

**Domestic Equity Market Update**

- Indian equities ended the week on a negative note, with the large cap-oriented BSE Sensex ending lower by 2.33% & Nifty 50 ending lower by 1.87% WoW, respectively. The BSE Midcap index ended lower by 0.37% and the BSE Small cap index ended lower by 0.26%.
- On the BSE sectoral front, indices ended on a mixed note. IT, Auto and Consumer Durables were the biggest underperformers.
- Domestic equity markets ended the week on a negative note driven pressured by an uptick in crude oil prices amid stalled U.S.–Iran peace talks. Higher oil prices reignited concerns over inflation, interest rates, and the outlook for economic growth. Geopolitical tensions escalated after Iran asserted its tightened control over the strategically important Strait, while the U.S. President stated that the Navy had been ordered to “shoot and kill any boat” attempting to lay mines in the region.

**Global Market Updates**

- US equity markets ended the week on a mixed note. They rose initially on the reopening of the Strait of Hormuz and the extension of ceasefire agreement. However, concerns over escalating conflict, ship seizures, and mixed corporate earnings dampened investor sentiment.
- European equity markets ended the week on a negative note as renewed uncertainty over the US–Iran ceasefire weighed on investor sentiment. Escalating tensions along key shipping routes and stalled peace negotiations triggered broad based selling.
- Brent oil futures rose from 96.70 USD/bbl to 101.27 USD/bbl as rising on concerns that the Middle East conflict could be prolonged, before easing amid heightened uncertainty surrounding regional tensions.

**Macro Data & Domestic News Released During the Week**

- Flash survey results from S&P Global showed that the HSBC flash composite output index climbed to 58.3 in April 2026 from 57.0 in March 2026.
- According to Moody's Analytics' latest Asia-Pacific outlook report, India's unemployment rate is projected to rise marginally to 7.0% in CY26 from 6.9% in CY25.
- According to the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), India's economic growth forecast for CY26 has been downgraded to 6.4% YoY.
- Moody's Ratings downgraded India's growth forecast for FY27 to 6% YoY from 6.8% YoY estimated earlier, citing weaker consumption and industrial activity.
- CRISIL said that despite the West Asia crisis having ripple effects on all sectors of the Indian economy, infrastructure investments are likely to see a 45-50% YoY growth over the next two financial years through March 2028.
- According to a new study by Boston Consulting Group (BCG), India has emerged as the global frontrunner in adopting artificial intelligence (AI) for healthcare, with 85% of consumers already using AI-driven tools for personal health.
- As per official data, India's core infrastructure sector contracted 0.4% YoY in March 2026 to its lowest in nearly two years, marking a sharp reversal from the 2.8% YoY recorded in February.
- From Nifty 200 universe, 36 companies have announced their Q4 FY26 earnings thus far. At an aggregate level, Sales, EBITDA and PAT have grown by 9.66%, 11.80% and 11.88% YoY, respectively. Excluding Financials, Sales, EBITDA and PAT have grown by 12.73%, 10.26% and 7.33% YoY respectively.**
- From Nifty 500 universe, 67 companies have announced their Q4 FY26 earnings thus far. At an aggregate level, Sales, EBITDA and PAT have grown by 8.92%, 11.85% and 13.27% YoY, respectively. Excluding Financials, Sales, EBITDA and PAT have grown by 10.95%, 12.23% and 9.29% YoY respectively.**

**Outlook**

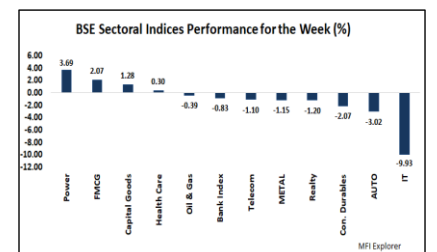
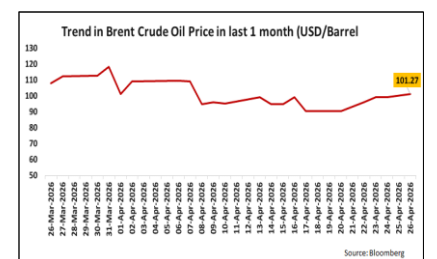
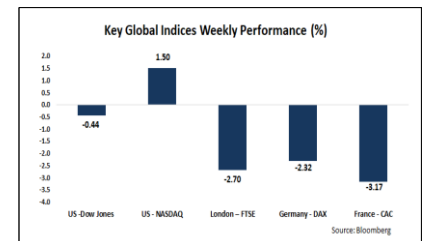
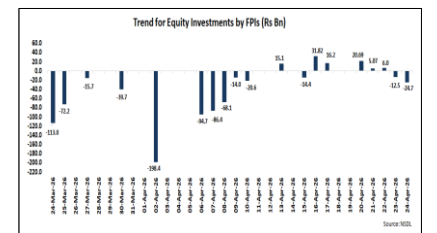
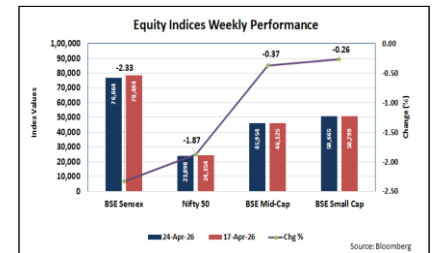
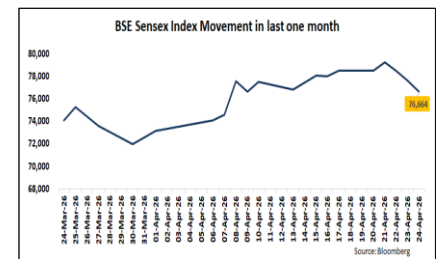
Going forward, the Indian equity market is likely to be driven by any moves around the final details pertaining to India-US trade deal, Q4FY26 earnings season and guidance given by managements, crude price volatility, rising concerns over AI-led disruptions, geopolitical tensions, movement in the US 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 steady numbers across sectors

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.

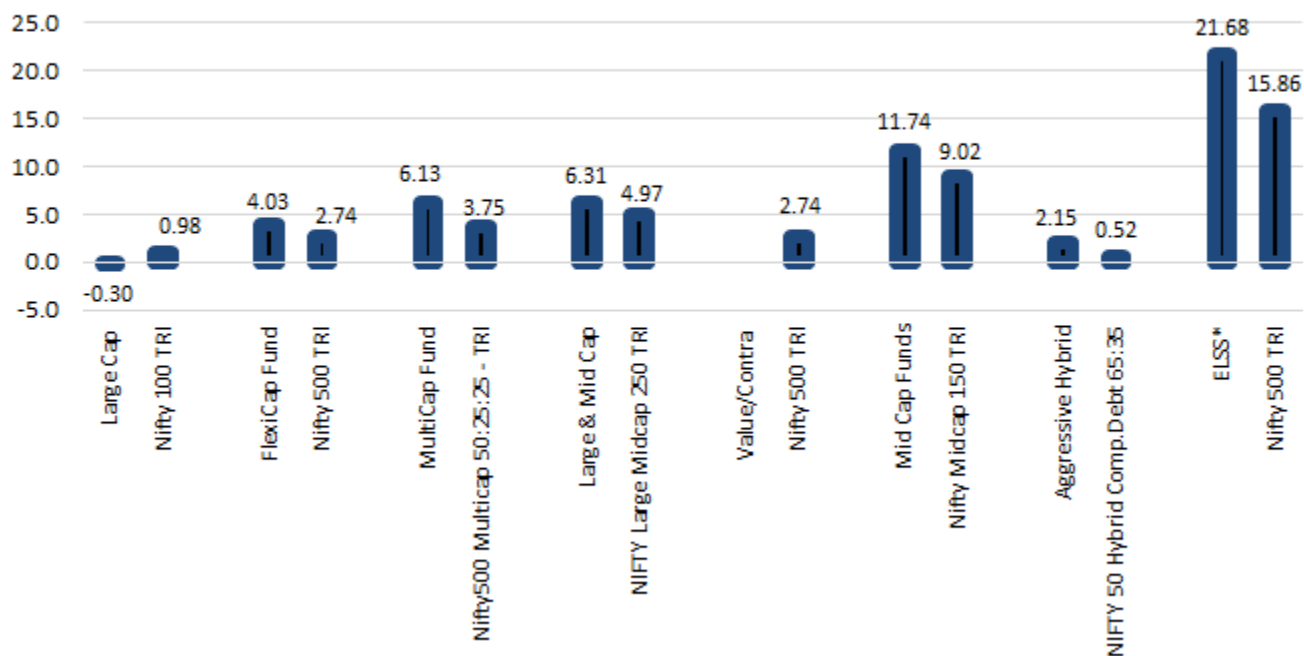
The US-Iran conflict has emerged as the near-term risk to markets which can drive oil prices higher and be near term sentiment-negative event. Negotiations for a ceasefire between US and Iran did not fructify as both sides could not agree upon a de-escalation path. In case, if it fructifies it will be 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                       | 4.83    | -6.00    | -0.30                           | 5.07    | 15.45   | 14.98   |
| Flexi Cap Funds                       | 7.01    | -4.86    | 4.03                            | 7.92    | 18.10   | 17.02   |
| Multi Cap Funds                       | -0.54   | -3.23    | 6.13                            | 8.10    | 21.96   | 21.83   |
| Large & Mid Cap Funds                 | 8.31    | -2.97    | 6.31                            | 9.49    | 21.60   | 18.54   |
| Mid Cap Funds                         | 9.76    | -1.58    | 11.74                           | 13.33   | 25.69   | 21.81   |
| Small Cap Funds                       | 10.37   | -4.95    | 6.19                            | 7.64    | 23.75   | 21.54   |
| Value/Contra Funds                    | 5.80    | -3.59    | 3.27                            | 6.30    | 19.65   | 19.35   |
| Focused Funds                         | 6.74    | -2.78    | 4.92                            | 9.03    | 19.20   | 17.99   |
| Aggressive Hybrid Funds               | 4.91    | -3.04    | 2.15                            | 7.88    | 15.39   | 14.23   |
| Dynamic Asset Allocation Funds        | 3.52    | -1.60    | 3.64                            | 6.93    | 13.65   | 13.24   |
| Equity Linked Saving Schemes          | 9.85    | -1.68    | 5.89                            | 9.05    | 21.68   | 17.87   |
| Business Cycle Funds                  | 8.80    | -4.39    | 5.91                            | 9.44    | 17.48   | --      |
| Nifty 50 TRI                          | 4.33    | -7.11    | -0.31                           | 4.52    | 11.72   | 12.04   |
| Nifty 500 TRI                         | 7.17    | -4.46    | 2.74                            | 5.35    | 15.86   | 14.40   |
| NIFTY Large Midcap 250 TRI            | 7.73    | -2.77    | 4.97                            | 7.00    | 18.65   | 16.60   |
| Nifty Infrastructure TRI              | 5.82    | -1.42    | 6.78                            | 5.17    | 22.16   | 19.78   |

Note: Data as on April 24, 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.

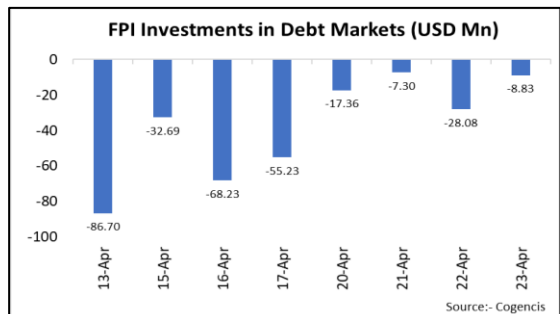
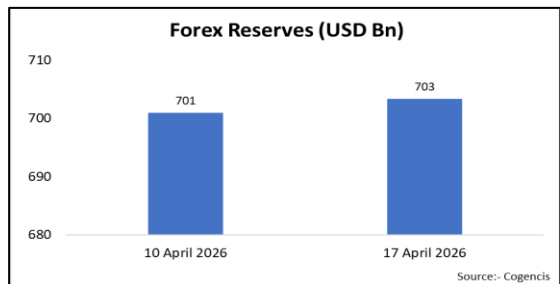
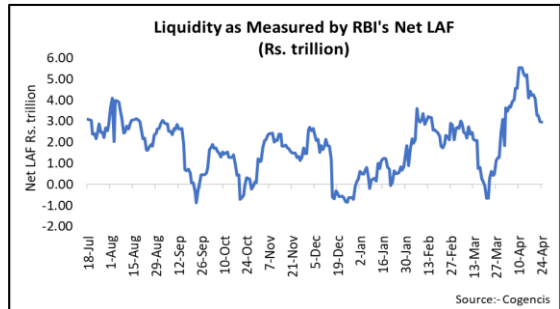
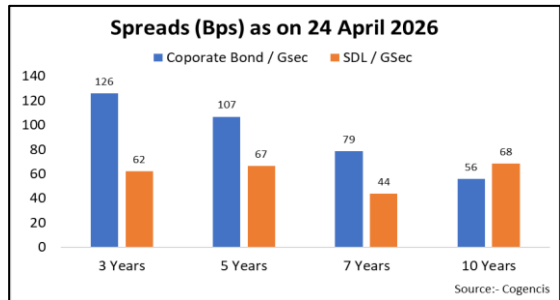
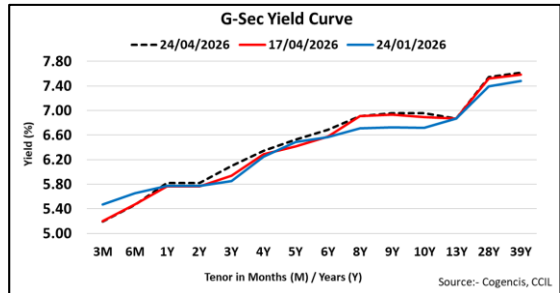
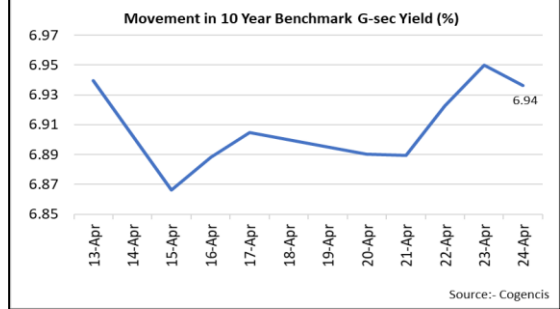
## Weekly Overview - Fixed Income Markets & Mutual Funds for week ended April 24, 2026

- Domestic G-Sec prices closed the week ended 24<sup>th</sup> April 2026 on a negative note wherein the yield on the 10-year benchmark, the 6.48% G-Sec 2035 bond, closed 4 bps higher at 6.94% as against its previous weekly close of 6.90% on 17<sup>th</sup> April 2026.
- In case of AAA rated corporate bonds, yields up to the one-year segment were mixed in the range of (-) 25 bps to 23 bps on a WoW basis. In case of the greater than one-year segment, yields rose by up to 24 bps on a WoW basis.
- Movement in G-sec yields :-**
  - Indian G-sec yields edged higher as crude oil prices rose on an indefinitely extended US–Iran ceasefire, intensifying pressure on India's macroeconomic outlook.
  - The total Government bond supply for the week stood at Rs 489 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 169 bn and the maturities were in the range of 7-30 years. The yield of 10-year SDL came in at 7.64%. There was no 10-year SDL during the auction this week. The G-secs' auction was for the following: 6.03% GS 2029, 6.68% GS 2033, 7.24% GS 2055 & New GOI SGrB 2056.
  - Banking system liquidity deteriorated, wherein liquidity, as measured by the RBI's net Liquidity Adjustment Facility (LAF), stood at a daily average surplus of ~Rs 3.32 trillion during the week as against a daily average surplus of ~Rs 4.82 trillion bn during the previous week.
- Macro Data released during the week :-**
  - Data from the monthly bulletin showed that the RBI purchased USD 7.41 bn in the foreign exchange market in February 2026 on a net basis, marking the second straight month of net dollar buys.
  - According to Fitch Solutions, India's fiscal deficit is likely to breach the government's target of 4.3% of GDP and reach 4.5% in FY27, as higher subsidy spending and policy support measures strain public finances.
  - As per RBI data, India's foreign exchange reserves increased by USD 2.3 bn in the week ending April 17, 2026, reaching USD 703.30 bn. This follows a period of depletion after the Middle East conflict, which had previously caused the rupee to come under pressure and prompted RBI intervention.
- Other macro-economic news :-**
  - According to ICRA, bank credit growth is expected to moderate to below 12% YoY in FY27, down from 15.9% YoY in FY26, amid rising geopolitical uncertainties and a shifting interest rate environment. Icra also said that advances are likely to grow at 11–11.7% YoY in FY27.
  - Reserve Bank of India (RBI) Governor Sanjay Malhotra said that the current crisis in West Asia significantly impacts India, as the region accounts for approximately one-sixth of the country's exports, half of its crude oil imports, and nearly two-fifths of the inward remittances.
  - As per the latest RBI household survey of inflation expectations (IES), perceptions of current inflation are rising after trending downward for over three years. Future expectations have climbed as well between November 2025 and March 2026, the median three-month-ahead inflation expectation rose from 7.6% YoY to 8.5% YoY, while the one-year-ahead estimate increased from 8% YoY to 8.8% YoY.
- Global Updates :-**
  - Federal Reserve Governor Christopher Waller said that while the US-Israeli war with Iran will likely drive up near-term inflation, a fast end to the conflict would keep the door open to cutting interest rates later in CY26.
  - Data from the European Central Bank showed that the Eurozone Current Account Surplus fell to EUR 25 bn in February 2026 from EUR 40 bn in January 2026. In the same period last year, the surplus was EUR 19 bn. It was driven by decreases in trade surplus and primary income.
  - Data published by the UK Office for National Statistics showed that the Consumer Price Index of UK climbed 3.3% YoY in March 2026, faster than February 2026's 3.0% YoY stable increase.

### Outlook :-

The liquidity condition, as measured by RBI's net LAF, deteriorated, but 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 CY26.** 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 duration and severity of geopolitical tensions in the Middle East will continue to remain a key monitorable. Developments around the same will continue directing sentiments and capital flows. 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.**

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 24 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                                        | 4.82    | 4.88   | 5.09    | 5.00    | 4.92     | 5.09     | 5.20     | 5.30   | 5.89   | 6.16   |
| Liquid Funds                                           | 4.51    | 4.62   | 8.70    | 7.00    | 6.81     | 6.23     | 6.06     | 6.15   | 6.68   | 6.83   |
| Floater Funds                                          | -3.41   | -0.10  | 7.82    | 4.50    | 5.95     | 4.99     | 4.99     | 5.57   | 7.42   | 7.42   |
| Low Duration Funds                                     | -0.64   | 0.82   | 8.62    | 5.43    | 6.04     | 5.21     | 5.34     | 6.01   | 6.91   | 6.92   |
| Money Market Funds                                     | 0.46    | 2.17   | 9.79    | 6.32    | 6.51     | 5.88     | 5.81     | 6.26   | 6.99   | 7.06   |
| Ultra Short Duration Funds                             | 2.01    | 2.65   | 9.35    | 6.65    | 6.64     | 5.73     | 5.68     | 6.01   | 6.63   | 6.70   |
| Banking And PSU Funds                                  | -18.31  | -5.15  | 7.46    | 2.20    | 4.39     | 3.29     | 3.73     | 4.54   | 6.90   | 6.76   |
| Corporate Bond Funds                                   | -17.56  | -5.34  | 7.47    | 2.06    | 4.35     | 3.24     | 3.69     | 4.67   | 7.10   | 6.92   |
| Medium Duration Funds                                  | -16.14  | -5.59  | 7.30    | 2.01    | 4.42     | 3.95     | 4.20     | 5.02   | 7.49   | 7.08   |
| Short Duration Funds                                   | -9.26   | -3.92  | 7.04    | 2.46    | 4.47     | 3.53     | 3.93     | 4.84   | 6.99   | 6.77   |
| Medium To Long Duration Funds                          | -26.13  | -9.52  | 6.91    | -0.14   | 2.65     | 1.51     | 1.26     | 1.57   | 5.98   | 5.89   |
| Long Duration Funds                                    | -33.21  | -13.81 | 10.32   | -3.91   | -0.22    | -1.58    | -1.91    | -2.27  | 5.00   | 5.57   |
| Dynamic Bond Funds                                     | -21.29  | -7.75  | 6.83    | 0.65    | 2.98     | 1.63     | 1.44     | 1.49   | 6.18   | 6.18   |
| Credit Risk Funds                                      | -8.42   | -1.19  | 14.91   | 8.18    | 8.02     | 7.36     | 7.02     | 8.23   | 9.29   | 8.67   |
| Gilt Funds / Gilt Funds with 10 year constant duration | -35.42  | -13.33 | 7.39    | -2.57   | 0.70     | -0.01    | -0.53    | -0.51  | 5.55   | 5.78   |
| Conservative Hybrid Funds                              | -101.91 | -20.83 | 18.85   | -4.52   | 1.47     | -0.27    | 1.00     | 2.68   | 6.08   | 8.23   |
| Index Funds                                            | -7.85   | 0.82   | 5.77    | 3.01    | 4.84     | 4.56     | 4.52     | 5.29   | 7.45   | 7.12   |
| Arbitrage Funds                                        | -22.70  | 1.77   | 5.44    | 5.80    | 5.55     | 5.82     | 5.76     | 5.78   | 6.39   | 6.75   |

\* 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       | 8.52     | 0.88     | 0.30     | 0.80   | 6.10   | 6.24   |
| Dynamic Bond Fund                                         | 10.08    | 4.92     | 3.12     | 2.79   | 6.83   | 6.73   |
| Gilt Funds & Gilt Funds with 10 year constant duration    | 9.51     | 2.76     | 2.03     | 1.41   | 6.45   | 6.55   |
| Short Duration / Medium Duration                          | 7.50     | 4.80     | 4.04     | 5.30   | 7.32   | 7.18   |
| Banking and PSU Funds                                     | 8.04     | 4.82     | 4.10     | 5.10   | 7.13   | 7.00   |
| Corporate Bond Funds                                      | 7.87     | 4.63     | 3.81     | 5.31   | 7.42   | 7.27   |
| Ultra Short Duration Funds / Low Duration / Floater Funds | 9.12     | 6.62     | 5.87     | 6.40   | 7.16   | 7.23   |
| Money Market Funds                                        | 9.95     | 6.67     | 6.03     | 6.43   | 7.23   | 7.32   |
| Liquid Funds & Overnight Funds                            | 9.10     | 7.01     | 6.37     | 6.25   | 6.77   | 6.93   |
| Arbitrage Funds                                           | 6.07     | 5.82     | 6.05     | 6.05   | 6.66   | 7.03   |

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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