

**Domestic Equity Market Update**

- Indian equities ended the week on a positive note, with the large cap-oriented BSE Sensex ending higher by 1.22% & Nifty 50 ending higher by 1.26% WoW, respectively. The BSE Midcap index ended higher by 3.50% and the BSE Small cap index ended higher by 4.86%.
- On the BSE sectoral front, mostly indices ended on a positive note. Power, Capital Goods and Metal were the biggest outperformers.
- Domestic equity markets ended the week on a positive note driven by fluctuating geopolitical sentiment and oil price volatility. The markets initially declined amid rising crude prices and dim conflict resolution prospects, then recovered on intermittent fall in oil prices and renewed West Asia peace negotiations. Profit-taking emerged before quarterly earnings announcements, though optimism surrounding Iran-US de-escalation ultimately supported with the markets recording gains at the close of the week.

Global Market Updates

- US equity markets ended the week on a positive note driven by Middle East ceasefire optimism and diplomatic progress.
- European equity markets ended the week on a positive note. Markets fluctuated amid shifting Middle East sentiment, initially declining on failed US-Iran negotiations before recovering on renewed ceasefire hopes.
- Brent oil futures fell from 103.11 USD/bbl to 96.70 USD/bbl as hopes of renewed talks between the US and Iran eased concerns over a potential supply disruption.

Macro Data & Domestic News Released During the Week

- According to an analysis of the latest commerce-ministry data, exports of electronics from India are running those of oil products close, with the gap between the two reducing to a record low of USD 5.9 bn in FY26. In FY22, it was USD 73.9 bn.
- Govt. data showed that China has overtaken the US to emerge as India's largest trading partner in FY26, with bilateral trade reaching USD 151.1 bn, while the country's trade deficit with Beijing widened to USD 112.16 bn during the period.
- As per commerce ministry, India's goods trade emerged relatively unscathed through the first month of the US-Iran conflict, with exports hitting a one-year high of USD 39 bn to help close FY26 with a 0.9% YoY uptick, and the import bill shrinking 6.5% YoY to under USD 60 bn.
- The International Monetary Fund (IMF) raised its forecast for India's GDP growth in FY27 by 10 bps to 6.5% YoY, from 6.4% YoY projected in its January 2026 outlook, expecting the adverse impact of the conflict in West Asia to be outweighed by the reduction in additional US tariffs on Indian goods from 50% to 10%.
- According to S&P Global Ratings, India's robust macroeconomic and financial sector fundamentals are likely to cushion the impact of a sustained oil price shock, though economic growth could slow by up to 80 bps if crude averages USD 130 per barrel in 2026.
- As per the India Meteorological Department, the southwest monsoon seasonal (June to September 2026) rainfall over the country is expected to be below normal. India is likely to receive 80 cm of rainfall during the season - the long period average (1971-2020) of the seasonal rainfall over India is 87 cm.
- The Asian Development Bank (ADB) raised India's GDP growth forecast in FY27 by 40 bps to 6.9% YoY compared to its December 2025 forecast of 6.5% YoY.
- The Government of India sharply increased the export duty on high-speed diesel from ₹21.5 per litre to ₹55.5 per litre and on Aviation Turbine Fuel (ATF) from ₹29.5 per litre to ₹42 per litre, with immediate effect. Export duty on petrol, however, would continue to remain nil.

Outlook

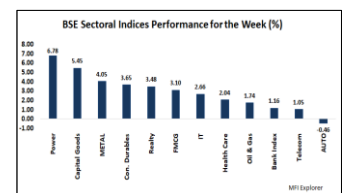
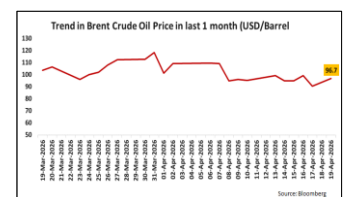
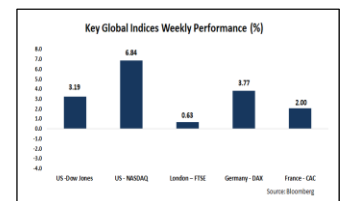
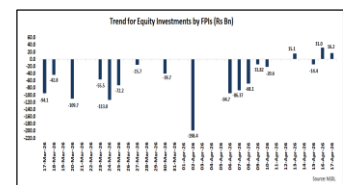
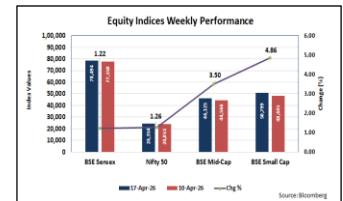
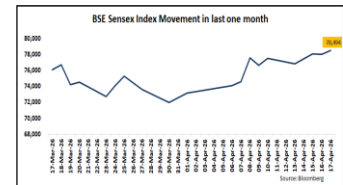
Going forward, the Indian equity market is likely to be driven by any moves around the final details pertaining to India-US trade deal, Q4FY26 earnings season, crude price volatility, rising concerns over AI-led disruptions, geopolitical tensions, movement in the US Dollar index and INR, improvement in consumption demand, FPI/DII flows and moves by the RBI to support liquidity. Early trends from earnings season seem to indicate in line numbers for Banks, but mixed numbers for IT companies.

With the recent correction, driven by the ongoing war in the middle east and the blockade of Strait of Hormuz by Iran, the market valuations have come off and are now looking reasonable. Most of the Broad Indian indices are trading at a meaningful discount to their past averages. The selling pressure from FPIs rose in the month of March driven by weakening INR and expectations of impact on the Indian economy from the rising energy prices. Indian markets have seen similar issue in 2022, when the Russia-Ukraine war started, but as the crude oil prices came off, the markets moved higher, and the economic growth surprised on the upside. Interestingly, Mutual Funds' cash, as a percentage of their total AUM, has dipped to recent lows, suggesting that Indian Mutual Funds feel that valuations are right to deploy higher cash.

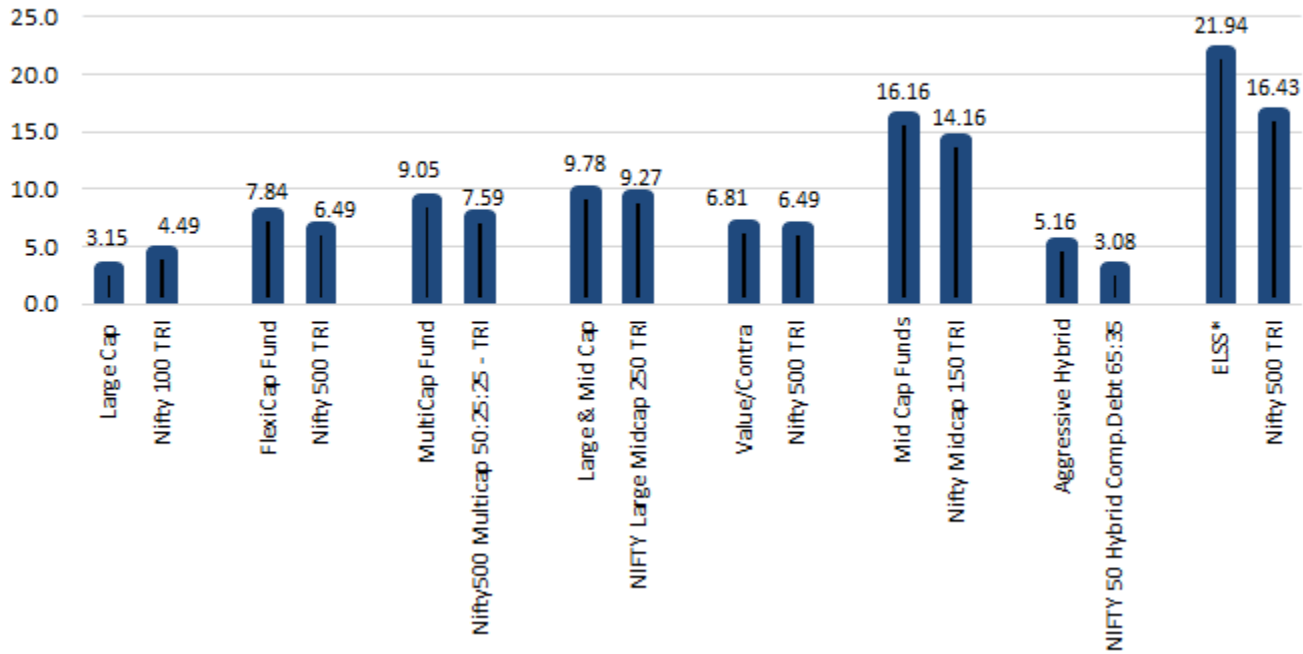
The US-Iran conflict has emerged as the near-term risk to markets which can drive oil prices higher and be near term sentiment-negative event. Negotiations for a ceasefire between US and Iran did not fructify as both sides could not agree upon a de-escalation path. In case, if it fructifies it will be a positive for the equity markets. If the conflict is contained to existing players and the energy prices come off due to movement of tankers in Persian Gulf, investors could use the market volatility due to this event as an investing opportunity.

With the recent correction, opportunities in the Indian equity market may get broad based as valuations have come off across market caps. Fund Managers who can be fairly nimble and identify growth ideas, could generate alpha vs their peers. While FPIs have been big sellers in the Indian markets, India's relative underperformance vs its peers in the recent months is likely to gradually make the Indian markets attractive for them. The FPI's holdings in Indian markets have also fallen to recent lows which implies that they may not be willing sellers for long.

Investment deployment strategy could be 60% lumpsum and rest 40% to be staggered over the next 3-4 months. Mutual Fund investors can look to focus on categories like Flexicap, Multicap, Large and Midcap, Value and Hybrid funds while using STPs as an instrument to invest in Midcap and Smallcap funds. Aggressive investors may also look at Business Cycle Funds for allocation. All allocations should be done in line with the risk profile and product suitability of the investor.



Avg. Returns of Recommended Funds vs Benchmark in last one year (Absolute %)



Note: * ELSS performance is for 3 years on CAGR basis

Returns Absolute %			Returns Compounded Annualised %			
Category Average of Recommended Funds	1 Month	6 Months	1 Year	2 Years	3 Years	5 Years
Large Cap Funds	3.46	-4.30	3.15	6.55	16.19	14.99
Flexi Cap Funds	5.94	-3.31	7.84	9.70	18.73	17.09
Multi Cap Funds	2.51	-2.47	9.05	9.33	22.23	21.65
Large & Mid Cap Funds	6.51	-1.85	9.78	10.88	21.93	18.47
Mid Cap Funds	8.15	-0.79	16.16	14.54	25.94	21.78
Small Cap Funds	9.12	-2.92	10.00	8.97	24.31	21.55
Value/Contra Funds	4.29	-1.66	6.81	7.87	20.26	19.36
Focused Funds	4.89	-1.31	8.06	10.65	19.69	17.95
Aggressive Hybrid Funds	3.71	-1.54	5.16	9.29	15.93	14.26
Dynamic Asset Allocation Funds	3.06	-0.01	6.17	8.01	14.19	13.34
Equity Linked Saving Schemes	7.69	-1.41	9.16	10.73	21.94	17.65
Business Cycle Funds	7.90	-3.36	9.89	11.21	17.91	--
Nifty 50 TRI	3.28	-5.04	3.24	6.09	12.49	12.03
Nifty 500 TRI	5.56	-2.83	6.49	6.83	16.43	14.34
NIFTY Large Midcap 250 TRI	6.20	-1.23	9.27	8.43	19.19	16.56
Nifty Infrastructure TRI	5.05	-0.06	8.73	6.58	22.35	19.30

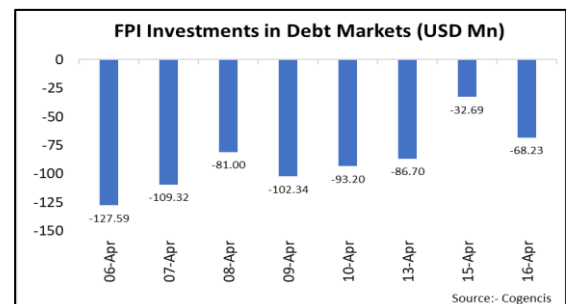
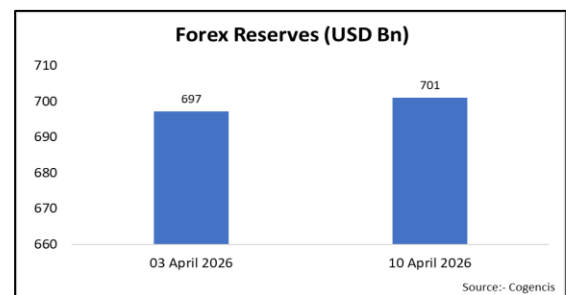
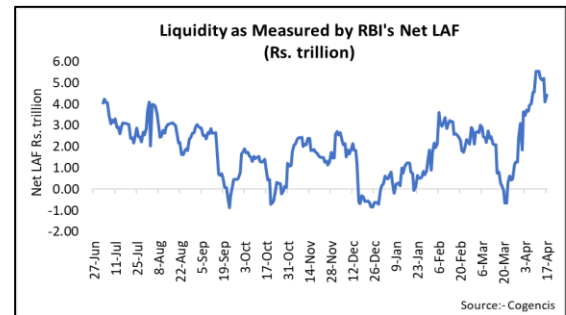
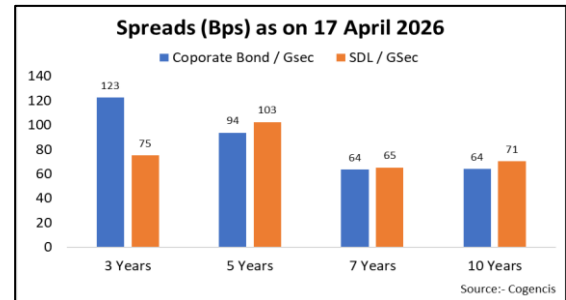
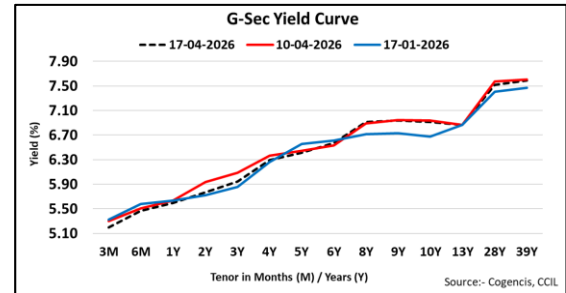
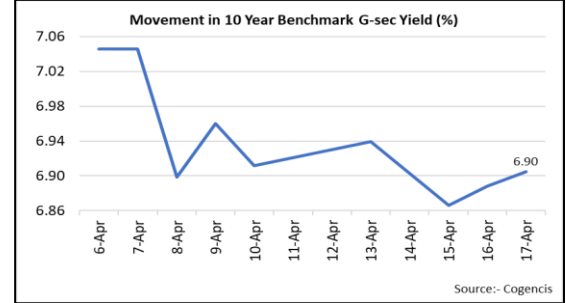
Note: Data as on April 17, 2026. Returns less than 1 year are in absolute % terms, whereas returns above 1 year are in CAGR terms. Data has been sourced from ACE MF.

Weekly Overview - Fixed Income Markets & Mutual Funds for week ended April 17, 2026

- Domestic G-Sec prices closed the week ended 17th April 2026 on a positive note wherein the yield on the 10-year benchmark, the 6.48% G-Sec 2035 bond, closed 1 bp lower at 6.90% as against its previous weekly close of 6.91% on 10th April 2026.
- In case of AAA rated corporate bonds, yields up to the one-year segment were mixed in the range of (-) 20 bps to 9 bps on a WoW basis. In case of the greater than one-year segment, yields fell by up to 1 bps on a WoW basis.
- Movement in G-sec yields :-**
 - Indian G-sec yields fell marginally, as uncertainty around potential US–Iran de-escalation talks weighed on risk sentiment. Prospects for peace talks swung back and forth through the week, which kept oil prices at elevated levels, reinforcing concerns over imported inflation.
 - The total Government bond supply for the week stood at Rs 447 bn (SDLs + G-secs). In this, the G-secs' auction was to the tune of Rs 320 bn. There was no 10-year G-sec in the auction this week. The SDLs' auction was to the tune of Rs 127 bn and the maturities were in the range of 5-30 years. There was no 10-year SDL during the auction this week. The G-secs' auction was for the following: 6.36% GS 2031 and 6.90% GS 2065.
 - Banking system liquidity improved, wherein liquidity, as measured by the RBI's net Liquidity Adjustment Facility (LAF), stood at a daily average surplus of ~Rs 4.82 trillion during the week as against a daily average surplus of ~Rs 4.52 trillion bn during the previous week.
- Macro Data released during the week :-**
 - The Ministry of Statistics & Programme Implementation reported that Consumer Price Inflation in India advanced to 3.40% YoY in March 2026 from 3.21% YoY in February 2026. Prices were expected to rise 3.48% YoY. India's CPI accelerated in March, driven by higher food prices.
 - Govt. data showed that India's Merchandise Trade Deficit narrowed to USD 20.67 bn in March 2026, amid risks the Iran war could impede exports to Gulf countries while raising the cost of energy and other imports.
 - As per RBI, India's forex reserves jumped USD 3.83 bn to USD 700.95 bn during the week ended April 10, 2026. In the previous reporting week ended April 3, the overall reserves had jumped USD 9.06 bn to USD 697.12 bn.
- Other macro-economic news :-**
 - According to data released by the Ministry of Commerce and Industry, India's Wholesale Price Index (WPI), rose to a 38- month high of 3.88% YoY in March 2026 from 2.13% YoY in February 2026. The uptick was led primarily by increase in prices of crude petroleum, natural gas and manufactured products.
 - As per RBI, after muted growth in FY25, bank credit expanded by 16.08% YoY in FY26, the fastest pace since FY24. During the same period, deposits rose by 13.47% YoY, also the highest growth since FY24.
 - As per RBI, Currency In Circulation (CIC) surged 11.9% YoY by the end of the financial year FY26, the highest since the Covid year of FY21 to Rs 41.68 trillion, due to revival of the cash-driven rural economy and persistent precautionary demand. In absolute terms, CIC grew by Rs 4.44 trillion in FY26, the highest since the post-demonetisation year of FY18.
- Global Updates :-**
 - The US Labor Department said that Consumer Price Index of US jumped by 0.9% MoM in March 2026 after rising by 0.3% MoM in February 2026. Economists had expected consumer prices to advance by 0.9% MoM.
 - Final data from Eurostat showed that the Eurozone's Harmonized Index of Consumer Prices rose 2.6% YoY in March, revised up from the initial estimate of 2.5% YoY. This followed a 1.9 % YoY rise in February 2026.
 - The China's National Bureau of Statistics reported that China's Gross Domestic Product expanded 5.0% YoY in Q1 CY26. The annual growth exceeded 4.5% YoY expansion in Q4 CY25.
- Outlook :-**

The liquidity condition, as measured by RBI's net LAF, improved, and remained in surplus during the week. In its April 2026 MPC meeting, the RBI had kept the Repo Rate unchanged at 5.25% and continued with its neutral stance. RBI estimated Consumer Price Index (CPI) inflation for FY27 at 4.6% YoY. RBI also introduced a core inflation estimate of 4.4% YoY. Real GDP growth for 2026-27 is projected at 6.9% YoY. India's retail inflation, measured by the Consumer Price Index (CPI), accelerated to 3.40% YoY in March 2026, from 3.21% YoY in February 2026, based on the new series data. **The RBI also highlighted upside risks to inflation and downside risks to the domestic growth outlook driven by increased energy price pressures and probable weather disturbances affecting food prices. The recent cut in excise duty can weigh down on fiscal numbers resulting in near term volatility in bond yields. On the other hand, if India's nominal growth picks up, it will aid in tax collection. This, along with persistent liquidity support, robust FPI inflows, the probable inclusion of Indian G-secs in Bloomberg's index, lower duration supply as announced by RBI, any positive effect of recently concluded trade deals, government's continuous focus on fiscal consolidation which may lead to favorable demand-supply dynamics, and probable de-escalation of the Middle East conflict may aid in keeping liquidity comfortable and be a positive for debt yields during latter half of CY27. In the US, as widely anticipated and due to ongoing geopolitical disruption, the Federal Reserve kept rates unchanged in the March Policy meeting, keeping their target range at 3.50-3.75%. In the near term, the developments around the geopolitical tensions in the Middle East, which has kept crude prices volatile with upward bias, will continue to remain a key monitorable. If crude prices remain elevated for a longer period, it could have an adverse effect on India's headline inflation, GDP growth and Current Account Deficit, making monetary policy decisions trickier as also highlighted by the Central bank.**

Thus, at this juncture, with lucrative yields, a case continues to exist for investment into corporate bond funds that are at the 1-4-year segment of the curve. Hence, investors can look at Corporate Bond Funds and Banking & PSU Debt Funds for a horizon of 15 months and above. For a horizon of 24 months and above, investors may consider Income Plus Arbitrage FoF or consider Dynamic Bond Funds for tactical opportunity. As yields in the less than 1-year segment remain tight, investors can consider Money Market Funds for a horizon of 3 months and above. Whereas for a horizon of up to 3 months, investors can consider Overnight Funds and Liquid Funds. Investors should invest in line with their risk profile and product suitability.



Category Average Returns as on 17 April 2026

Annualised Returns *	1 Day	1 Week	1 Month	2 Month	3 Months	6 Months	9 Months	1 Year	2 Year	3 Year
Overnight Funds	4.75	4.77	5.14	4.99	4.94	5.11	5.22	5.32	5.91	6.17
Liquid Funds	4.27	6.79	8.73	7.12	6.83	6.27	6.08	6.18	6.69	6.84
Floater Funds	2.85	10.52	5.85	5.11	6.45	5.11	5.20	5.87	7.50	7.49
Low Duration Funds	4.88	9.41	8.20	5.78	6.30	5.37	5.49	6.18	6.96	6.97
Money Market Funds	-1.29	7.96	9.23	6.71	6.67	6.00	5.90	6.40	7.02	7.09
Ultra Short Duration Funds	4.41	8.62	9.19	6.88	6.75	5.82	5.75	6.12	6.66	6.72
Banking And PSU Funds	-0.24	10.69	5.65	3.07	5.04	3.53	4.10	4.96	7.01	6.90
Corporate Bond Funds	2.60	11.12	5.60	2.98	5.00	3.47	4.08	5.12	7.22	7.06
Medium Duration Funds	-4.10	9.86	5.24	2.86	5.11	4.24	4.58	5.47	7.62	7.25
Short Duration Funds	3.00	10.39	5.61	3.29	5.10	3.77	4.25	5.19	7.09	6.89
Medium To Long Duration Funds	-3.70	12.24	2.53	1.56	3.97	1.62	1.74	2.31	6.14	6.17
Long Duration Funds	-1.30	18.44	0.20	-1.60	1.26	-1.88	-1.07	-0.94	5.20	6.04
Dynamic Bond Funds	-3.59	10.29	3.16	1.93	4.11	1.72	1.91	2.32	6.33	6.39
Credit Risk Funds	39.43	36.43	14.14	8.66	8.41	7.59	7.29	8.56	9.38	8.76
Gilt Funds / Gilt Funds with 10 year constant duration	-11.81	14.00	0.07	-0.32	2.65	-0.08	0.08	0.59	5.75	6.08
Conservative Hybrid Funds	54.31	28.57	13.32	-3.02	0.90	0.62	1.63	3.83	6.53	8.47
Index Funds	-1.06	9.37	3.80	3.67	5.20	4.69	4.69	5.48	7.48	7.26
Arbitrage Funds	0.52	6.66	5.98	5.90	6.02	5.95	5.86	5.78	6.41	6.80

* Return figures for all schemes are Annualised for < 1 year and Compounded Annualised for >= 1 year

Recommended Funds' Average Returns (% Annualised Returns)	1 Months	3 Months	6 Months	1 Year	2 Year	3 Year
Medium to Long Duration Funds & Long Duration Funds	0.50	2.47	0.21	1.65	6.28	6.58
Dynamic Bond Fund	7.10	5.74	3.29	3.66	6.99	6.94
Gilt Funds & Gilt Funds with 10 year constant duration	2.87	4.74	2.09	2.20	6.63	6.80
Short Duration / Medium Duration	5.47	5.42	4.22	5.63	7.41	7.30
Banking and PSU Funds	5.76	5.61	4.28	5.50	7.22	7.12
Corporate Bond Funds	5.25	5.54	3.99	5.75	7.54	7.39
Ultra Short Duration Funds / Low Duration / Floater Funds	8.58	6.86	5.98	6.53	7.20	7.27
Money Market Funds	9.37	6.84	6.16	6.58	7.26	7.36
Liquid Funds & Overnight Funds	9.12	7.03	6.41	6.28	6.79	6.94
Arbitrage Funds	6.61	6.31	6.19	6.07	6.68	7.09

Please Note that all the Dividend options factor in the taxation applicable for corporates

Return figures for all schemes are Annualised for < 1 year and Compounded Annualised for >= 1 year

Returns shown in the chart above are for growth options.

Source for entire data stated above is Accord Fintech Pvt Ltd.

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