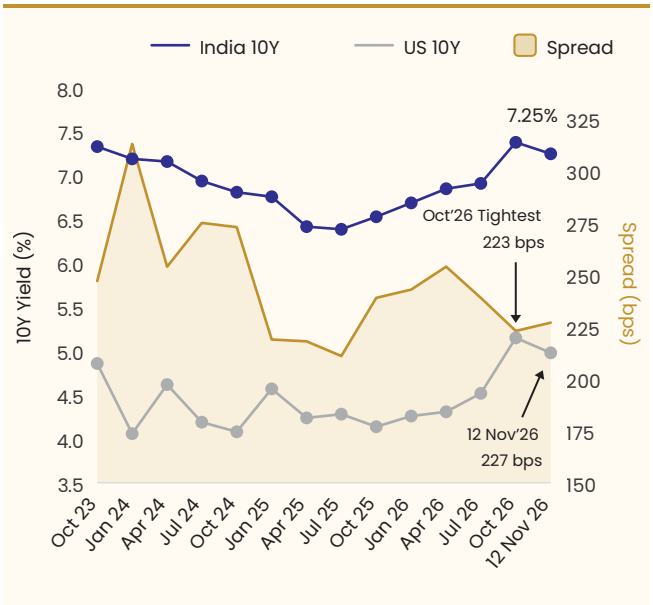
+12% vs 5%/1%

Nifty 50 vs Midcap 100 / Nifty Small Cap 100, 12 Oct–13 Nov; large caps led the rebound

Sources: Yahoo News (13 Nov); Nuvama FI Research (4 Nov); Al Jazeera, Yahoo Finance (6–7 Nov); Outlook Money (14 Nov); NSE/BSE provisional; Business Standard, Economic Times; Business Today (10–11 Nov), all 2026.

Fixed Income: US vs. India 10Y sovereign yields, spreads & FII bebt flows

US VS INDIA 10Y SOVEREIGN YIELDS & SPREAD (1 OCT 2023-12 NOV 2026)



MONTH	FII DEBT FLOWS (RS. CR.)
Jan-26	6013
Feb-26	18791
Mar-26	(8469)
Apr-26	(10826)
May-26	2757
Jun-26	55518
Jul-26	18661
Aug-26	(1457)
Sep-26	(20727)
Oct-26	691
13-Nov-26	8280
CY2026 YTD	69232

OUTLOOK ON US–INDIA 10Y BOND YIELD SPREADS (NEXT 6–12 MONTHS)

Structural Compression Regime: Pre-2023 historical average was ~400–450 bps; stronger Indian macro fundamentals and narrowing Inflation differential have reset the equilibrium band to 210–275 bps.

Near-Term Range (215–260 bps): As US 10Y consolidates around 4.75%–5.10% and India 10Y holds 7.15%–7.45%, spreads are near cyclical troughs with gradual widening potential in H1 FY28 if US growth cools.

DRIVERS OF FII INFLOWS INTO INDIAN DEBT (~₹69,232 CR CY26 YTD)

RBI and Govt actions to attract flows: Tax exemption to FPIs' G-Sec investments and liberalized FPI Investments into FAR bonds led to flows in Jun and Jul

Global Bond Index Inclusion: Passive and active tracking following JPMorgan GBI-EM (10% weight) and Bloomberg EM Local Currency index additions also drove flows in CY26.

Macro & Fiscal Credibility: Steady fiscal consolidation toward 4.5% of GDP and controlled inflation attracted sovereign wealth & pension allocations.

Source: NSDL, FRED, CCIL

Gold: Under pressure amid rising yields and a strong dollar; However, central bank purchases continue to underpin demand

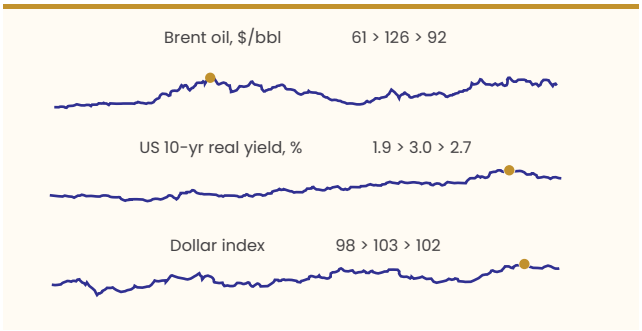
GOLD · US RATES IN CHARGE

Oil-driven inflation made the Fed hike, lifting real yields and the dollar. Gold is 29% below its January record.

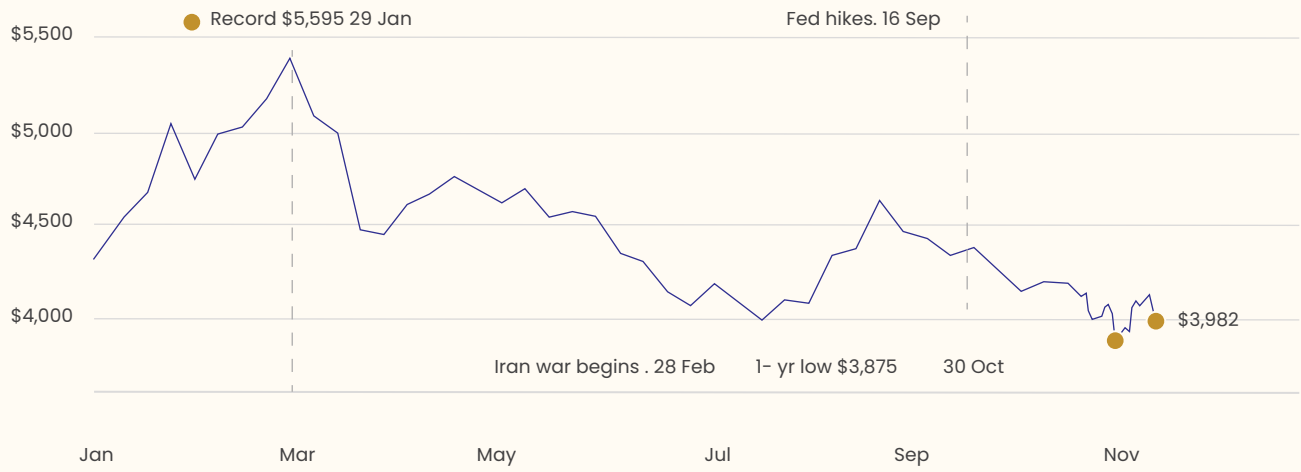
WHAT STILL HOLDS IT UP

STEADY BUYERS
Central banks and ETFs kept buying through the correction

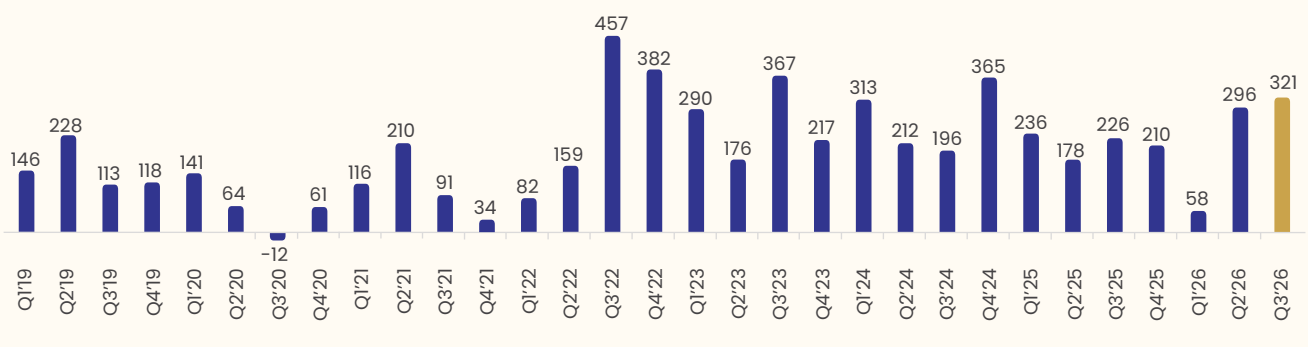
WHAT PULLED IT DOWN



GOLD, US$ PER OUNCE, 2026



CENTRAL-BANK GOLD PURCHASES BY QUARTER (TONNES)



Sources: StatMuse, ISA Bullion, Trading Economics, FRED, World Gold Council.

Temperature Gauge Index

We are cognizant of the fact that investments are tuned to meet your objectives and therefore call for a suitable asset mix based on your investment objective. However the challenge always remains to accurately estimate when the market is cheap or expensive. In order to arrive at the decision of preferring equity over debt or vice versa, we believe earning yield to bond yield is an excellent parameter to consider. This ratio indicates the perceived risk differential between equity and bonds.

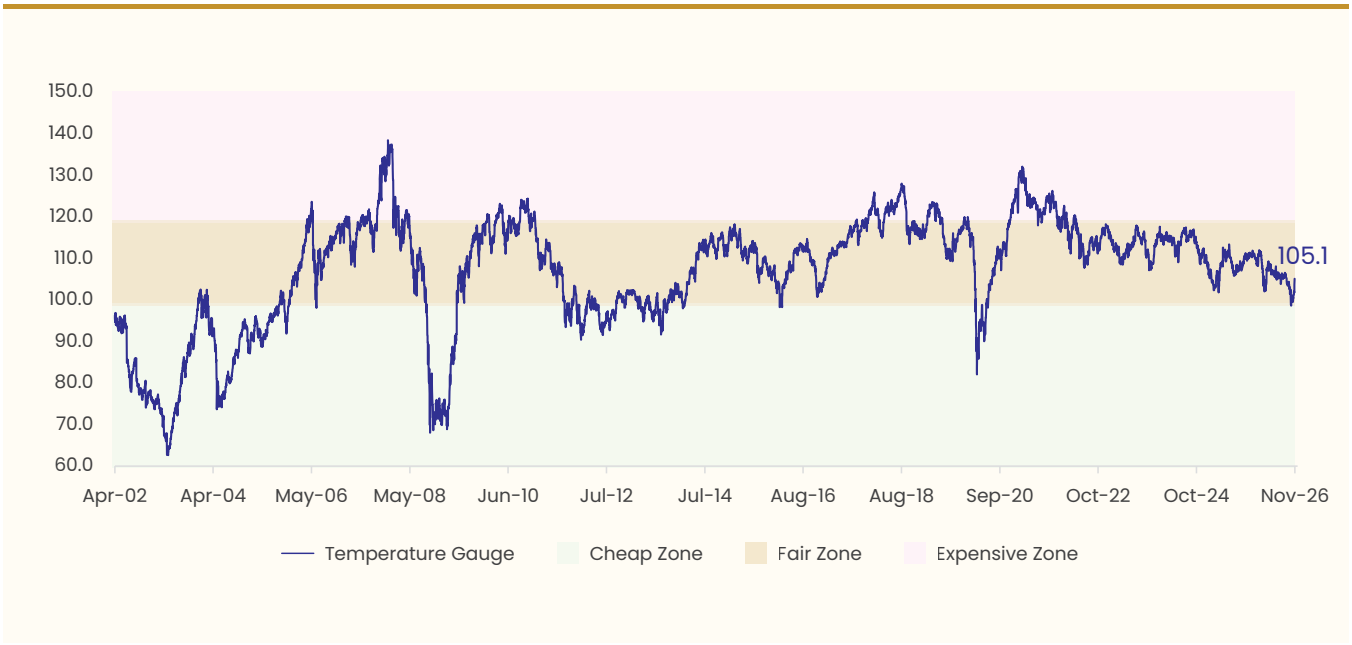
Historically whenever earnings yield and bond yield spreads are above 0.8, equities are considered to be undervalued.

The earnings-yield-to-bond-yield parameter along with our in-house indicator of market valuations named as MOVI – The Motilal Oswal Valuation Index enables us to arrive at a well-researched and thought through asset class outlook. MOVI is basically an index which is calculated based on the Price to Earnings (PE), Price to Book Value (PB) and Dividend Yield (DY) on the components of Nifty 50. By means of an algorithm the weighted average PE, PB and DY of the components of Nifty 50, one arrives at an index. A higher level on the MOVI means markets are expensive and hence one should reduce equity exposure and vice versa.

With the above mentioned input variables, we have crafted a unique model coined as Temperature Gauge which helps in making investment choices across asset classes.

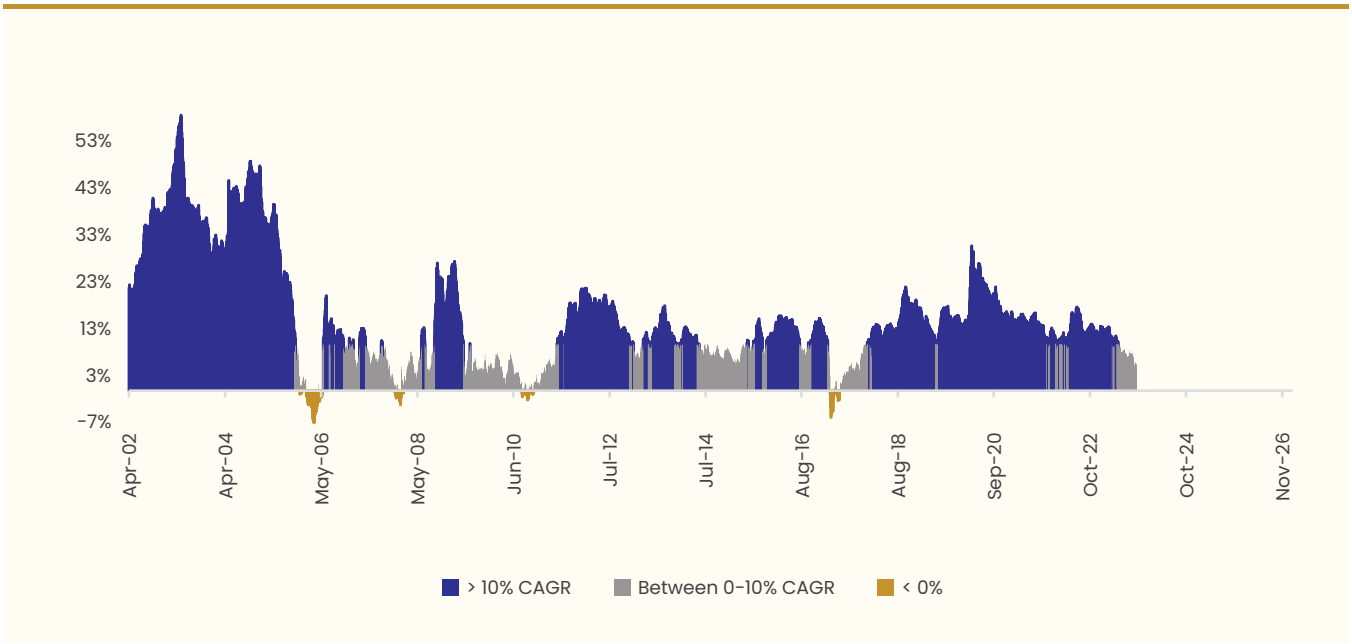
*This qualitative and quantitative process would enable us to construct **"winning portfolios"** for our clients. In line with our philosophy of providing better insights to you, we hope you find the same informative.*

TEMPERATURE GAUGE INDEX



Data as on 6th Nov'26. Source: Capital Line, Bloomberg Internal Research. Disclaimer: The above graph is for informational purpose. Past performance may or may not be sustained in future.

NIFTY -3 YEAR FORWARD RETURN



Data as on 6th Nov'26. Source: Capital Line, Bloomberg Internal Research. Disclaimer: The above graph is for informational purpose. Past performance may or may not be sustained in future.

TEMPERATURE GAUGE INDEX – SENSITIVITY ANALYSIS

Nifty50/10 Yr Gsec	6.80%	7.00%	7.20%	7.40%	7.60%
23750	102	103	103	104	105
24000	102	103	104	105	106
24250	102	103	104	105	106
24500	103	103	104	105	106
24750	103	104	105	106	107
25000	103	104	105	106	107
25250	104	104	105	106	107
25500	104	105	106	107	108
25750	104	105	106	107	108
26000	104	105	106	107	108
26250	105	106	107	108	109
26500	105	106	107	108	109
26750	105	106	107	108	109

Blue Colour Text Indicates Current Level of Nifty 50 and 10 yr G-sec levels. Data as on on 6th Nov'26. Source: Capital Line, Bloomberg Internal Research. Disclaimer: The above graph is for informational purpose. Past performance may or may not be sustained in future.

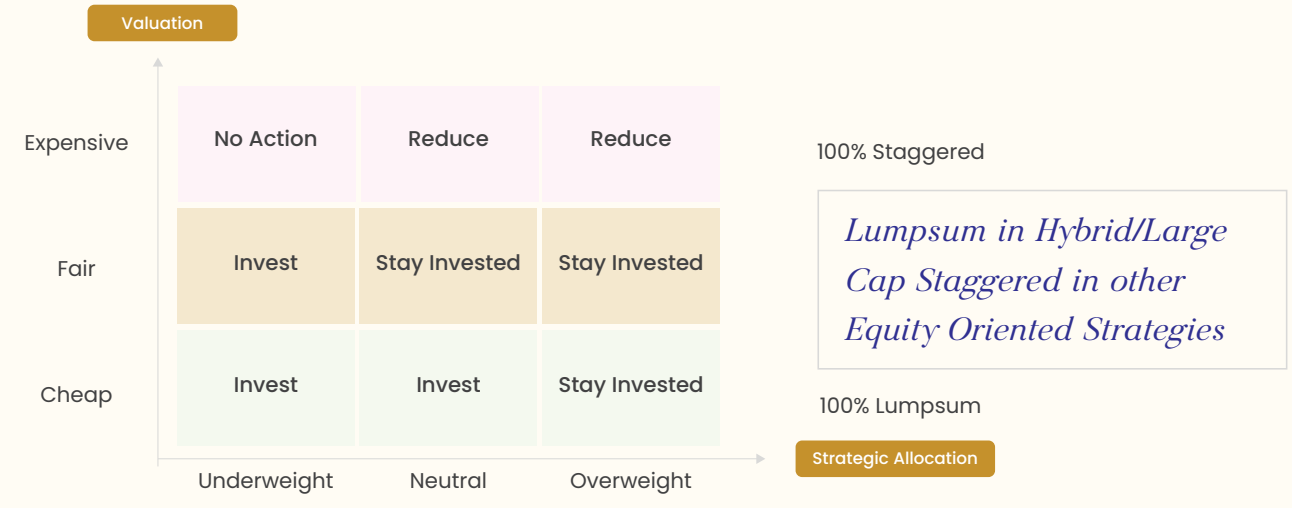
3 YR FORWARD RETURNS OF NIFTY AT DIFFERENT LEVELS OF TEMPERATURE GAUGE INDEX

NIFTY 50				36M RETURN CAGR			TIMES POSITIVE	% TIMES	
INDEX RANGE		COUNT IN RANGE	% OF COUNT	MIN	MAX	AVERAGE	% TIMES POSITIVE	6% TO 10%	>10%
65	70	60	1%	24%	57%	43%	100.0%	0%	100%
70	75	202	2%	15%	51%	32%	100.0%	0%	100%
75	80	285	3%	14%	45%	37%	100.0%	0%	100%
80	85	168	2%	15%	43%	34%	100.0%	0%	100%
85	90	207	2%	12%	49%	33%	100.0%	0%	100%
90	95	539	6%	2%	47%	27%	100.0%	2%	97%
95	100	842	9%	1%	44%	18%	98.8%	8%	90%
100	105	841	9%	-2%	30%	13%	83.8%	17%	60%
105	110	1208	13%	-4%	22%	10%	61.5%	12%	41%
110	115	2018	22%	-7%	22%	9%	76.1%	30%	32%
115	120	1617	18%	-4%	21%	9%	87.8%	25%	33%
120	125	804	9%	-2%	18%	10%	93.5%	10%	61%
125	130	135	1%	0%	16%	12%	99.3%	4%	80%
130	135	84	1%	-2%	15%	6%	91.7%	0%	36%
135	140	28	0%	-3%	0%	-1%	10.7%	0%	0%

Data as on 12th Oct'26. Source: Capital Line, Bloomberg Internal Research. Disclaimer: The above graph is for informational purpose. Past performance may or may not be sustained in future.

EQUITY ALLOCATION & DEPLOYMENT GRID

BELOW GRID IS BASED ON TEMPERATURE GAUGE INDEX



Data as on 12th Oct'26. Source: Capital Line, Bloomberg Internal Research. Disclaimer: The above graph is for informational purpose. Past performance may or may not be sustained in future.

From Vacancy to Velocity:

The Diverging Office Cycles of the US and India

In Bengaluru, office towers are being leased almost as fast as they can be built. Prime office rents in the city rose ~14% in the year to March 2026 – the fastest pace in the Asia-Pacific region – as global companies continued to expand their Indian operations.

Halfway across the world, the picture looks very different. Earlier this year, a 485,000 sq. ft. office building in Chicago changed hands for $4 million, having sold for $68 million a decade earlier.

Six years after remote work challenged the need for physical offices, much of America's office stock is still being written down. Yet the divide is less simple than it first appears.

Even in the US, a tenant looking for space in a top-tier Midtown Manhattan tower has very few options left, while in India the newest buildings are pulling ahead of older stock. Together, these markets raise an interesting question: why are some offices being written down so sharply while others cannot be built fast enough?

India: A Structural Office Boom

India's office market is absorbing new space at record levels. Gross office leasing across seven major Indian markets reached 61 million sq. ft. during the first nine months of 2026, the highest ever for the period. In the third quarter, Bengaluru led demand with a 33.4% share, followed by Hyderabad (19.6%), Delhi NCR (18.1%) and Mumbai (12.4%) – reflecting the expanding footprint of multinational corporations.

The longer view is even more striking. Between 2016 and September 2024, Bengaluru alone absorbed 75.2 million sq. ft. of office space on a net basis, more than Tokyo, while net absorption in both New York and London turned negative.

RECORD GROSS OFFICE LEASING IN INDIA

61 Million sq.ft.

Record high across 7 major markets in 9M 2026.

BENGALURU'S SHARE OF Q3 2026 LEASING

33.4%

Ahead of Hyderabad, Delhi NCR and Mumbai.

TOTAL GRADE A OFFICE STOCK IN INDIA'S TOP SEVEN MARKETS, MSF



Source: https://www.sebi.gov.in/filings/reit-issues/dec-2025/bagmane-prime-office-reit_98740.html

What Is Driving India's Growth

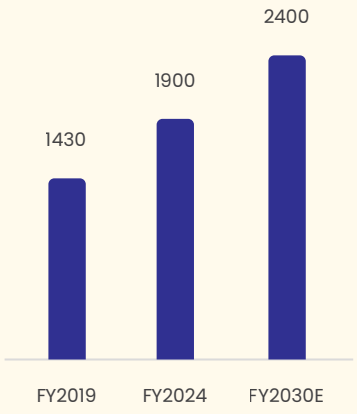
Four forces explain why India's office market has moved in the opposite direction to much of the developed world.

THE RISE OF GCCs

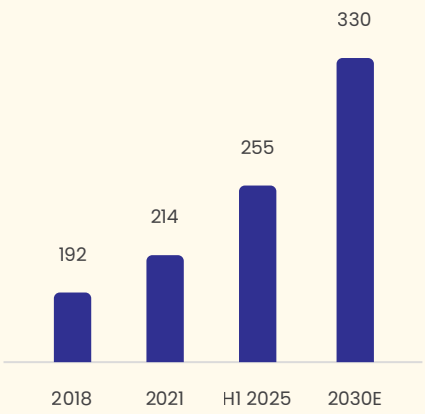
At the centre of this growth are Global Capability Centres (GCCs), which have evolved considerably from their early role as low-cost back-office operations. India now hosts 2,117 GCCs across 3,728 operating units, employing more than 2.3 million professionals, and generating ~$98.4 billion in annual revenue.

GCCs accounted for nearly 43% of India's office leasing during the first nine months of 2026, underscoring their importance to commercial real estate demand. Estimates for 2030 range from about 2,400 GCCs (EY) to more than 4,200 (Software Technology Parks of India).

NUMBER OF GCCS IN INDIA



GRADE -A OFFICE SPACE OCCUPIED BY GCCS IN INDIA, MSF



Source: https://zinnov.com/centers-of-excellence/zinnov-nasscom-india-gcc-landscape-2026-report/

The transformation of GCCs is particularly important. Multinational companies are increasingly moving higher-value functions such as artificial intelligence, engineering, product development, cybersecurity, and global finance to India. What began primarily as a labour-cost advantage is evolving into a broader talent and capability proposition, supported by a large skilled workforce and increasingly sophisticated business infrastructure.

Artificial intelligence introduces an interesting dimension to this growth. Automation could reduce demand for routine roles but the expansion of specialised functions is expected to support further hiring and office demand. Industry projections estimate 1–1.4 million net new GCC jobs and 150–170 million sq. ft. of additional office demand by 2031, even as AI reshapes workforce requirements.

NET NEW GCC JOBS BY 2031

1-1.4 Million

Job growth driven by AI and specialised functions.

A COST ADVANTAGE THAT SURVIVES RISING RENTS

India's appeal rests on economics as well as talent. Even after the recent surge in rents, Bengaluru's prime office rent of about $37 per sq. ft. a year ranks only 19th in Asia-Pacific, compared with roughly $159 in Hong Kong.

The operating costs per employee in Bengaluru are about significantly lower than in Tier-II US cities.

BETTER BUILDINGS FOR BETTER JOBS

The changing nature of GCC work is also reshaping the type of office space companies require. Larger floorplates, collaborative workspaces, sustainability features and the ability to scale operations within established business parks are becoming increasingly important. India's office story is moving beyond simply accommodating more employees towards providing better workplaces for more sophisticated functions.

Occupiers are becoming more selective, and the best buildings are pulling away from the rest.

In Delhi NCR, vacancy in premium Grade A+ buildings declined from 14.2% in 2022 to just 4.9% by early 2026, compared with 19.1% across the broader Grade A market. These premium properties now command rental premiums of more than 30%, reflecting occupiers' willingness to pay more for superior locations, facilities and building standards.

DELHI NCR GRADE A VACANCY

19.1%

Higher vacancy than premium offices.

GREEN OFFICE LEASING

73%

Share of leasing in green-certified buildings, Q2 2026

Sustainability is increasingly central to this shift. In Q2 2026, green-certified buildings accounted for 76% of new office completions and 73% of leasing activity, reflecting the growing importance of corporate sustainability commitments and operational efficiency.

INSTITUTIONAL CAPITAL

Alongside rising demand, the ownership structure of Indian commercial real estate is undergoing a transformation. Historically dominated by developers and individual investors, the market is increasingly attracting REITs, pension funds, sovereign wealth funds and institutional private capital.

Since India's first REIT listing in 2019, the market has expanded to six listed trusts with gross assets exceeding ₹3.17 lakh crore and portfolios spanning more than 214 million sq. ft. of office and retail real estate, including development potential. This institutionalisation is improving access to professionally managed properties, transparent valuations, and regular cash distributions. Much of the new money is local: domestic investors accounted for about 76% of institutional real estate inflows in the first quarter of 2026.

For investors, the significance extends beyond the growth of REITs themselves. Institutional capital is encouraging a greater focus on tenant quality, occupancy, rental escalation, capital allocation and leverage discipline.

₹3.17 lakh crore +

Gross assets of listed REITs, highlighting rising institutional investment.

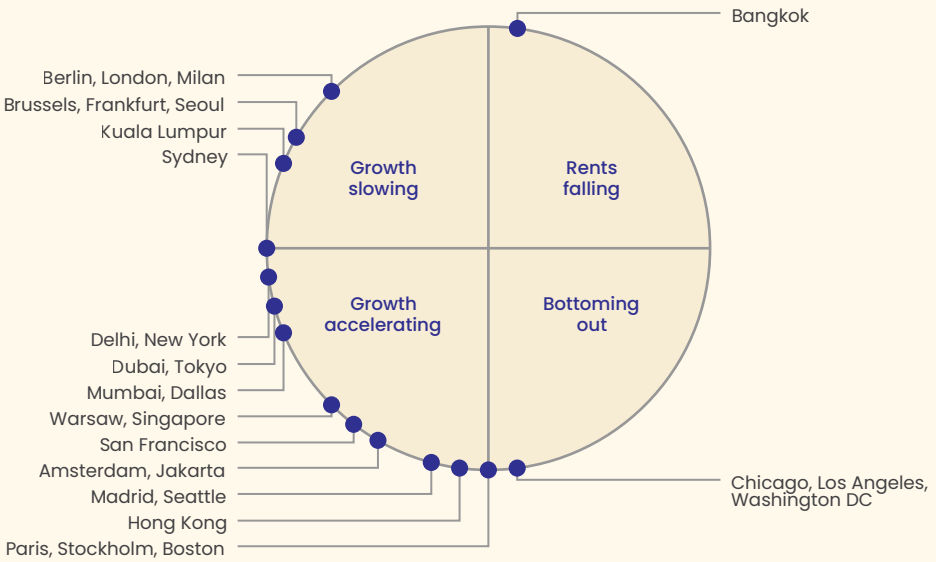
76%

Domestic share of institutional real estate inflows in Q1 2026.

These factors are becoming increasingly important as commercial real estate evolves from a property-ownership opportunity into an income-generating investment asset class.

America: A Hard Correction, and a Recovery Led from the Top

AMERICA: A HARD CORRECTION, AND A RECOVERY LED FROM THE TOP



Source: https://www.jll.com/en-in/insights/premiumisation-is-redefining-office-spaces-in-delhi-ncr

America's office market has been through a far harsher cycle, and its recovery is still uneven. The downturn unfolded in two stages. First, hybrid work reduced the space companies needed, pushing national office vacancy from ~12% before the pandemic to over 19% at its peak. Then came higher interest rates, which increased financing costs and depressed property valuations. With an estimated $875 billion of commercial and multifamily mortgages scheduled to mature in 2026, refinancing remains a major concern, particularly for older, highly leveraged properties. The stress has reached lenders: the delinquency rate on office loans in US commercial mortgage-backed securities hit 13.2% in August 2026.

At the top of the market, that recovery is well under way. Prime rents in New York, Dallas, San Francisco, Seattle, and Boston are growing at an accelerating pace, while Chicago, Los Angeles and Washington DC are bottoming out. By Q3 2026, overall vacancy had declined to 18.2% while prime-office vacancy fell much faster to 11.9%, and to just 1.9% in Midtown Manhattan. Tenants are consolidating into newer properties offering better locations, sustainability credentials and amenities, leaving ageing buildings with persistent vacancies. In Houston, for instance, offices built since 2011 had vacancy of ~12%, compared with nearly 27% for older stock.

The supply side is also adjusting. New office completions are at historic lows, while older buildings are increasingly being converted, redeveloped, or removed from the market. This combination of limited new supply and improving demand is beginning to tighten the market for premium space.

America's office problem, in other words, has increasingly become an old-building problem rather than an office problem. A building considered premium in one cycle can struggle to compete in the next if it fails to evolve with tenant requirements.

The Risks to India's Office Story

America's experience is a reminder that strong demand alone does not protect property values. Commercial real estate returns ultimately depend on rental income, growth in rents and occupancy, and changes in property valuations.

India's fundamentals currently offer a supportive backdrop, with Grade A offices in core business districts carrying capitalisation rates of approximately 7.5–8.4%, higher than comparable prime-market yields in several developed Asian economies. However, five risks deserve close attention.

DEPENDENCE ON GLOBAL CORPORATE SPENDING

India's GCC expansion remains closely linked to global corporate spending decisions, particularly those of US-headquartered companies, which account for about 73% of GCC leasing. A slowdown in technology investment or multinational expansion could affect leasing demand, even as these companies continue to rationalise their office footprints at home.

73%

US-Headquartered Companies' Share of GCC Leasing

A RISING TIDE OF SUPPLY

Supply is increasing rapidly. New completions reached 43.7 million sq. ft. in the third quarter of 2026 alone, contributing to a modest rise in vacancy to 14.8%. Continued construction without corresponding demand could pressure occupancy and rental growth in select micro-markets.

43.7 Million Sq. Ft.

New Completions – Q3 2026

AGEING STOCK

The flight to quality also has implications for India's existing office stock. Older IT parks, fragmented ownership structures and buildings lacking modern specifications may face growing pressure to upgrade as occupiers increasingly choose newer, institutionally managed developments. America shows how quickly that pressure can harden into lasting vacancy.

INTEREST RATES AND VALUATIONS

Borrowing costs and valuations remain important. Higher interest rates can increase financing expenses and the yields investors demand from property investments, reducing asset values. The RBI raised the repo rate to 5.5% in October 2026, and listed REITs were already trading at a median distribution yield of 5.8% in late September, below the 10-year government bond yield. With starting yields this thin, the price paid for an asset matters as much as its quality.

MEDIAN REIT DISTRIBUTION YIELD, LATE SEPTEMBER

5.8%

Below the 10-year government bond yield, with the repo rate raised to 5.5% in October 2026.

AI AND OFFICE INTENSITY

AI-led productivity gains may also change the relationship between GCC business growth, employee headcount and physical office requirements. Average headcount per GCC has already slipped slightly, to about 1,115 from 1,130 in 2024.

These factors make asset selection particularly important. A well-located property with strong tenants, sustainable rental growth and prudent leverage may perform very differently from a comparable-looking building facing weaker occupancy, high refinancing costs or excessive new supply.

India and the US are at different stages of the office cycle. India is benefiting from a structural expansion led by GCCs and the growing sophistication of its corporate occupiers, while America is working through a correction that has exposed the vulnerability of older, highly leveraged properties.

Yet both markets are moving towards a similar outcome: rising demand for modern, sustainable, and well-managed properties, alongside increasing pressure on buildings that cannot keep pace with changing occupier requirements.

For investors, choosing the right geography is only the first step. What ultimately determines the outcome is which building, owned by whom, and financed how.

Snapshot:

Macro Economies

	US	JAPAN	AUSTRALIA	GERMANY	FRANCE	UNITED KINGDOM	EURO AREA
GDP YoY	3.4%	0.7%	2.1%	1.2%	-0.1%	1.4%	1.3%
Inflation rate	3.7%	2.1%	4.3%	2.8%	3.4%	3.5%	4.0%
10 Yr Bond Yield	4.9%	2.8%	5.0%	3.3%	4.8%	5.1%	3.9%
Policy rate	4.0%	1.3%	4.9%	2.7%	2.7%	3.8%	2.7%

Snapshot:

Emerging Economies

	INDIA	INDONESIA	BRAZIL	MEXICO	SOUTH KOREA	CHINA	RUSSIA
GDP YoY	7.8%	5.5%	2.0%	3.2%	3.4%	4.5%	1.3%
Inflation rate	5.5%	3.2%	4.6%	3.5%	2.8%	0.9%	6.3%
10 Yr Bond Yield	7.1%	7.7%	15.3%	9.1%	3.9%	1.6%	16.5%
Policy rate	5.5%	5.8%	13.8%	6.5%	3.0%	3.0%	14.0%

Disclaimer: Data updated from Trading Economics as on 1st November 2026

Global Macro Overview

October 2026 marked a pronounced rotation in global markets. Global equities declined as investors reassessed the scale, financing requirements and prospective returns of AI infrastructure investment. The weakness was concentrated in large technology and semiconductor names, while energy and defensive sectors outperformed. Government bonds also recovered, with yields retreating from September's highs as investors sought higher quality assets amid volatility in technology shares and parts of the credit market.

United States

US equities recorded divergent performance in October. The S&P 500 declined 0.9%, while the Nasdaq Composite fell 5.3%, its steepest monthly decline since March 2025. Semiconductor shares were particularly weak, with the Philadelphia Semiconductor Index declining 15.3%. In contrast, the equal weighted S&P 500 advanced 5.0%, while the Russell 2000 gained 0.5%.

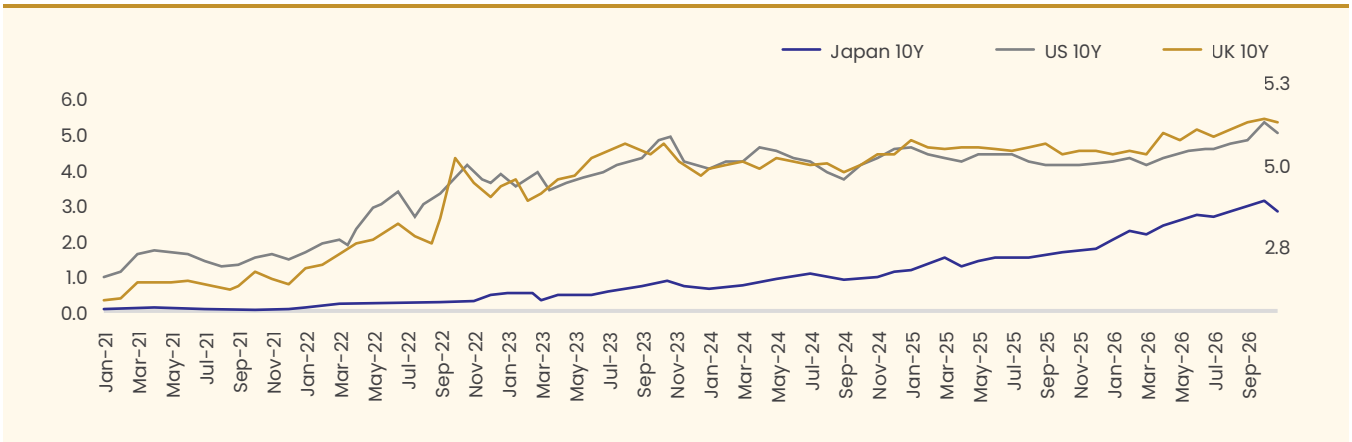
The rotation reflected increasing scrutiny of AI related capital expenditure, hyperscaler free cash flow and the ability of highly leveraged infrastructure providers to generate returns sufficient to support their financing needs. Energy, consumer staples, utilities and healthcare led sector performance, while information technology and communication services were the only S&P 500 sectors to decline.

US BENCHMARK	OCT-26	YTD 26
Nasdaq 100	-6.7%	12.4%
Nasdaq Composite	-5.3%	9.4%
S&P 500	-0.9%	10.7%
Russell 2000	0.5%	13.3%
Dow Jones Industrials	1.7%	7.7%

Source: Investing.com

The S&P Global flash US composite PMI eased to 57.6 in October from 58.4 in September, but remained firmly above the 50 point expansion threshold. Preliminary estimates showed Q3 real GDP growth of 3.4% annualised, compared with 2.2% of Q2. September non farm payrolls increased by 29,000, while unemployment edged up to 4.2%. September CPI inflation accelerated to 3.7% year on year, with core CPI at 2.6%. US Treasury yields declined over the month as demand for safe haven assets increased. The 10Y Treasury yield ended October at 4.9%, down ~35 bps from Sep-end. The Fed held its benchmark interest rates unchanged between 3.75% and 4.0% at its October policy meeting.

10Y BOND YIELDS (%)



Source: Investing.com

Europe and United Kingdom

European equities were relatively resilient despite higher energy costs and renewed fiscal and political concerns in France. The MSCI Europe ex UK Index rose 1.6%, while the FTSE All Share gained 1.1%. UK equities benefited from their exposure to energy and defensive sectors, whereas French assets remained under pressure amid uncertainty over public finances and the fiscal outlook.

The European Central Bank held its deposit facility rate at 2.50%. Euro area GDP grew by 1.7% (annualised) in Q3, while the flash composite PMI eased to 51.9 from 53.1 in September, indicating slower but still positive private sector activity. Euro area inflation accelerated to 3.8% YoY, driven in part by higher energy prices.

EURO AREA GDP GROWTH

+1.7%

Annualised economic growth in Q3.

EURO AREA INFLATION

3.8% YoY

Inflation accelerated, partly driven by higher energy prices.

ECB DEPOSIT FACILITY RATE

2.50%

Held unchanged

Japan

The Nikkei 225 fell 5.2% in yen terms, while the broader TOPIX declined 3.5% as weakness in semiconductor and technology related companies weighed on the market. The BOJ kept its policy rate unchanged at 1.25% on 30 October following September's increase, while policymakers continued to signal that further normalisation may be required.

Core CPI accelerated to 2.1% YoY in September from 1.7% in August, moving above the BOJ's 2% target for the first time in 9 months. Business activity remained in expansion, with the flash composite PMI at 52.3. Japanese government bonds rallied alongside global sovereign debt; the 10-year JGB yield was reported at 2.9% at month end, a multi-decade high level not seen since 1996.

JAPAN INDICATOR	OCTOBER
Nikkei 225	-5.2%
TOPIX	-3.5%
BoJ policy rate	1.25%
Core CPI	2.1% YoY
PMI	52.3
10Y JGB yield	2.9%

Source: Investing.com, Reuters, Bloomberg

Emerging Markets

Emerging market equities underperformed developed markets in October, with the MSCI Emerging Markets Index declining 8.1%, although it remained up 11.6% year to date. The weakness was concentrated in Asia, where technology heavy markets like South Korea and Taiwan were affected by the global reassessment of AI related investment and semiconductor valuations. Brazil markets declined 9.9% following the unexpected presidential outcome and renewed concerns around fiscal outlook.

MARKET	BENCHMARK EM	OCT-26	YTD 26
Emerging Markets	MSCI EM	-8.1%	11.6%
South Korea	KOSPI	-16.2%	36.0%
Taiwan	TWII	-5.7%	56.1%
Brazil	BOVESPA	-9.9%	4.2%

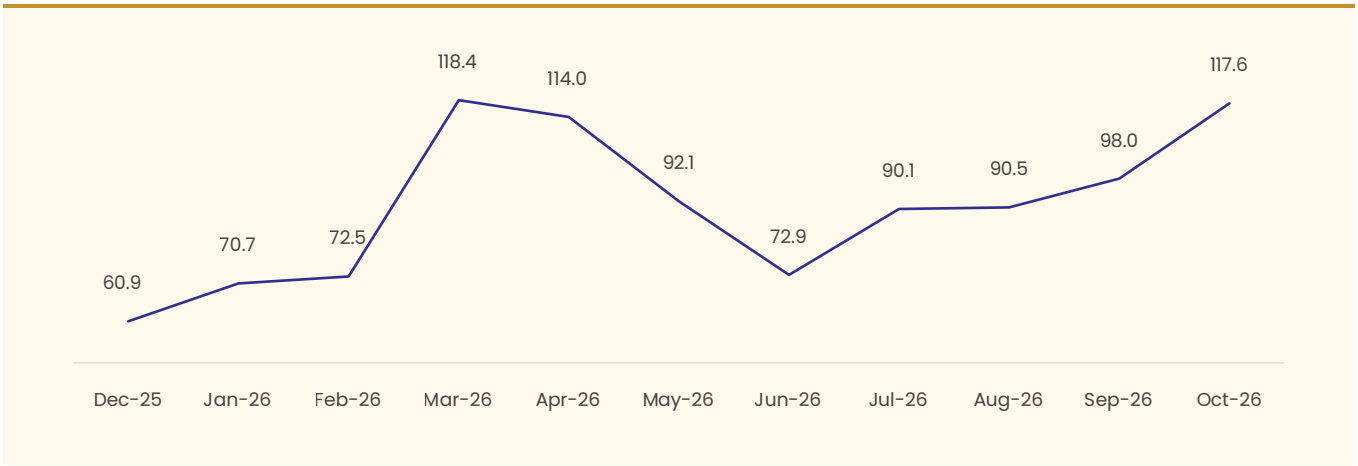
Source: Investing.com

Overall FII flows to emerging markets recorded $33.8 billion of outflows in October, following $19.3 billion of outflows in September.

Oil & Energy

Brent crude rose by ~20% during October, to $117.6 per barrel up from $98.0 at September end. The spot Brent price has been above $100/barrel continuously since early September, with the effects of ongoing supply disruptions in the Gulf compounded by concerns about inventory depletion in key markets, including the US.

BRENT CRUDE FUTURES (MONTH-END LEVELS IN US DOLLARS PER BARREL)



Source: Investing.com

Looking Ahead

October highlighted a changing pattern of market leadership. Weakness in large technology and AI linked stocks was offset by gains across energy, defensive sectors and a broader set of US companies, while government bonds regained some of their safe haven appeal.

The divergence between market cap weighted and equal weighted US indices underlined the importance of breadth and diversification.

Markets are likely to remain sensitive to developments in AI investment, corporate earnings and financing conditions, with a broader diversification of equity market leadership potentially continuing. For emerging markets, elevated crude oil prices and volatility across technology-heavy Asian markets remain key variables, given their potential implications for capital flows, currency stability and market performance.

Indian Economy Review

In October, India's economy continued to balance resilient domestic demand against persistent inflationary pressures. Strong GST collections, industrial production and business activity pointed to sustained growth momentum, even as rising prices kept policymakers cautious. A late-October decline in crude oil prices, however, offered some relief to the inflation and external outlook.

Monetary Policy - A Cautious Tightening Bias

Following the RBI's 25-basis-point repo rate hike to 5.5% in October, the Monetary Policy Committee (MPC) minutes highlighted differing views on the path ahead. While all six members supported the hike, opinions were divided on the shift to a "calibrated tightening" stance. Some members cautioned against signaling a prolonged hiking cycle, while others emphasized persistent inflationary pressures and the potential need for further rate increases.

5.5%

REPO RATE

Following a 25 bps hike in October.

With inflation projected to average nearly 5.8% over the next three quarters and FY27 GDP growth estimated at 7.1%, the minutes suggest a cautious tightening bias rather than a predetermined series of hikes. The recent decline in crude oil prices could provide some relief, although future policy decisions will remain dependent on incoming inflation and growth data.

7.1%

GDP GROWTH

Estimated growth for FY27.

INFLATION: BROADENING PRICE PRESSURES, WITH POTENTIAL RELIEF FROM OIL

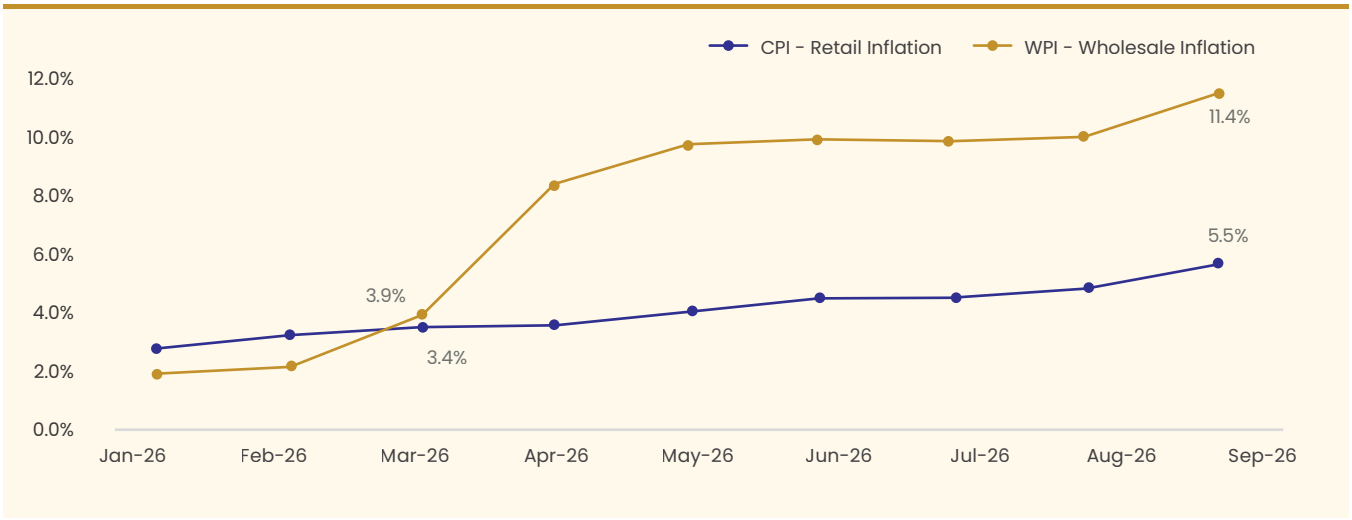
INFLATION (% YOY)	AUGUST 2026	SEPTEMBER 2026
Headline CPI	4.8%	5.5%
Food inflation	6.0%	7.7%
Core inflation (est.)	4.2%	4.6%
Headline WPI	9.9%	11.4%
WPI – Fuel & Power	22.9%	25.9%
WPI – Manufactured Products	8.4%	9.8%

Source: Investing.com

Consumer price inflation rose to 5.5% in September from 4.8% in August, exceeding market expectations of 5.4% and approaching the RBI's upper tolerance limit of 6%. The increase was largely driven by food inflation, reflecting weak rainfall and higher vegetable prices. Core inflation also edged higher, indicating that price pressures may be extending beyond food and fuel.

Wholesale inflation accelerated across major categories, particularly fuel, manufactured products and primary articles. The significant gap between wholesale and consumer inflation suggests that businesses are absorbing part of the increase in input costs. Sustained wholesale price pressures could eventually lead to higher retail prices, reinforcing the RBI's cautious stance.

CPI AND WPI



Source: Investing.com

Domestic Economic Activity: Resilient, but Moderating

GST collections increased 22.9% YoY to ₹2.31 lakh crore in October, following robust collections averaging around ₹2 lakh crore over the previous three months. Domestic collections grew 15.8%, while import-related GST increased 42.2%, contributing nearly half of the overall increase. While collections indicate continued economic activity, higher import prices and rupee depreciation also contributed to the headline growth.

Automobile sales moderated on a year-on-year basis in October, with vehicle retail registrations declining 23.7% to approximately 31.7 lakh units, despite rising nearly 24% from September. Passenger vehicle registrations fell 13.8% YoY to 5.1 lakh units, while two-wheeler registrations declined 28.3% to 23.2 lakh units. The contraction largely reflects an unusually high base in Oct-25, supported by GST rate reductions and festive purchases. Nevertheless, the sequential improvement indicates continued festive demand, while year-to-date registrations remain positive, suggesting that underlying demand is more resilient than the annual comparison indicates.

Industrial production expanded 6.7% in September, moderating from 7.8% in August. Manufacturing grew 7.6%, while mining contracted 6.2%. Growth in capital goods and consumer durables slowed, although consumer non-durables returned to positive territory. Despite the moderation, industrial production increased 6.8% during April–September, compared with 4.4% in the corresponding period last year.

GST COLLECTIONS, OCTOBER

₹2.31 lakh crore

Up 22.9% YoY, with imports contributing nearly half the rise.

VEHICLE RETAIL REGISTRATIONS, OCTOBER

31.7 lakh units

Down 23.7% YoY on a high base, but up nearly 24% from September.

INDUSTRIAL PRODUCTION GROWTH

6.8%

Up from 4.4% a year earlier, despite moderating to 6.7% in September.

Business activity remained in expansionary territory, with October's manufacturing and services PMI readings at 54.7 and 55.8, respectively. Manufacturing export orders recorded their strongest growth in six months, while services export growth and hiring moderated, indicating some unevenness in business momentum.

External Sector - Lower Oil Prices Offer Some Relief

India's merchandise exports increased 23% YoY to $44.4 billion in September, supported by strong growth in electronics and engineering goods. Imports rose 8% to $74.61 billion, narrowing the merchandise trade deficit to $30.21 billion from approximately $33 billion a year earlier.

However, the broader April–September picture remained less favourable, with imports growing faster than exports and the combined goods and services trade deficit widening to $74.9 billion from $58.1 billion a year earlier.

Crude oil prices remained the principal source of external uncertainty. Brent, which approached $115 per barrel in late October amid geopolitical tensions, declined to approximately $95 by early November following indications of renewed diplomatic engagement between the US and Iran.

Although this correction provides relief to India's import bill and inflation outlook, prices remain substantially higher than a year earlier.

The rupee also recovered modestly alongside lower oil prices, strengthening to approximately ₹94.5 per US dollar in early November. However, foreign-exchange reserves declined from a record $785.7 billion in September to $719.8 billion by 23 October, reflecting continued pressure on the external position, alongside possible valuation effects.

SEPTEMBER TRADE PERFORMANCE

23%

Export growth YoY $44.4 billion

Outlook

India's growth remains resilient, supported by domestic consumption, industrial activity and government capital expenditure. Inflation, however, remains the principal concern. While lower crude oil prices offer some relief, rising core inflation, the gap between wholesale and retail prices, and uncertainty over agricultural output continue to pose upside risks. The RBI's December decision will depend on October inflation data, second-quarter GDP figures and the trajectory of crude oil prices. A rate cut appears unlikely in the near term, and any further tightening is expected to depend on the persistence of inflation rather than a predetermined rate-hike cycle.

Market Performance

NIFTY 50	NIFTY MID CAP 150	NIFTY SMALL CAP 250	NIFTY 500
+1.9%	-3.7%	-5.8%	-0.8%

Source: Internal Research, Investing.com

Indian equities rebounded in October 2026, with the Nifty 50 rising 1.9% MoM to 23,053 after two consecutive monthly declines. The index moved within a 995-point range before closing 433 points higher, though it remains down 11.8% in CY26 YTD. Market breadth was largely balanced, with 22 of 50 constituents ending higher.

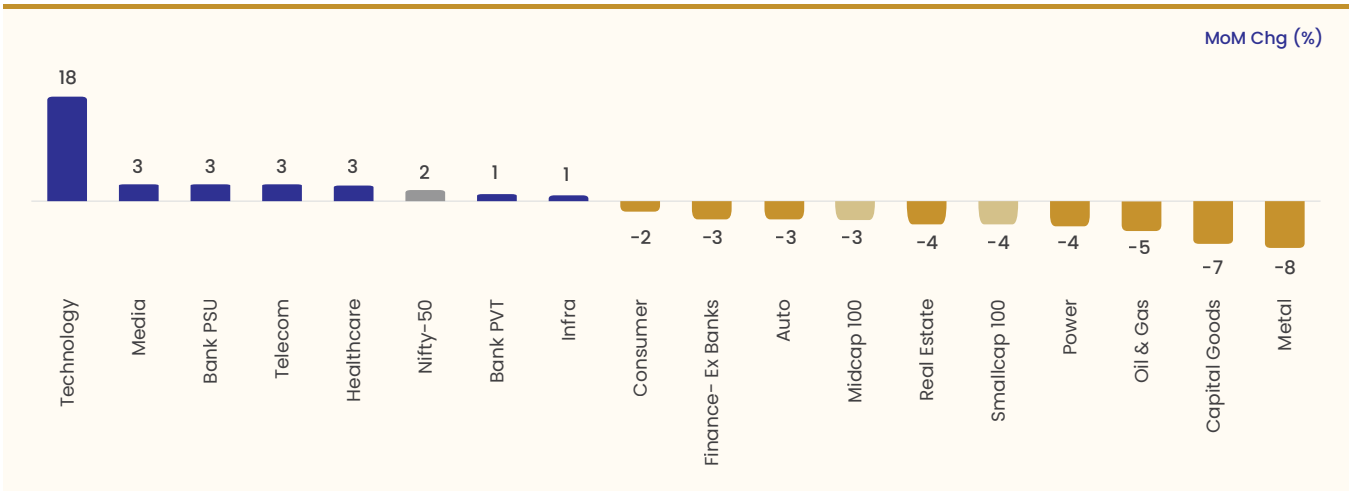
Broader markets, however, underperformed, with the Nifty Midcap 150 down 3.7%, the Nifty Smallcap 250 down 5.8% and the Nifty 500 down 0.8%, indicating that the recovery was concentrated in large caps.

Sectoral Performance

Sectoral performance was mixed in October. Technology led the gains, rising 18%, followed by Media, PSU Banks, Telecom and Healthcare (+3% each). Metals were the weakest performer (-8%), followed by Capital Goods (-7%), Oil & Gas (-5%), and Power and Real Estate (-4% each).

The pattern points to a rotation into beaten-down, reasonably valued sectors such as Technology, and away from commodity- and capex-linked sectors where rising input costs and premium valuations weigh on the outlook.

SECTOR PERFORMANCE – OCT (%)



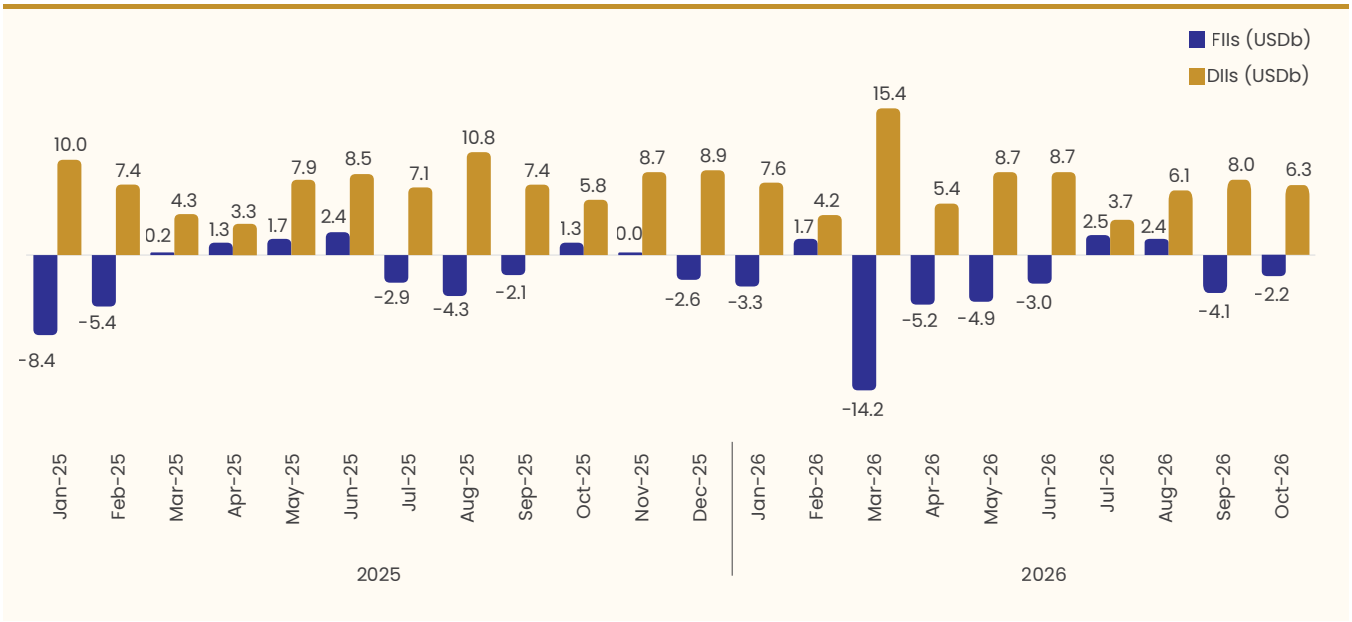
Source: Motilal Oswal Bulls and Bears Report

FII vs DII Flows

FIIs recorded net equity outflows of USD 2.2 billion in October 2026, the second consecutive month of selling, taking cumulative CY26 YTD outflows to USD 30.4 billion. Domestic flows, however, remained robust.

DIIs invested USD 6.3 billion during the month, lifting cumulative CY26 YTD inflows to USD 74.1 billion and continuing to provide a strong liquidity counterbalance to sustained foreign selling.

FII VS DII FLOWS



Source: Motilal Oswal Bulls and Bears Report

Corporate Earnings - Q2FY27 Interim Review (As on 31st Oct'26)

Nifty 50: Earnings Ahead of Estimates; EPS Upgraded

The 35 Nifty companies that have reported so far delivered 22% YoY PAT growth, ahead of the 20% estimate, with sales and EBITDA growth of 22% and 17%, respectively. Reliance Industries, JSW Steel, ICICI Bank, Coal India and Axis Bank contributed 59% of the incremental earnings growth. FY27E Nifty EPS has been raised by 1.1% to INR 1,247, while FY28E EPS has been raised by 1.6% to INR 1,428.

NIFTY PAT GROWTH

22% YoY

Above the 20% estimate, driven by strong corporate earnings.

MOFSL Universe: Broad Based Earnings Beat

The 230 MOFSL Universe companies that have reported so far delivered 33% YoY PAT growth, well ahead of the 19% estimate and the highest in 12 quarters, while ex-OMC earnings grew 30% against an estimated 22%. Sales and EBITDA grew 26% and 24% YoY, respectively. BFSI, Metals and Oil & Gas contributed 78% of the incremental earnings growth, while Healthcare and Cement were the only sectors to drag on aggregate earnings. 43% of companies beat PAT estimates, while 24% missed.

PAT GROWTH

33% YoY

Highest in 12 quarters, exceeding the 19% estimate.

Market Cap Trends: Small Caps Lead Earnings Growth

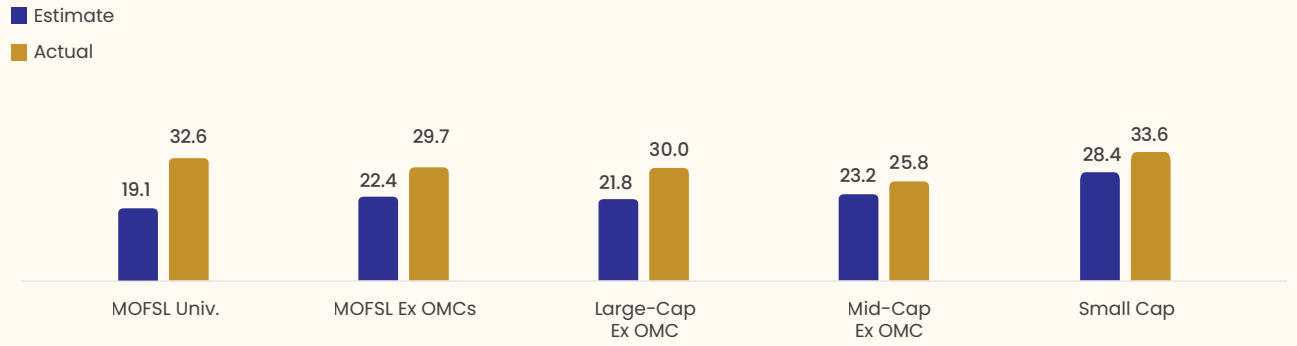
Excluding OMCs, large-, mid- and small-cap earnings grew 30%, 26% and 34% YoY, respectively, all ahead of estimates of 22%, 23% and 28%. Small caps led PAT growth, supported by a favourable base, while beat ratios were healthy across segments at 43%, 41% and 46% for large-, mid- and small-caps. Overall, Q2FY27 results point to a strong and broad-based earnings recovery.

SMALL-CAP EARNINGS GROWTH

34% YOY

Earnings growth
vs. 28% estimated

2QFY27 EARNINGS GROWTH (YOY, %)



Source: Motilal Oswal India Strategy Report

Valuations

The Nifty 50 is now trading at a 12-month forward Price-to-Earnings (P/E) ratio of 17.1x, which is ~18% below its historical average of 20.9x. Nifty Midcap 100 and Smallcap 100 are also trading at 21.6x/21.8x, which is ~10.5% below and 22% above their historical averages of 24.1x/17.8x.

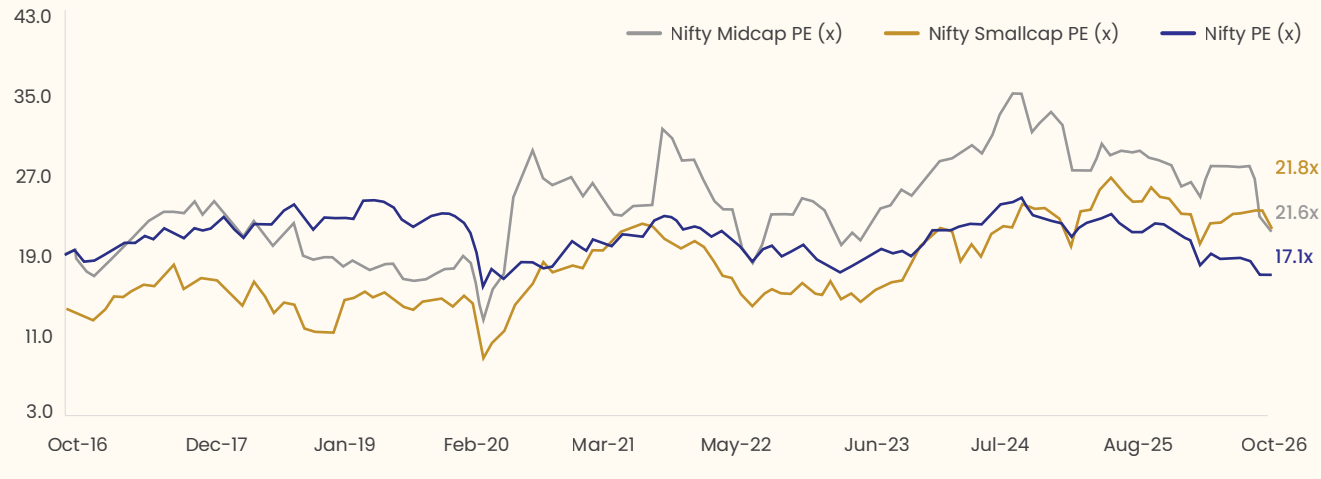
NIFTY 50 P/E RATIO

17.1x

below its historical average of 20.9x.

12-MONTH FORWARD

OCT'16 - OCT'26 - 1Y FORWARD P/E



Source: Motilal Oswal Bulls and Bears Report

BELOW ARE THE COMPARATIVE VALUATIONS OF A FEW KEY SECTORS

SECTOR	12M FORWARD P/E OR P/B	10Y AVG P/E OR P/B	KEY VIEW
Automobiles	22.9x P/E	23.9x P/E	At a 4% discount; festive demand and a low base drove strong 2Q volumes, though growth is expected to taper in 2H as the base normalises and commodity costs remain a near-term headwind.
Private Banks	1.8x P/B	2.5x P/B	At a 27% discount; robust credit and deposit growth, aided by FCNR(B) inflows, is supportive, though surplus liquidity may weigh on 3Q NIMs before rate hikes aid margins from 4Q.
PSU Banks	1.1x P/B	0.9x P/B	At a 20% premium; credit growth is broadly in line with the system and asset quality is stable, while rural/MSME exposure and the ECL transition remain key monitorables.
Capital Goods	35.4x P/E	32.9x P/E	At an 8% premium; ordering momentum is improving across T&D, data centres and oil & gas, though a selective approach favouring strong order books remains prudent.
Consumer Staples	32.4x P/E	42.6x P/E	At a 24% discount; volumes and calibrated price hikes support steady revenue growth and rural demand is improving, though raw-material inflation continues to pressure margins.
Consumer Durables	34.1x P/E	38.4x P/E	At an 11% discount; demand for appliances and cables & wires remains healthy, with RAC price hikes taken to offset commodity inflation.
Healthcare	34.8x P/E	27.8x P/E	At a 25% premium; healthy domestic formulations and CDMO demand support growth, while hospitals may remain under pressure on pricing.
Real Estate	23.8x P/E	33.9x P/E	At a 30% discount; home sales have stabilised, but launches outpacing absorption and rising unsold inventory pose a risk.
Technology	17.3x P/E	21.6x P/E	At a 20% discount; AI-led deal activity is healthy, but revenue conversion remains gradual amid cautious discretionary spending and pricing deflation in traditional services.

Portfolio Strategy

The outcome of the US midterm elections has altered global market dynamics. With limited room for fresh fiscal stimulus and growing concerns over the economic returns on AI investments, US technology stocks have come under pressure. Unwinding of AI trade may remain a risk for global growth. Crude oil Prices have stayed volatile since the onset of the war and, while they have eased after the elections to ~$94–95/bbl, uncertainty persists as the Strait of Hormuz remains contested.

Unlike previous periods of global uncertainty, India is on a stronger macroeconomic footing. Resilient domestic demand, healthy manufacturing activity, improving export competitiveness and a relatively contained current account deficit provide comfort.

India's relative underperformance over the past two years, coupled with its limited participation in the global AI rally, is now turning into a relative advantage.

The reversal in FPI flows and increasingly favourable views from global brokerages reflect a gradual improvement in investor sentiment. Potential changes to capital gains taxation and STT could further support this momentum.

The return of foreign capital has coincided with large caps outperforming mid and small caps, reversing the earlier trend. This shift is supported by improving earnings visibility and relatively attractive valuations across large caps.

Q2FY27 corporate earnings have been encouraging, leading to upward revisions in earnings estimates. While large caps continue to trade below their long-term average valuations, pockets of the small-cap segment remain relatively expensive, warranting a selective approach.

Indian equities are therefore seeing the "**Winds of Change**" — the global tide that worked against India for the last two years is turning in its favour, though rising global yields and geopolitical uncertainty remain the crosswinds to navigate.

*Considering the current scenario and recent sharp rally, we maintain a **Neutral view on Equities***

PORTFOLIO ALLOCATION

50%	40%	10%
ALLOCATION	ALLOCATION	ALLOCATION
Hybrid/Large caps	Mid & Small Caps	Global

Large caps remain preferred for their valuation comfort, earnings visibility and the return of foreign flows.

Investment Strategy: Deploy lumpsum in hybrid/large cap strategies at current levels and stagger the remaining. Any correction should be used as an opportunity for aggressive deployment.

Global Central Bank Stance & Higher-for-Longer 10Y Yields

US FEDERAL RESERVE

3.75%-4.00%

Hawkish Hold | US 10Y at 5.07%

EUROPEAN CENTRAL BANK

2.50% Deposit

Hiked +50bps in 2026 | CPI ~3.0%

BANK OF ENGLAND

4.00% Bank Rate

Hiked +25bps Nov 26 | UK 10Y 5.29%

BANK OF JAPAN

1.25% Call Rate

31-Yr High | Dec/Jan Hike Risk

BRENT CRUDE & GEO RISK

$92.4-$93.4 /bbl

Down from $124 Oct peak, Hormuz tense

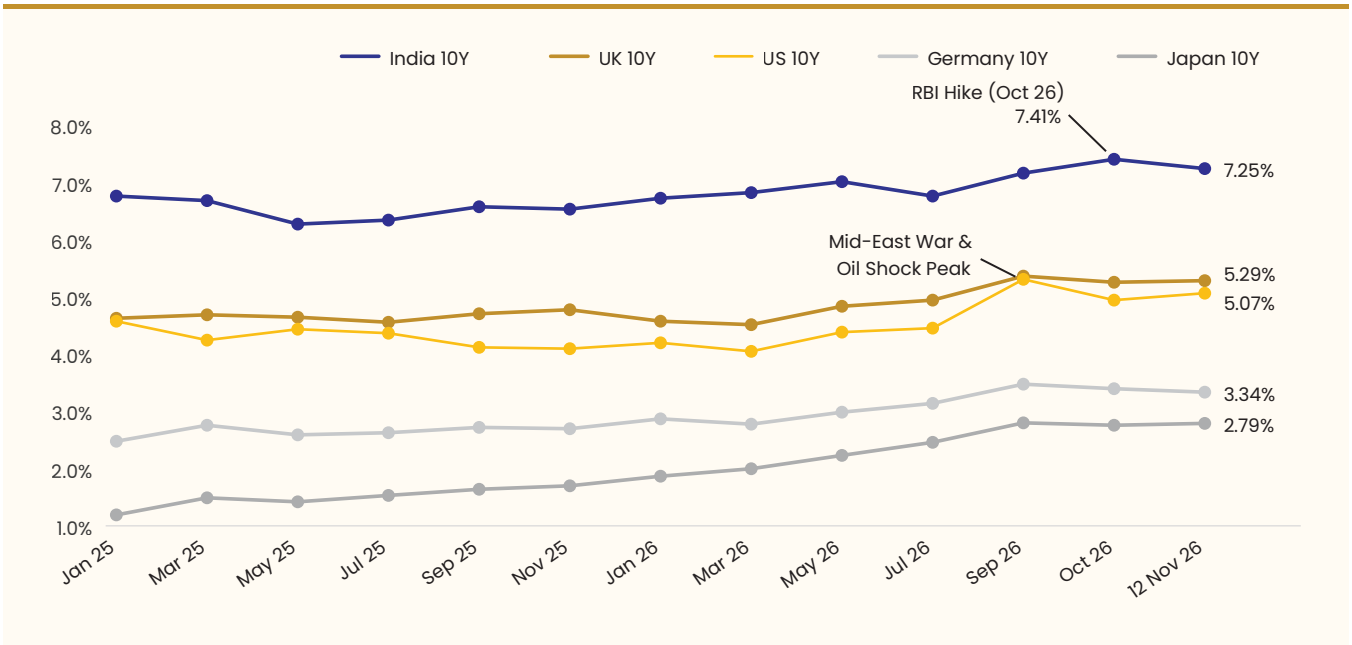
Policy Re-Tightening ECB (2.50%), BoE (4.00%), and BoJ (1.25%) hiked in H2 2026; Fed (3.75–4.00%) faces renewed Dec hike chatter after hot Oct CPI.

Inflation & Fiscal Premium US 10Y real yield at 2.66% and heavy sovereign deficits keep term premia elevated; US 10Y sits at 5.07% (+95 bps YoY).

Crude & Strait of Hormuz 8-month US-Iran war pushed Brent to $124/bbl in Oct 2026; despite Nov pullback to ~$93/bbl on Saudi output (+26% MoM), tanker attacks keep risk premia alive.

Range Outlook US 10Y anchored in 4.75%–5.30% band; structural return of positive term premium prevents a revert to pre-2022 low-yield regimes.

10- YEAR SOVEREIGN BOND YIELDS (1 JAN 2025 - 12 NOV 2026)



Source: Federal Reserve H.15, ECB, BoE, BoJ, WSJ Market Data, US EIA STEO, Trading Economics

US vs. India 10Y Sovereign Yields, Spreads & FII Debt Flows

OUTLOOK ON US–INDIA 10Y BOND YIELD SPREADS (NEXT 6–12 MONTHS)

STRUCTURAL COMPRESSION REGIME

Pre-2023 historical average was ~400–450 bps; stronger Indian macro fundamentals and narrowing Inflation differential have reset the equilibrium band to 210–275 bps.

NEAR-TERM RANGE (215-260BPS)

As US 10Y consolidates around 4.75%–5.10% and India 10Y holds 7.15%–7.45%, spreads are near cyclical troughs with gradual widening potential in H1 FY28 if US growth cools.

DRIVERS OF FII INFLOWS INTO INDIAN DEBT (~₹69,232 CR CY26 YTD)

RBI AND GOVT ACTIONS TO ATTRACT FLOWS

Tax exemption to FPIs' G-Sec investments and liberalized FPI Investments into FAR bonds led to flows in Jun and Jul.

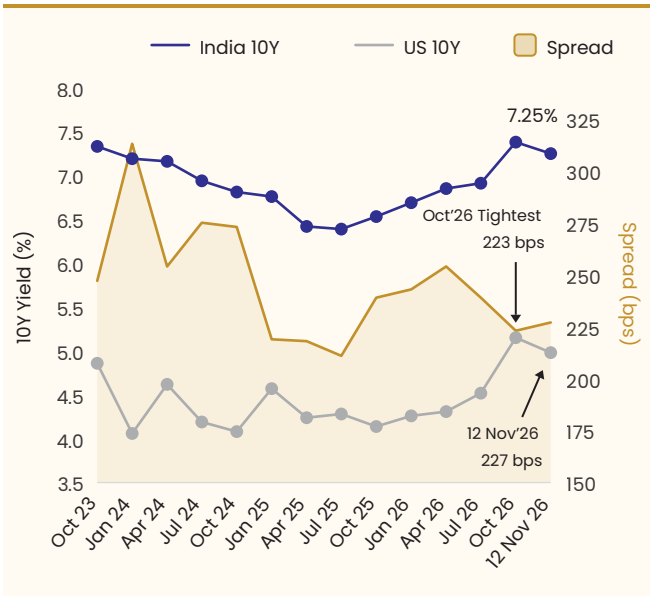
GLOBAL BOND INDEX INCLUSION

Passive and active tracking following JPMorgan GBI-EM (10% weight) and Bloomberg EM Local Currency index additions also drove flows in CY26.

MACRO & FISCAL CREDIBILITY

Steady fiscal consolidation toward 4.5% of GDP and controlled inflation attracted sovereign wealth & pension allocations.

US VS INDIA 10Y SOVEREIGN YIELDS & SPREAD (1 OCT 2023-12 NOV 2026)



MONTH	FII DEBT FLOWS
Jan-26	6013
Feb-26	18791
Mar-26	(8469)
Apr-26	(10826)
May-26	2757
Jun-26	55518
Jul-26	18661
Aug-26	(1457)
Sep-26	(20727)
Oct-26	691
13-Nov-26	8280
CY2026 YTD	69232

Source: NSDL, FRED, CCIL

India 10Y G-Sec Outlook: Will Benchmark Yields Stay Elevated?

RISK FACTOR	UPSIDE RISK TO YIELDS (BEARISH FOR BONDS)	YIELD IMPACT	DOWNSIDE RISK TO YIELDS (BULLISH FOR BONDS)
Domestic CPI & Food Inflation	Oct 2026 CPI hit 6.09% (2-yr high) on 9.7%+ food inflation; sticky Q3 FY27 CPI >6.0% forces 25–50 bps more RBI hikes.	+15 to +25 bps (7.40%–7.50%)	MoM CPI momentum slowed for 4 straight months (1.03% Jun to 0.51% Oct); winter rabi harvest cools food prices <5.0%.
Crude Oil & Geopolitics	Strait of Hormuz naval mines / US -Iran escalation pushes Brent back above $105–$115/bbl, widening CAD & fuel pass-through.	+20 to +30 bps (7.45%–7.55%)	Diplomatic truce & OPEC+ surplus (1.1 mbpd in Q4) pull Brent toward $80–$85/bbl, easing imported inflation.
US Yields & FPI Debt Flows	US 10Y sustains >5.15%–5.35%, compressing US-India 10Y spread (currently 226 bps) and triggering FPI outflows.	+10 to +20 bps (7.35%–7.45%)	US growth slowdown pulls US 10Y toward 4.60%–4.75%, reviving global index-linked FPI inflows into FAR G-Secs.
G-Sec Supply & Liquidity	H2 FY27 gross borrowing of ₹7.86 Tn + heavy SDL supply (~₹5 Tn/qtr) amid tight banking liquidity (CD ratio ~81.6%).	+10 to +15 bps (7.35%–7.40%)	FY27 gross borrowing cut by ₹1.20 Tn to ₹15.99 Tn; ₹25,000 Cr switch auctions & RBI OMO purchases absorb duration.
Currency (INR) & RBI Defense	USD/INR testing 96.50+ forces RBI FX sales, draining rupee liquidity and keeping overnight call rates near MSF (5.75%).	+10 to +15 bps (7.35%–7.40%)	Crude pullback & FCNR inflows stabilize INR near 94.0–95.2, allowing RBI to inject durable liquidity via VRRs.

KEY TAKEAWAY

Skew of risks remains mildly asymmetric to the upside until Dec 4 MPC and winter food disinflation confirm peak for the policy rates. Tactical duration calls can be taken only on spikes toward 7.5-7.6%.

Source: RBI NSDP, MoSPI CPI Release (12 Nov 2026), Ministry of Finance H2 FY27 Borrowing Calendar, Bank of Baroda & SBI Research

India's Inflation Is Back Above the RBI's Ceiling of 6%

2-6% BAND BREACH

- First breach in 2 years; first in new series
- Last: Oct 2024, 6.21% (2012 series)
- Formal failure: 3 quarters above 6%

RBIs REACTIONS

- Malhotra: no cuts; only hikes or pause
- In line with RBI's 6.0% Q3 forecast
- Dec MPC (2–4 Dec): +25 bp seen near-certain

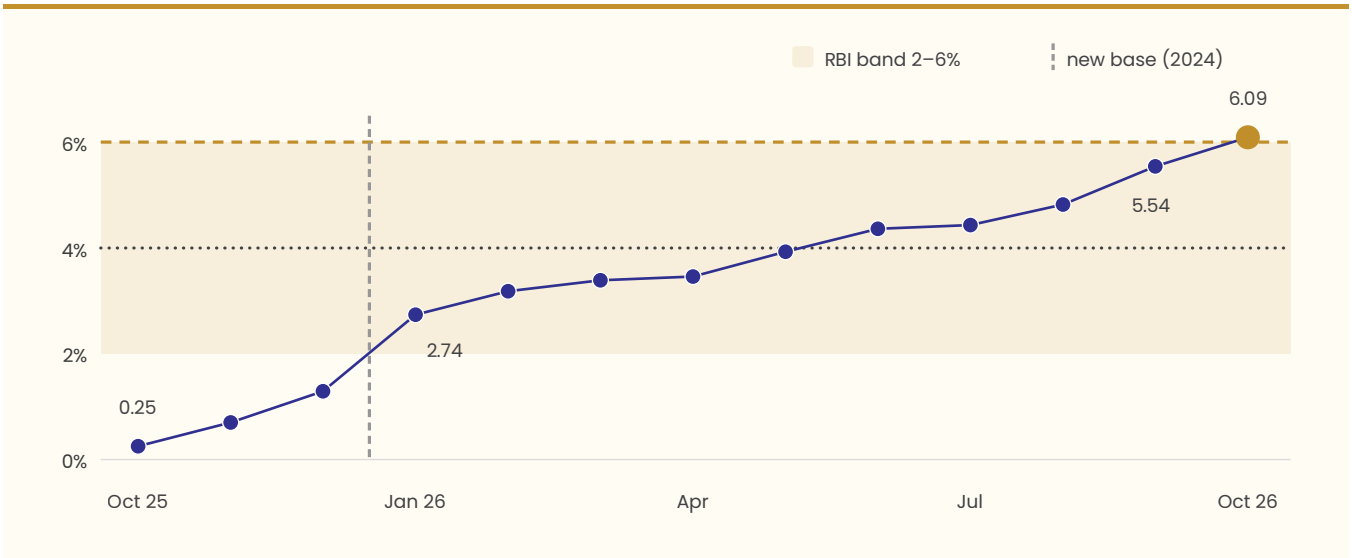
WHY INFLATION ROSE

- Food 8.94% (Sep 7.74%): onion +116%, garlic +61%
- Food & drink ≈ 3.1 pp of the 6.09%
- Weak monsoon; low Oct 2025 base
- Broad-based: 11 of 12 groups up

Crude's share: only ≈ 0.4–0.5 pp

- Pump prices capped: +₹7.5/l since May
- Transport 5.84%; fuel & power 3.71%

CPI TREND, YOY %



Data Source : MoSPI CPI releases

Probability of Rate Hike in India

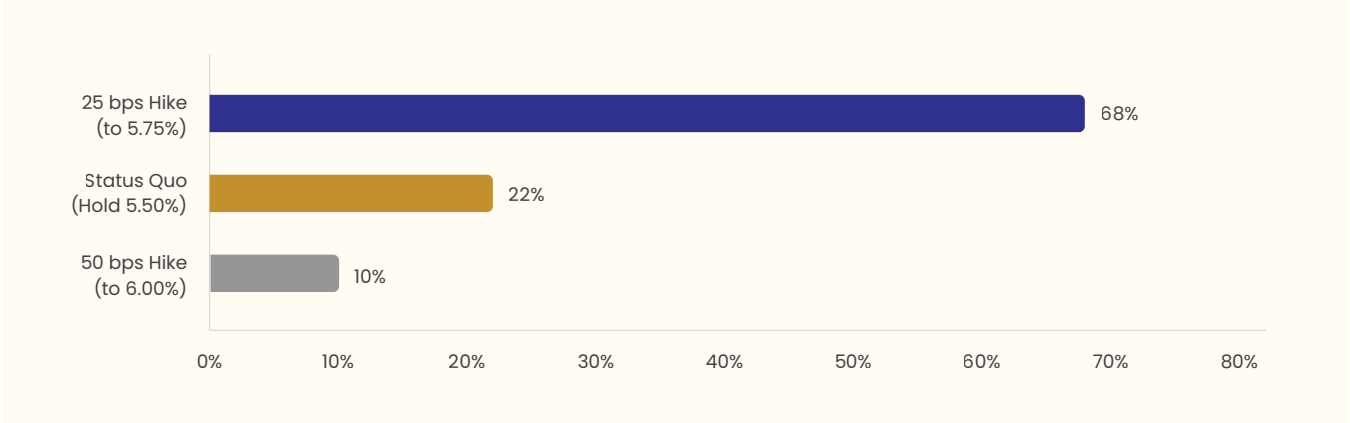
Oct 2026 Pivot: RBI unanimously hiked repo rate by +25 bps to 5.50% (SDF 5.25%, MSF 5.75%) and shifted stance to 'Calibrated Tightening'.

Inflation Trigger: Oct CPI at 6.09% breached RBI's 6.0% upper tolerance band; RBI projects Q3 FY27 CPI at 6.0% and FY27 CPI at 5.2%.

Why 25 bps vs 50 bps: Resilient 7.1% FY27 GDP growth permits tightening, but Brent's pullback to ~$93 and INR recovery above 95 reduce odds of a 50 bps shock.

Terminal Rate: OIS curve prices terminal repo at 5.75%–6.00% by Q4 FY27, followed by an extended pause through H1 FY28.

IMPLIED PROBABILITY: DEC 2-4, 2026 RBI MPC ACTION



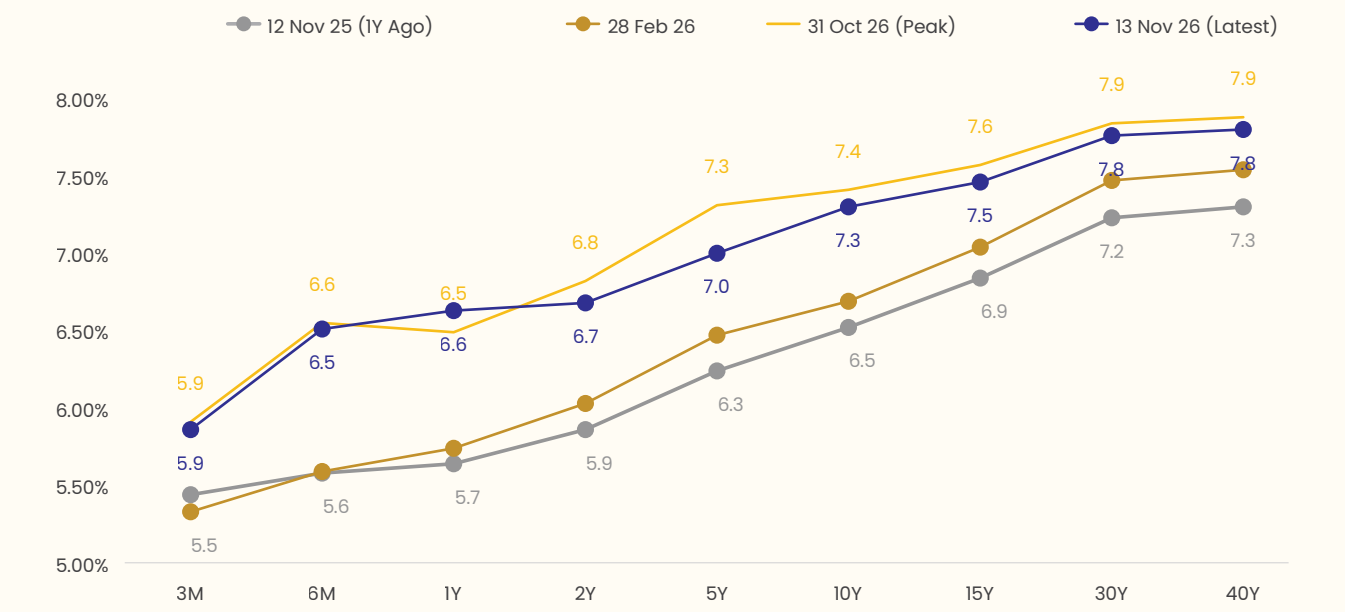
Source: RBI MPC Statement (Oct 2026), OIS Swap Curve, SBI Research & Institutional Economists Poll (12 Nov 2026)

Impact of Historical Hiking Cycle : Macros & Sovereign Yield Curve

PAST RBI HIKING CYCLES: MACRO & CURVE PLAYBOOK

MACRO / CURVE METRIC	FY11-12 (+375 BPS)	FY14 (+75 BPS)	FY23-24 (+250 BPS)
Peak Repo Rate/ 10Y Gsec	8.50% / 8.97%	8.00% / 8.99%	6.50 / 7.53%
CPI Inflation	9.5% → 6.9%	11.2% → 7.3%	7.8% → 4.9%
Bank Credit Growth	21% → 16%	15% → 13%	16% → 15%
CAD (% of GDP)	-4.3% (Wide)	-1.7% (Narrow)	-0.7% (Benign)
USD/INR Move	-14% (45 → 52)	-11% (54 → 61)	-8% (76 → 83)
Real GDP Growth	8.5% → 5.2%	6.4% → 7.4%	7.0% → 8.2%
10Y - 1Y Curve Spread	Flat (15 bps)	Inverted (-35 bps)	Flat (20 bps)

INDIAN SOVEREIGN YIELD CURVE (3M T-BILL TO 40Y G-SEC, %)



YIELD CURVE SHIFT

2025 vs 2026 Bear Steepening: From Nov 2025 to Oct 2026, curve shifted up +50 to +87 bps across tenors; 10Y–3M spread increased from 108 bps to 144 bps on supply & oil shock.

Recent Nov Rally (31 Oct → 13 Nov): 10Y eased 10 bps (7.4% to 7.3%) and 40Y dropped 10 bps (7.9% to 7.8%) as crude cooled 16% from highs.

Should One Take a Duration Call?: NOT AGGRESSIVELY YET. Tactical duration positions can be gradually built in 10Y–15 Y , when yields scale above 7.50% - 7.60%.

Source: CCIL Tenor-wise Indicative Yields & Weekly Market Update, RBI NSDP Database, FBIL G-Sec Par Yield Curve.

Fixed Income View & Portfolio Strategy:

NAVIGATING A "HIGHER-FOR-LONGER" RATE REGIME

Winds in fixed income market have decisively shifted, moving away from rate-cut expectations toward a synchronized global and domestic tightening cycle.

Geopolitical tensions and elevated crude oil prices have reignited energy-driven inflation, compelling US Federal Reserve and other major central banks to adopt hawkish stance and push global benchmark yields past multi-year highs.

Domestically, RBI has pivoted to a "calibrated tightening" stance—raising the repo rate to 5.50% while actively absorbing surplus banking liquidity—to anchor inflation expectations and protect the rupee.

Oct CPI hit 6.09% (food >9.7%, core ~4.4%). ICRA & RBI see CPI staying near/above 6.0% in Nov–Dec before easing toward 5.0%–5.2% in Q4 FY27. However, MoM CPI momentum has decelerated for 4 consecutive months (0.51% in Oct vs 1.03% in Jun), signalling peak sequential pressure is passing.

Consequently, Indian sovereign yields have hardened nearly to 7.5% mark before retreating to 7.25–7.35%, reflecting both imported price pressures and tighter systemic liquidity.

We retain our base case of a further 25-50 bp of tightening, taking the repo rate to 5.75%-6.00% by mid-2027. Until inflation pressures ease and the policy-rate cycle approaches its peak, we favour accrual strategies over an early exposure in duration. We may look to enter into duration from tactical perspective once 10-yr yield reaches in the range of 7.5-7.6%.

HENCE WE CONTINUE TO PREFER 'ACCRUAL STRATEGIES OVER DURATION' AS THE CORE ALLOCATION WITHIN FIXED INCOME PORTFOLIOS

55 – 65% towards accrual strategies: Built across the credit spectrum directed towards private credit strategies, high-yield NCDs and income-generating assets such as InvITs.

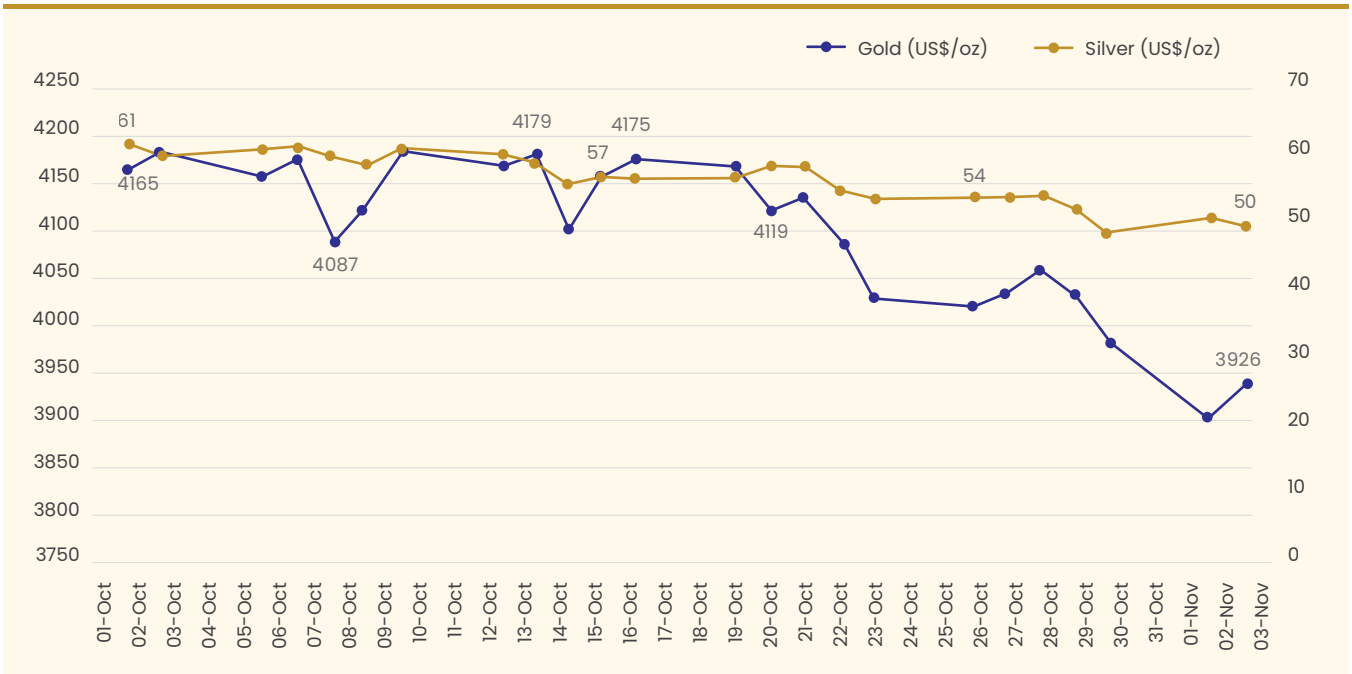
The **balance of the portfolio** may be deployed in relatively liquid fixed-income alternatives, offering both flexibility and risk-adjusted stability namely Arbitrage Funds (min 3 months holding period) and Hybrid SIF Funds (min 2 yr holding period) having debt/arbitrage+ positioning.

Gold and Silver

Gold and silver corrected sharply in October, giving back part of an extraordinary rally that had taken gold to a record of nearly $5,600 per ounce in January and silver above $100. Gold fell around 6.5% during the month, its worst October since 2008.

While silver declined approximately 19%between 1 October and 3 November. Although the two metals fell together, their underlying positions differ considerably. Gold continues to draw firm support from investors and central banks, whereas silver remains exposed to a structural slowdown in industrial demand.

GOLD AND SILVER PRICE (1ST OCT'26 TO 3RD NOV'26)



Source: Investing.com

WHAT DROVE THE CORRECTION

The sell-off was driven largely by a shift in US interest-rate expectations. Higher-than-expected US consumer and producer inflation data, together with elevated oil prices, strengthened expectations of further monetary tightening and lifted both bond yields and the US dollar. This reduced the appeal of gold as a non-yielding asset, and the decline was compounded by selling in North American gold ETFs and futures markets.

Sentiment improved in early November following the US midterm elections, in which the Democrats secured majorities in both the House and the Senate. The outcome raised the prospect of legislative gridlock for the remainder of President Donald Trump's term, prompting investors to reassess the outlook for fiscal spending. The US dollar and Treasury yields declined in response, and gold rose around 3% on 4 November before extending its gains the following day.

GOLD: UNDERLYING DEMAND REMAINS FIRM

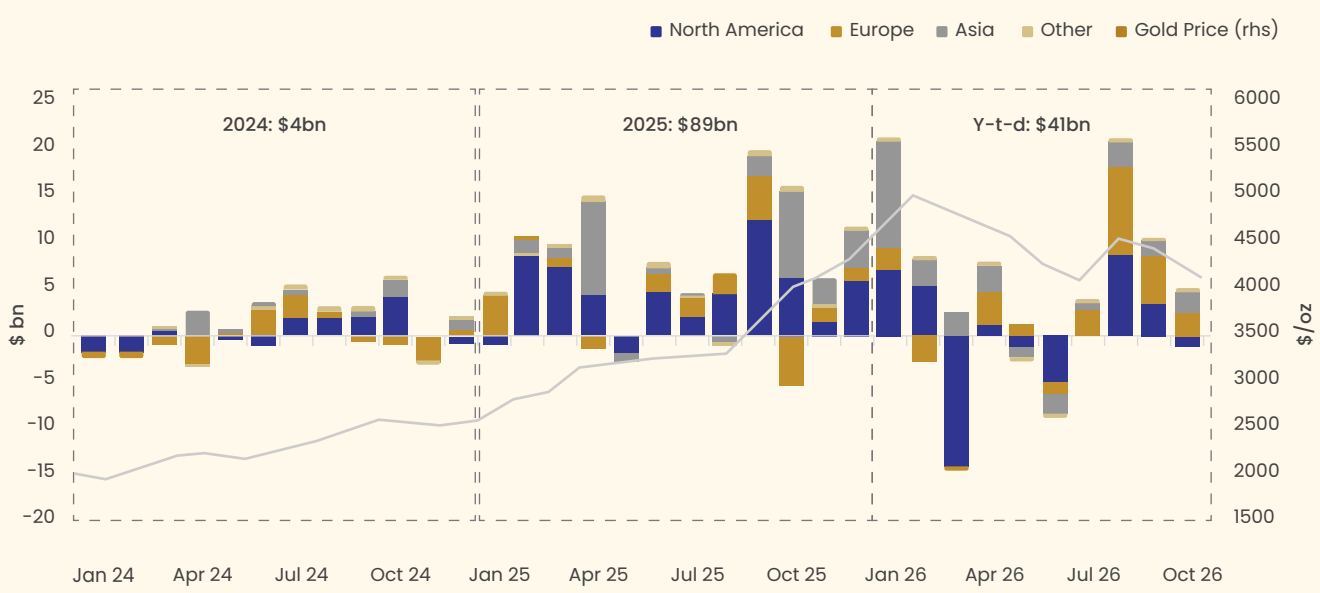
Despite the correction, investment demand for gold has proved resilient. Global gold ETFs recorded inflows of 19 tonnes in October even as prices fell, following inflows of 211 tonnes in the third quarter that lifted global holdings to a record 4,256 tonnes. Overall investment demand recovered to 480 tonnes in Q3 2026 from 260 tonnes in Q2, although it remained 14% below the level of a year earlier.

4,256 tonnes

RECORD GLOBAL ETF HOLDINGS

Following 211 Tonnes inflows in Q3 2026

GLOBAL GOLD ETF FLOWS BY REGION AND THE MONTHLY AVERAGE GOLD PRICE*



*As of 31 October 2026. Gold price based on the quarterly and monthly average LBMA Gold Price PM in USD.
Source: Bloomberg, Company Filings, World Gold Council

Central banks continue to provide a further source of support. Reported net purchases reached 61 tonnes in September, the highest monthly total so far in 2026, led by Poland and China. Purchases during January–September totalled 228 tonnes, 7% lower than a year earlier, but the World Gold Council expects full-year buying to at least match the approximately 850 tonnes purchased in 2025.

INDIA: PRICE CORRECTION MAY SUPPORT FESTIVE DEMAND

In India, gold jewellery demand rose 33% quarter-on-quarter to 100 tonnes in Q3 2026, supported by wedding-related and seasonal purchases, although it remained 20% below the previous year's level. Listed jewellery retailers reported revenue growth of 20–30% in the July–September quarter, with same-store sales up around 20%. Much of this growth, however, reflected higher prices rather than higher volumes. The recent correction may therefore improve affordability ahead of the festive and wedding season and lend support to physical demand. Investment interest has also remained firm, with Indian gold ETF inflows rising 71% month-on-month to INR 44.5 billion in September.

33% QoQ

GOLD JEWELLERY DEMAND

Rose to 100 tonnes in Q3 2026.

71% MoM

GOLD ETF INFLOWS

Reached INR 44.5 Bn in September.

Silver - Industrial Demand Weighs on Prices

Silver has come under greater pressure than gold because of its dual role as an investment asset and an industrial metal. Indian silver ETFs declined by an average of 17% in October amid the broader sell-off, but the more significant concern is the weakening of the industrial demand that underpinned silver's rally. Global industrial silver demand fell 3% in 2025 to around 657 million ounces and is forecast to decline by a further 3% in 2026, driven largely by the solar sector, where silver consumption is expected to fall by 19% as manufacturers use less silver in solar cells. Electrical and electronics demand is also projected to decline by 6%, and while growth in AI infrastructure, data centres, electric vehicles and power grids continues to support consumption, these gains are not yet sufficient to offset the weakness in solar demand. As a result, silver's outlook remains more closely tied to industrial activity than that of gold.

Outlook

October's correction reflected a shift in interest-rate expectations rather than a deterioration in gold's fundamentals. Gold continues to merit allocation, supported by sustained central-bank buying, steady ETF inflows and seasonal demand in India, although a stronger US dollar or further monetary tightening could weigh on prices in the near term. Silver, by contrast, warrants a more measured approach given its dependence on industrial demand and its higher cyclicality and volatility.

Client Portfolio Strategy

	VIEW		
ASSET CLASS	SHORT TERM	LONG TERM	PORTFOLIO ALLOCATION
Equity	Neutral	Positive	50% allocation to Hybrid/Large caps, 10% to Global and 40% allocation to Mid & Small Caps Lump-sum in Hybrid/Large capsfunds and a staggered approach over the next 2-3 months for other equity-orient strategies
Debt and Alternates	Biased towards accrual strategies	Biased towards accrual strategies	For 3 - 5 years: 55% – 60% of the portfolio to Performing Credit & Private Credit Strategies, Select InvITs/NCDs For < 3 years: Arbitrage Funds (min 3 months), Hybrid SIF Funds (min 2 years), Conservative Equity Savings funds (min 3 years)
Commodities	Gold: Neutral Silver: Neutral	Gold: Positive Silver: Neutral	Gold ETFs, Silver ETFs, Passive FoFs

FOCUSED INVESTMENT LIST

ASSET CLASS	HOLDING PERIOD	STRATEGY	MANAGED STRATEGIES
Equity	3 years+	Equity Hybrids	ABSL Balanced Advantage Fund, Edelweiss Aggressive Hybrid
		Multi Asset	White Oak Multi Asset Fund, ICICI Pru Multi Asset Fund
		Multi Caps	**PMS:** Equinova Edge PMS, MO Founders PMS, Alchemy Select Stock PMS **AIFs:** Helios Emerging Star Fund, Alchemy Long Term Ventures Fund 3, Clarus Capital AIF I, MO Value Migration AIF Series I **MFs:** DSP Business Cycle Fund, Abakkus Flexi Cap Fund, Helios Flexi Cap Fund, Bandhan Large and Mid Cap Fund, Mirae Asset Multi Cap Fund, MO Large and Mid Cap Fund, Kotak Multi Cap Fund
		Mid & Small Cap	Edelweiss Mid Cap Fund, Invesco India Mid Cap Fund Bandhan Small Cap Fund, Sundaram Small Cap Fund
Debt and Alternates	3 months+	Arbitrage Funds	Kotak Arbitrage Fund, Invesco India Arbitrage Fund, Motilal Oswal Arbitrage Fund, Edelweiss Arbitrage Fund, HDFC Arbitrage Fund
	3 years+	Equity Savings	ICICI Pru Equity Savings Fund, Kotak Equity Savings Fund
	2 years+	Real Assets + Arbitrage	White Oak Dividend Yield Fund
	2 years+	SIFs - Hybrid	Altiva Hybrid Long-Short Fund, RedHex Hybrid Long-Short Fund
	3 years+	InvITs	Indigrid InvIT, IndusInfra InvIT, RaajMarg InvIT
	Remaining Tenor: 8.0 years	Private Credit	EAAA India Special Assets Fund IV
	Remaining Tenor: 5.3 years		MO India Credit Excellence Fund - I
	Remaining Tenor: 5.5 years		Lighthouse Canton Growth Debt Fund II
	3 years+	SIFs - Equity	iSIF Equity Ex-Top 100 Long-Short Fund
	Remaining Tenor: 8.0 years	Venture Capital	Fundamentum III AI & DeepTech Fund
	Remaining Tenor: 8.8 years	Private Equity	Agastya Capital India Growth Fund
	Remaining Tenor: 9.0 years		L Catterton India Fund I
	Remaining Tenor: 8.0 years	Commercial Real Estate	India Assets Excellence Fund - I
	Remaining Tenor: 6.5 years	Real Assets	Neo Infra Income Opportunities Fund II
Offshore	3 years+	Out-bound Equity Strategies	JioBlackRock Advantage World Equity Fund, ABSL - ARGA Emerging Markets Equity, WhiteOak Global Emerging Markets ex-India, HDFC Developed Market Fund, HDFC Emerging Market Fund

Client Portfolio Strategy

IN-HOUSE MANDATE SOLUTIONS LIST

ASSET CLASS	HOLDING PERIOD	STRATEGY	MANAGED STRATEGIES
Equity	3 years+	DPMS (Equity MFs)	Delphi 4C Advantage
		CAT III AIF (boutique equity managers)	Delphi Emerging Star Strategy
		NDPMS (bespoke equity portfolio)	Delphi Alpha Edge PMS , Catalyst PMS
Fixed Income	3 months - 3 years	NDPMS (bespoke fixed income portfolio)	Delphi Income Shield PMS
Multi Asset	3 years+	DPMS (MFs)	Delphi All Weather Strategy (AWS)

CLIENT ONBOARDING CHECKLIST

Client Name:

General Information:

Do you have a single window view to all of your assets, liabilities, investments?	Yes ☐	/ No ☐
Is the family aware of your investments?	Yes ☐	/ No ☐
Do you have any family in foreign locations?	Yes ☐	/ No ☐
Is there any transfer to India or from India to family member abroad?	Yes ☐	/ No ☐
Do you hold any foreign assets or investments?	Yes ☐	/ No ☐
Do you have any family member with special requirement? Have you planned for them?	Yes ☐	/ No ☐

Type of Investments:

Stocks ☐ Bonds ☐ AIF ☐ PMS ☐ Real Estate ☐ Mutual Fund ☐ Fixed Deposit ☐

Do you have joint holder?	Yes ☐	/ No ☐	Were you a joint holder with someone?	Yes ☐	/ No ☐
Do you have Nominees?	Yes ☐	/ No ☐	Need assistance to transfer joint holding?	Yes ☐	/ No ☐
Do you need to update nominee?	Yes ☐	/ No ☐			

Physical Shares:

Do you own physical shares that needs to be converted to demat?	Yes ☐	/ No ☐
Do you own physical Mutual Funds that needs to be converted to demat?	Yes ☐	/ No ☐

PPF & EPF:

Do you know the status of your PPF or EPF?	Yes ☐	/ No ☐

Loans:

Do you have existing loans?	Yes ☐	/ No ☐
Is there a change, top-up requirement?	Yes ☐	/ No ☐
Are there any receivables?	Yes ☐	/ No ☐
Is your family aware of the receivables?	Yes ☐	/ No ☐

EMERGENCIES: HAVE YOU PLANNED FOR EMERGENCIES?

Life Insurance:

Insurance?	Yes ☐	/ No ☐
Is your family aware of it?	Yes ☐	/ No ☐

Medical Insurance:

Medical Insurance?	Yes ☐	/ No ☐
Do you think it is adequate?	Yes ☐	/ No ☐

Will:

Do you have a Will?	Yes ☐	/ No ☐
Do you need to update your Will?	Yes ☐	/ No ☐

Real Estate:

Do you have multiple real estate?	Yes ☐	/ No ☐
Have you planned for liquidity / transfer?	Yes ☐	/ No ☐

Family situation:

Are there any Dependents, potential inheritance, global mobility consideration?	Yes ☐	/ No ☐

Other Questions:

Digital assets, such as domain names and digital art?

Is your family aware of Lockers?

Is your family aware of the Bank accounts?

Is your family aware of Income sources?

How are your vehicles held?

GENERAL INFORMATION & CLIENT PROFILE

PARTICULARS	DETAILS
Portfolio Characteristics	
Investment Horizon	
Liquidity Requirements	
Cash Flow Requirements	
Restricted Investments	
Performance Benchmarking	
Portfolio Review	
Review of Guidelines	

INVESTMENT CHARTER – EXPOSURE GUIDELINES

MANDATE	CRITERIA	PORTFOLIO COMPLIANCE
Asset Allocation	• Equity (Mutual Funds, Direct Equity, AIFs) • Fixed Income (Mutual Funds, Structures, AIF, Direct Debt) • Alternatives (Real Estate, Private Equity, Long Short Funds) • Liquid Assets (Liquid, Ultra Short-term, and Arbitrage Funds)	
Return Expectations[1]		
Investment Time Horizon[2]		

[1] Return expectations for portfolio since inception for active and closed holdings. There is no guarantee that the performance will be achieved.
[2] Average age of portfolio holding–Including Closed Holdings

INVESTMENT CHARTER – EXPOSURE GUIDELINES

MANDATE	CRITERIA	PORTFOLIO COMPLIANCE
Market Cap Limits	• Large Cap (Top 100 Companies) • Mid Cap (101 to 250th Company) • Small Cap (251st Company Onwards)	
Interest Rate Risk	Modified Duration	
Credit Quality	• AAA & Above • AA & Above • A & Below	
Close Ended Investments	Maximum allocation to closed ended investments	
Mutual Funds & Managed Accounts	• Single AMC • Single Scheme	
Other Instruments	• Single Issuer • Single Instrument	
Proprietary Products	Own AMC/ Self-Managed Funds/ Structures/ Debt	

NOTES

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Website: www.motilaloswalpwm.com Registration details:

Sandipan Roy
CIO, Motilal Oswal Private Wealth
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SAFE HARBOR

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