31 JULY, 2026
ISSUE 01

THE INVESTORS BRIEF

Vikalpa FINVEST
AMFI-registered Mutual Fund Distributor

WHERE TRUST IS A TRADITION

YOU RELY ON US & WE RELY ON EXPERTISE AND EXPERIENCE

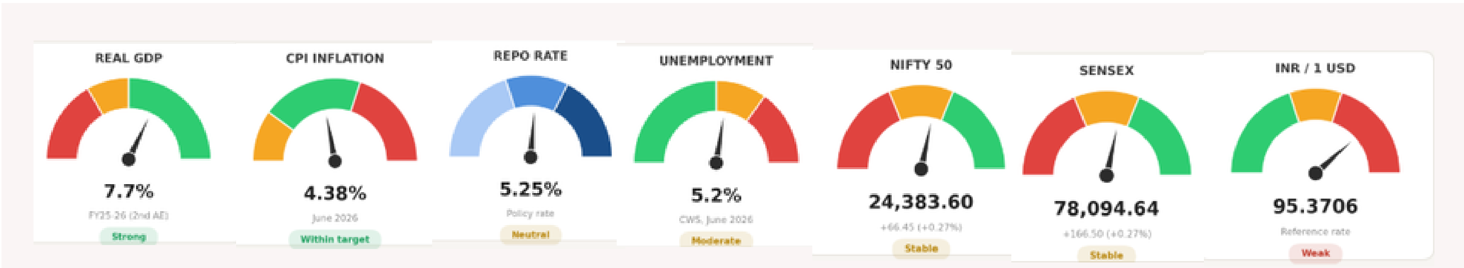
The Vikalpa Ethos

At Vikalpa, we believe that true wealth is built through disciplined planning, not chance. We aim to align your financial goals with the right strategies- managing risk, seeking steady growth, and keeping your long-term vision at the centre of every decision.

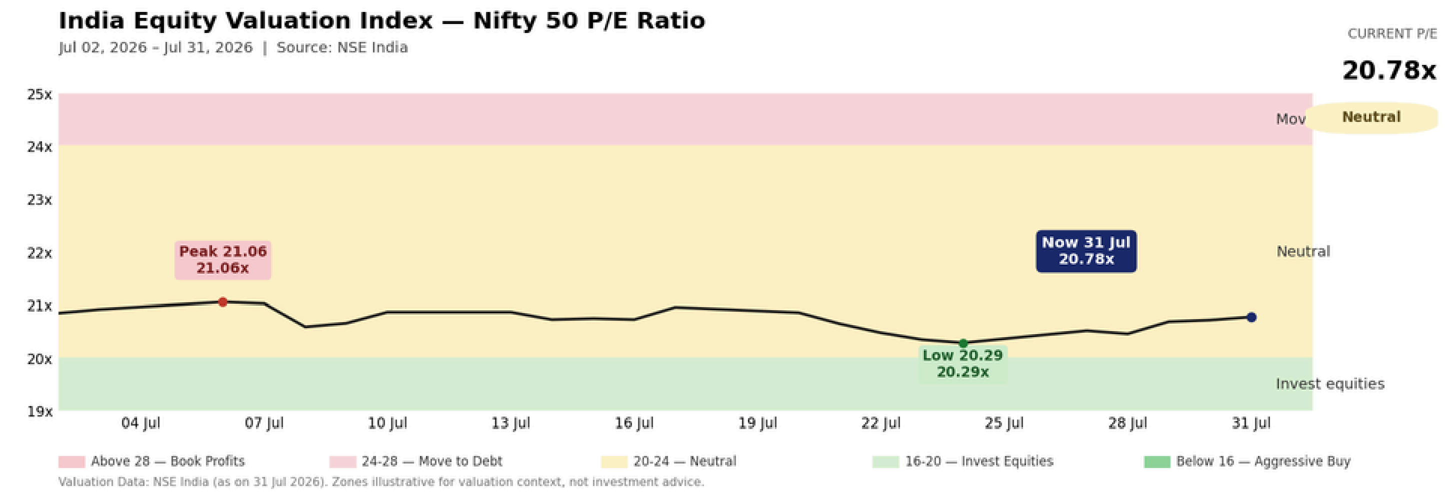
We empower individuals to take control of their financial journey with clarity and confidence. We aim to help investors align financial goals with suitable strategies because a secure and prosperous future is not just a dream- it's a destination.

EQUITY MARKET OUTLOOK

India Economic Snapshot



Sources: MoSPI (GDP, CPI, PLFS); RBI (Repo Rate, USD/INR); NSE/BSE (Nifty, Sensex).



Valuation Data: NSE India (as on Jul 31, 2026).

20.78
NIFTY 50 P/E
Jul 31, 2026

Nifty 50 P/E at 20.78x as of July 31, 2026 — still in the neutral zone, slightly higher than June-end but below its five-year median of 22.09x.

P/E hovered near 21x through July 2026, keeping Nifty 50 valuations firmly in the Neutral (20–24x) zone. Earnings resilience supported valuations, while global uncertainty and higher crude prices limited further expansion.

What happened

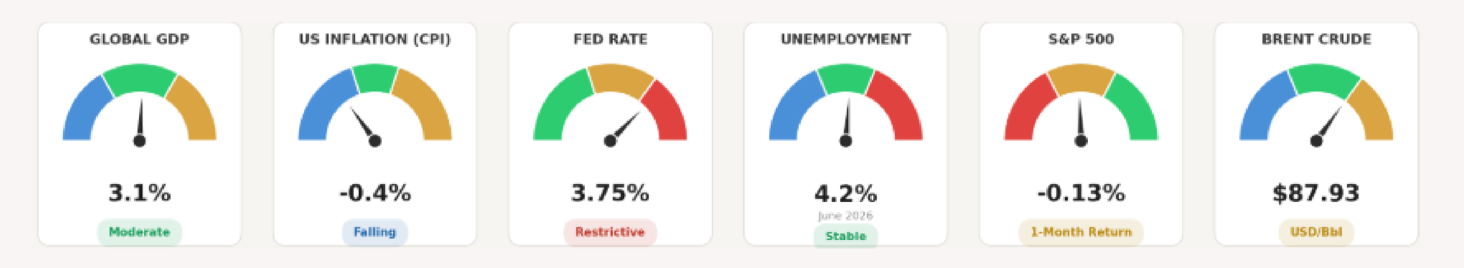
Nifty 50 P/E closed July at 20.78x. Nifty 50 ended at 24,383.60 and Sensex at 78,094.64 on Jul 31. Markets finished the month higher, although crude-price volatility and global uncertainty limited further re-rating.

What it tells us

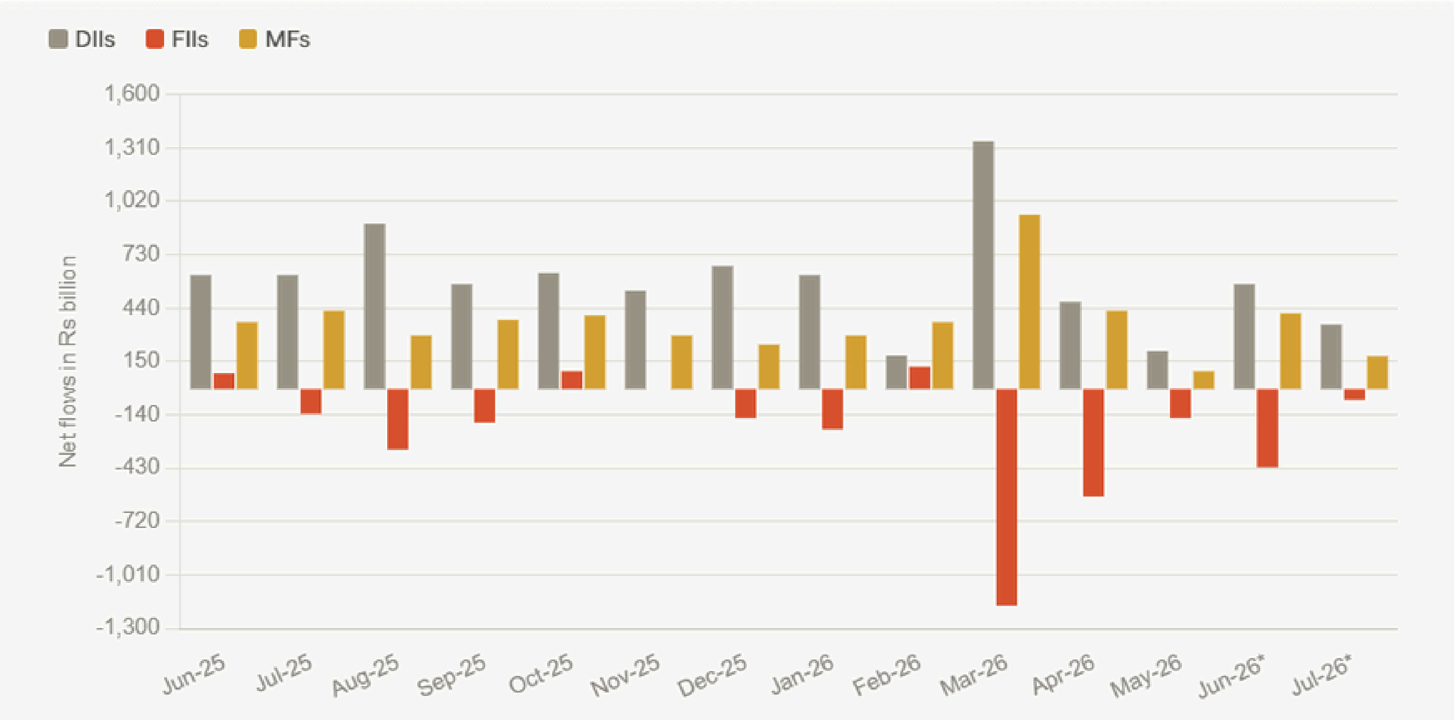
FY2025–26 real GDP growth was 7.7%. June CPI inflation—the latest official reading available on Jul 31—was 4.38%, while the RBI repo rate remained at 5.25%. At 20.78x, Nifty valuations stayed within the Neutral 20–24x zone.

EQUITY MARKET OUTLOOK

Global Economic Snapshot



Sources: IMF (WEO) | BLS (CPI, Jobs) | U.S. Fed | S&P Dow Jones | Trading Economics (Brent) | NSDL (FPI) | AMFI | NSE (DII)



Net equity investment flows in ₹ billion · Source: NSE, AMFI, NSDL · Feb 2025 – Mar 2026 · *Mar 2026 data partial. Past flow trends do not indicate future market direction. For reference only.

Global macro conditions became more challenging in July as Brent crude surged to about $90/bbl amid renewed disruptions around the Strait of Hormuz. India nevertheless retained policy support from a steady 5.25% RBI repo rate, while the 10-year government bond yield closed near 6.83%. A weaker rupee and elevated energy costs warrant caution, though the positively sloped yield curve continues to favour disciplined long-term allocation.

What the flow chart is showing

FIIs remained net sellers in July 2026, though outflows moderated sharply to around ₹80 billion. DIIs continued to provide support with net purchases of nearly ₹350 billion, while mutual funds added approximately ₹170 billion. Despite softer domestic inflows compared with June, sustained institutional buying continued to absorb foreign selling and supported market stability.

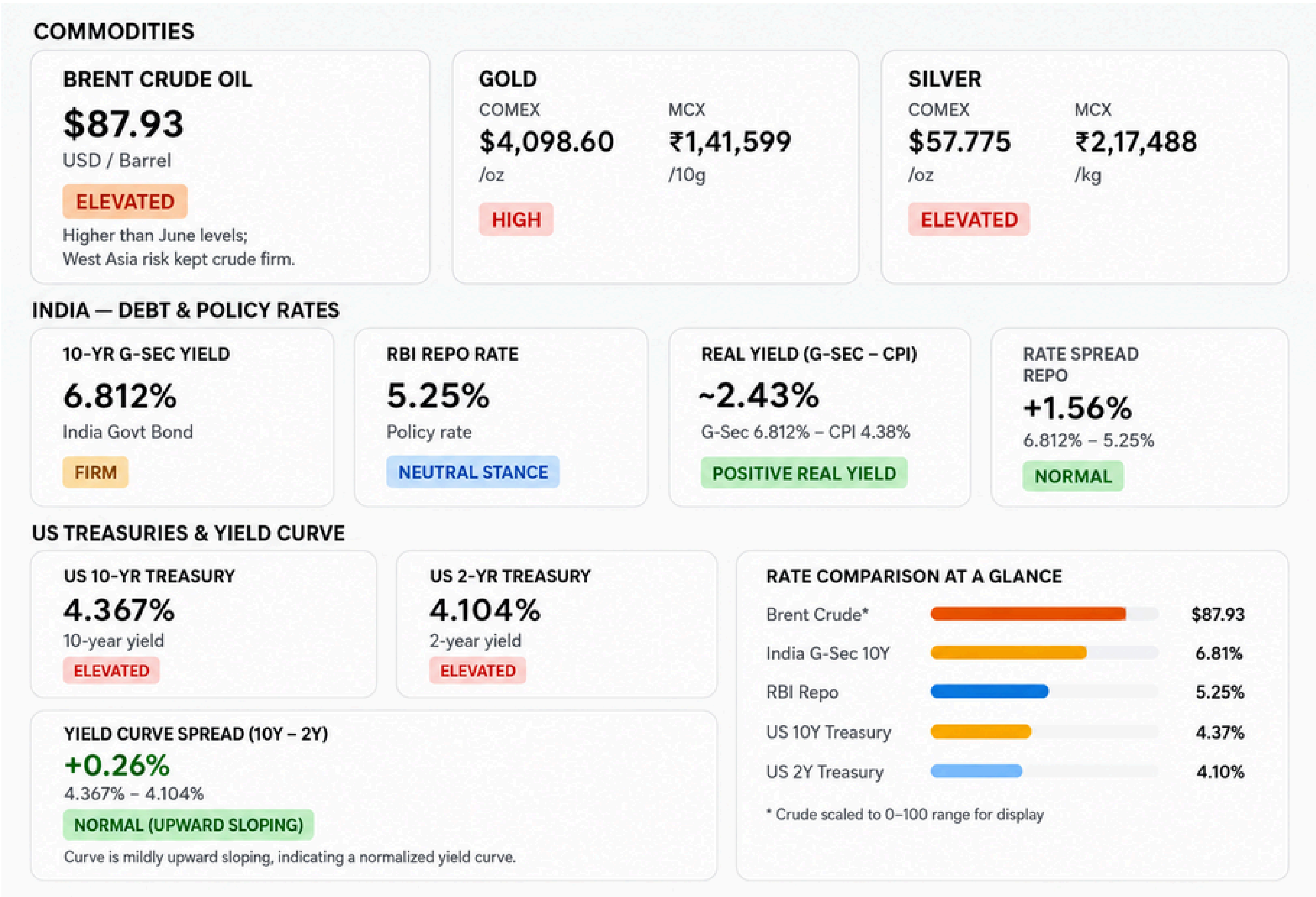
What happened

FII flows: FIIs remained net sellers in July 2026, with outflows of approximately ₹8,000 crore, marking a sharp moderation from June's selling pressure.
DII flows: DIIs invested around ₹35,000 crore, continuing to absorb foreign outflows and provide support to domestic markets.
MF flows: Mutual funds recorded inflows of nearly ₹17,000 crore, supported by sustained SIP contributions and continued retail investor participation.

What it tells us

Domestic liquidity continued to anchor Indian equities in July 2026. Although FIIs remained net sellers, the sharp moderation in foreign outflows, combined with sustained buying by DIIs and mutual funds, helped cushion market volatility and maintain overall stability.
The trend reinforces the structural deepening of India's capital markets, with SIP-led retail participation and domestic institutional flows reducing reliance on foreign capital. A durable revival in FII participation will likely depend on improved global risk appetite, easing US bond yields, stable crude prices and stronger corporate earnings.

COMMODITIES AND DEBT MARKET



Investment in Mutual Funds are subject to market risk, please read all Scheme related documents carefully before investing. This does not constitute investment advice or research report under SEBI regulations

MARKET PERFORMANCE SNAPSHOT

As of 31 July 2026

Domestic market performance

INDEX	AS OF TODAY	1D %	3M %	1YR %	5YR % (CAGR)	10YR % (CAGR)
Sensex (BSE)	78,094.64	▲ 0.21%	▲ 3.90%	▲ 2.10%	▲ 15.10%	▲ 13.10%
Nifty 50 (NSE)	24,383.60	▲ 0.27%	▲ 3.70%	▲ 1.90%	▲ 14.60%	▲ 12.80%
Nifty Midcap 100	62,588.90	▲ 0.43%	▲ 6.20%	▲ 5.30%	▲ 21.00%	▲ 17.60%
Nifty Midcap 150	21,142.85	▲ 0.35%	▲ 6.40%	▲ 4.90%	▲ 20.70%	▲ 17.20%
Nifty Smallcap 100	19,102.30	▲ 0.45%	▲ 9.90%	▲ 8.30%	▲ 23.20%	▲ 16.50%
Nifty Smallcap 250	18,014.75	▲ 0.38%	▲ 9.60%	▲ 7.80%	▲ 22.60%	▲ 16.00%

Sources: NSE, BSE (nseindia.com, bseindia.com), RBI | FY/TD = Apr 1, 2026 – Jun 30, 2026 | Data as on 31 Jul 2026. As-of-today levels and 1D % are from same-day market reports; 3M/1YR/5YR/10YR figures are approximate, indicative estimates. Broader Index levels are indicative based on % change reported.

Global market performance

INDEX	AS OF TODAY	1D %	3M %	1YR %	5YR % (CAGR)	10YR % (CAGR)
DJIA (US)	52,485.03	▲ 0.53%	▲ 8.80%	▲ 12.40%	▲ 15.60%	▲ 12.90%
S&P 500 (US)	7,489.72	▲ 0.70%	▲ 11.40%	▲ 15.80%	▲ 16.20%	▲ 13.20%
Nasdaq (US)	25,373.85	▲ 1.00%	▲ 15.60%	▲ 20.10%	▲ 19.40%	▲ 16.90%
FTSE 100 (UK)	10,868.05	▼ 0.27%	▲ 4.80%	▲ 8.60%	▲ 8.10%	▲ 5.60%
DAX (Germany)	25,629.24	▲ 0.07%	▲ 6.30%	▲ 13.70%	▲ 12.50%	▲ 10.90%
Nikkei 225 (Japan)	64,362.02	▲ 4.03%	▲ 14.80%	▲ 24.60%	▲ 19.30%	▲ 12.30%
Hang Seng (HK)	25,884.43	▲ 0.10%	▲ 7.90%	▲ 32.00%	▲ 8.40%	▲ 3.10%
USD/INR	₹95.53	▲ 0.10%	▲ 1.60%	▲ 3.30%	▲ 3.10%	▲ 3.80%

Sources: Respective exchanges, Yahoo Finance, Trading Economics, CNBC | FY/TD = Apr 1, 2026 – Jun 30, 2026 | USD/JPY as of 22 Jun close; Asia as of 30 Jun close | Data as on 31 Jul 2026. CAGR returns are approximate, sourced from respective exchanges and financial portals. For informational purposes only. Not investment advice. Investments subject to market risks. Published in compliance with SEBI (Research Analysts) Regulations, 2014.

Commodity market performance

COMMODITY	AS OF TODAY	1D %	3M %	1YR %	5YR % (CAGR)	10YR % (CAGR)
Gold COMEX (USD/oz)	$4,109.20	▼ 0.49%	▲ 18.30%	▲ 44.20%	▲ 24.60%	▲ 15.10%
Gold MCX (₹/10g)	₹1,42,600	▼ 0.51%	▲ 15.90%	▲ 40.10%	▲ 25.90%	▲ 16.80%
Silver COMEX (USD/oz)	$58.01	▼ 1.71%	▲ 24.90%	▲ 87.60%	▲ 26.20%	▲ 17.10%
Silver MCX (₹/kg)	₹2,19,200	▼ 0.73%	▲ 21.60%	▲ 82.30%	▲ 27.10%	▲ 18.60%
Brent Crude (USD/bbl)	$88.16	▲ 0.61%	▲ 22.70%	▲ 26.10%	▲ 6.30%	▲ 2.10%

Sources: Trading Economics, EIA, JM Bullion, MCX India, TheStreet, GoodReturns | Data as on 31 Jul 2026 close. Longer-horizon CAGR figures are approximate estimates carried forward from prior benchmark data. For informational purposes only. Not investment advice.

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MONTH OF JULY AT A GLANCE

● Positive ● Neutral ● Caution

NIFTY 50 (31 JUL)	SENSEX (31 JUL)	RBI REPO RATE	INDIA VIX
24,383.60	**78,094.64**	**5.25%**	**11.75**
▲ 0.27% on day	▲ 0.21% on day	Hold, neutral stance	▼ 3.37% on day

MACRO & POLICY — INDIA

RBI stays on hold at 5.25%; no fresh MPC meeting in July

With the next Monetary Policy Committee review not due till August, the repo rate held at 5.25% for a third straight review, the neutral stance and June's capital-inflow package (wider FPI access to G-secs, eased NRI/OCI limits) continuing to underpin sentiment through the month.

Livemint, RBI policy notifications, July 2026

⚠ **Q1 FY27 IT earnings mixed: TCS, HCLTech beat, Infosys guidance underwhelms**

TCS opened earnings season on July 9 with a steady print; Infosys followed with profit up 12% YoY, but trimmed its FY27 constant-currency revenue growth band to 1.5–3.5%, keeping the sector's multi-year de-rating story alive even as HCLTech's AI order book impressed.

Dalal Street Journal, Q1 FY27 results coverage, Jul 9–23, 2026

• **FIIs turn net buyers for the first time since February**

Foreign investors bought a net ₹15,412 crore of Indian equities in July, a sharp reversal from outflows of ₹49,340 crore in June and ₹32,963 crore in May, as easing geopolitical risk and cheaper large-cap valuations drew global money back. DIIs stayed net buyers through most sessions, cushioning bouts of mid-month FII selling.

Wall Street Journal, NSDL flow data, July 2026

GLOBAL MARKETS & WEST ASIA

⚠ **US-Iran ceasefire frays again; tanker attacks jolt the Strait of Hormuz**

Iranian forces struck vessels transiting the Strait in early July, prompting fresh US strikes on Iranian targets and a mid-month spike that briefly pushed Brent crude above $93/bbl. Tanker traffic partially recovered into month-end, helping Brent ease back toward $88.

Wall Street Journal, Reuters wire reports, July 2026

Fed holds rates; Wall Street books a fourth straight winning month

The Federal Reserve left rates unchanged at its July 29 meeting. The Dow, S&P 500 and Nasdaq each closed July higher, with Amazon's strong Q2 results and AWS growth offsetting a sharp post-earnings slide in Apple on weak Services and China guidance.

Wall Street Journal Markets, Jul 30–31, 2026

• **Long-end Treasury yields hit their highest since 2007**

The 30-year yield pushed above 5.2% and the 10-year topped 4.7% late in the month as sticky inflation expectations and heavy issuance met resilient earnings, a backdrop echoed globally as Japan's Nikkei 225 jumped over 4% in a single session on a semiconductor-led rally.

Livemint Global Markets, Jul 31, 2026

EQUITY & SECTOR WATCH

IT stages its best month in two years on HCLTech's AI mega-deal

HCLTech was the Nifty 50's top gainer, up roughly 26% in July after signing an estimated $1.14 billion AI-led transformation deal with a Fortune Global 50 client running through 2031, helping the broader IT pack snap a multi-month losing streak.

Dalal Street Journal, HDFC Sky market reports, July 2026

Pharma and healthcare extend their record run

Nifty Pharma added further gains in July, up roughly 14% year-to-date against a mid-single-digit rise for the Nifty 50, with Laurus Labs, Ipca Laboratories, Aurobindo Pharma and Torrent Pharma all touching fresh highs on defensive buying and a friendlier regulatory read-through.

Livemint Markets, July 2026

⚠ **Banks lag despite "multi-decadal" asset quality commentary**

Nifty PSU Bank and Private Bank indices closed July lower even as lenders flagged some of their strongest-ever asset quality metrics; IndusInd Bank fell sharply after the market recognised its headline earnings beat was provision-driven rather than core revenue strength.

Wall Street Journal, exchange filings, July 2026

Sources: Wall Street Journal, Dalal Street Journal, Livemint, RBI, NSE/BSE (nseindia.com, bseindia.com), NSDL, Reuters. All figures cross-checked against RBI (rbi.org.in), NSE, and BSE (bseindia.com) provisional data as available. Data as on 31 Jul 2026.

S.W.O.T ANALYSIS

STRENGTHS

IT-Led Rally & Deepening SIP Cushion

1. **Nifty & Sensex up ~2% in July** — benchmarks logged a second straight monthly gain, led by a strong IT rally as Q1 FY27 earnings season surprised positively for index heavyweights.
2. **SIP flows hit a fresh high of ₹31,781 Cr in June**, up 2.7% MoM — the fifth straight month above ₹30,000 Cr; MF industry AUM touched a record ₹82.22 lakh Cr.
3. **DIIs kept absorbing FII selling** — domestic institutions stayed net buyers through July, cushioning the market even as foreign investors pulled back on valuation and geopolitical concerns.

WEAKNESSES

Crude Spike & Persistent FII Selling

1. **India VIX jumped 7.7% to 13.19 (July 13)** — escalating US-Iran tensions and firmer crude oil prices triggered a broad risk-off session before volatility eased mid-month.
2. **FIIs stayed net sellers for most of July** — cumulative outflows near ₹38,600 Cr over the month's trading sessions, citing rich valuations and a strong dollar.
3. **WPI rose to 9.87% in June** (2022-23 base), up from 9.68% in May — fuel, food and metals drove producer prices; CPI also firmed to 4.38% from 3.93%, above estimates.

OPPORTUNITIES

Laggard Breadth & Structural Domestic Flows

1. **Over 50% of BSE 500 stocks gained under 1%** in July even as the index rose ~2% — wide breadth dispersion leaves a large pool of laggards for potential re-rating.
2. **IT sector re-rating continues** — sector led the July rally on resilient Q1 FY27 earnings, offering continued momentum after a period of relative underperformance.
3. **SIP culture deepens further** — 9.7 Cr+ retail SIP accounts keep contributions flowing, a maturing domestic base that steadily reduces India's dependence on FII flows.

THREATS

Weak Monsoon, Growth Cuts & Geopolitics

1. **IMD flagged below-normal July rainfall** (under 94% of LPA) after the fifth-lowest June on record (~40% deficit) — raising risk to kharif sowing and rural demand.
2. **RBI cut its FY27 growth forecast to 6.6% from 6.9%** and raised the inflation forecast to 5.1% from 4.6%, explicitly citing West Asia conflict as a key swing factor.
3. **Crude & Strait of Hormuz tensions linger** — elevated oil prices keep FIIs cautious, while Pharma slipped ~1.4% as Novo Nordisk's Wegovy approval intensified competition for local drugmakers.

AT A GLANCE — MARKET OBSERVATIONS

- **RBI held firm, trimmed the growth outlook** — Repo rate kept at 5.25% for a third straight meeting (Jul 23 policy); MPC cut the FY27 GDP forecast to 6.6%, citing monsoon and oil-price risks
- **Inflation crept back up** — June CPI rose to 4.38% from 3.93% in May as food and fuel costs rebounded, still inside RBI's tolerance band
- **Rupee steadied after early pressure** — USD/INR held near ₹95.4-95.7 through July, firming into month-end as FII buying returned and the Fed stayed on hold
- **Monsoon stayed patchy** — Seasonal rainfall deficit swung between 14% and 24% before settling near 15% by month-end, keeping rural demand a watch item
- **Markets extended their rebound** — Sensex closed July 31 near 78,039 (~1.9% for the month) and Nifty near 24,317, led by autos and financials despite Middle East-linked oil swings
- **Foreign investors turned buyers again** — FPIs ended a four-month selling streak with ~₹20,200 Cr of net July purchases; DIIs stayed net buyers, keeping domestic support intact
- **SIP flows kept setting records** — Retail SIP contributions rose to a record ₹31,781 Cr in June (AMFI), a fifth straight month above ₹31,000 Cr
- **Valuations eased toward fair value** — Nifty P/E slipped to ~20.5-20.8, below its ~23.4 long-term average, even as a hawkish Fed held rates at 3.50-3.75%

Mutual Fund Category Returns (%)

Returns as on July 31, 2026 • Category averages (Direct Plans) • Source: Value Research Online (valueresearchonline.com)

● Strong ● Good ● Neutral ● Weak ● Lost

Equity — Broad Market

Category	1 Day	1M	3 Mo	1 Yr	5 Yr	10 Yr
Large Cap	+0.76	+0.93	+1.02	-0.26	+10.59	+11.85
Large & MidCap	+0.15	+1.54	+3.39	+1.86	+13.50	+14.09
Flexi Cap	+0.25	+1.76	+3.54	+1.08	+11.83	+12.95
Multi Cap	-0.02	+1.93	+5.63	+2.46	+13.72	—
Mid Cap	-0.29	+1.39	+5.22	+5.11	+16.00	+15.82
Small Cap	-0.56	+2.84	+10.22	+3.44	+15.59	+16.54
ELSS	+0.34	+1.56	+2.61	-0.85	+11.72	+13.27

Equity — Sectoral / Thematic

Category	1 Day	1M	3 Mo	1 Yr	5 Yr	10 Yr
Sectoral-Banking	+1.21	+1.62	+2.70	+5.53	+12.60	+12.28
Sectoral-Pharma	-1.10	+5.92	+13.95	+10.92	+13.44	+13.87
Sectoral-Technology	+1.12	+2.48	-2.03	-14.45	+4.05	+15.47
Thematic-Energy	-0.40	-2.50	-0.07	+6.47	+14.02	+16.26
Thematic-Infra	-0.21	-0.64	+2.69	+3.37	+18.77	+15.63
Thematic-PSU	+0.07	-2.27	-6.39	-1.91	+24.03	+15.28
International	-1.54	-2.14	+4.58	+35.56	+12.23	+12.23

Debt

Category	1 Day	1M	3 Mo	1 Yr	5 Yr	10 Yr
Liquid	+0.03	+0.53	+1.54	+6.17	+6.08	+5.98
Money Market	+0.05	+0.63	+1.48	+5.98	+6.24	+6.41
Short Duration	+0.02	+0.65	+1.67	+4.85	+6.09	+6.41
Medium Duration	+0.02	+0.90	+2.03	+5.54	+6.59	+6.76
Corporate Bond	+0.01	+0.71	+1.75	+4.87	+6.00	+6.82
Credit Risk	+0.03	+0.83	+2.29	+7.90	+9.26	+6.40
Dynamic Bond	-0.07	+0.95	+1.98	+3.46	+5.70	+6.49
Gilt	-0.15	+1.31	+2.35	+2.73	+5.43	+6.52

Hybrid & Others

Category	1 Day	1M	3 Mo	1 Yr	5 Yr	10 Yr
Aggressive Hybrid	+0.26	+1.38	+2.47	+1.23	+10.37	+11.23
Balanced Hybrid	+0.13	+1.32	+2.23	+1.52	+7.94	+8.02
Conservative Hybrid	+0.08	+1.01	+1.87	+2.83	+7.29	+7.37
Equity Savings	+0.17	+1.01	+1.75	+3.79	+7.62	+7.96
Dynamic Asset Alloc	+0.27	+1.23	+1.94	+1.23	+8.71	+9.02
Multi Asset Alloc	+0.11	+0.01	+0.71	+9.86	+12.87	+10.43
Commodities: Gold	-0.56	-6.14	-7.05	+42.60	+22.46	+14.84
Commodities: Silver	-1.00	-12.66	-13.78	+89.99	—	—

Source: Value Research Online (valueresearchonline.com) • Data as on July 31, 2026 • All returns in % • Figures above 1 year are CAGR • Values are category averag
Gold/Silver 1yr returns based on MCX-estimated bullion prices.

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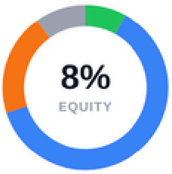
ALLOCATION BY INVESTORS PROFILE

Conservative

Stability First · Rupee-Risk Aware

Horizon: 1–2 years



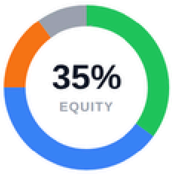
Equity	8%
Debt	62%
Gold	20%
Cash	10%

With the rupee near ₹95.5/USD and the 10-yr G-Sec yield holding around 6.6–6.9%, high-quality debt still offers strong risk-adjusted carry. Nifty's P/E of ~20.5 sits below its 10-yr average of 23.4, but capital preservation stays the priority. Takeaway: anchor in G-Secs/short-duration debt and hold the ~20% gold sleeve as an inflation hedge.

Moderate

Balanced Growth · Diversified Core

Horizon: 3–5 years



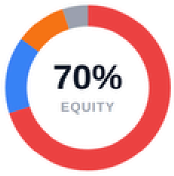
Equity	35%
Debt	40%
Gold	15%
Cash	10%

June SIP inflows hit a 3-month high of ₹31,781 cr (+17% YoY), while DIIs bought ₹35,100 cr in July as FII outflows eased to a 2026-low of ₹5,780 cr. With Nifty near 20.5x earnings — below its historical median — a balanced mix captures upside without over-extending duration risk. Takeaway: stay on SIPs, rebalance yearly to hold the 35% equity line.

Aggressive

Growth Tilted · Higher Equity Beta

Horizon: 5–7 years



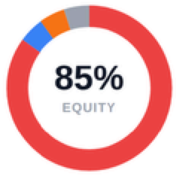
Equity	70%
Debt	15%
Gold	10%
Cash	5%

Nifty 50 closed near 24,366 in July, supported by resilient DII buying and cooling FII selling, while Goldman Sachs projects FY27 GDP growth of ~6.5–6.8% — still among the world's fastest. A ~20.5x Nifty P/E, below its historical median, leaves room for further re-rating. Takeaway: lean into large/mid-cap equity SIPs, keep cash and gold as tactical dry powder.

Very Aggressive

Maximum Growth · High Volatility Tolerance

Horizon: 7–10+ years



Equity	85%
Debt	5%
Gold	5%
Cash	5%

Gold has rallied sharply this year (24K near ₹1,42,400/10g) as investors hedged West Asia risk and rupee softness near ₹95.5/USD, yet long-horizon compounding still favors equity over bullion. SIP flows are running at ₹31,781 cr/month with mid/small-cap funds drawing the largest share. Takeaway: front-load equity (85%) via flexi/mid-cap SIPs, using gold and cash only as a thin volatility buffer.

This is a generic illustration and not suitable for all investors. Allocation should be based on individual suitability assessed by a SEBI-registered investment advisor.

INVESTOR'S TAKEAWAYS

SIX THINGS EVERY INVESTOR SHOULD REMEMBER THIS MONTH

- **Indian equities ended July higher —** Nifty 50 gained 2.17% and Sensex rose 2.11%, while the Nifty Smallcap 100 outperformed with a 2.53% monthly return.
- **Foreign flows finally reversed —** FIIs turned net buyers for the first time since February, investing approximately ₹15,412 crore, while continued DII and SIP participation strengthened the domestic liquidity cushion.
- **RBI stability supported sentiment —** The repo rate remained unchanged at 5.25% with a neutral stance, while India VIX closed at a subdued 11.75, indicating relatively contained near-term volatility.
- **IT and pharma led —** Technology gained on strong earnings and AI deals, while pharma funds rose 5.92%; PSU, energy and infrastructure lagged.
- **Crude oil raised macro risks —** Brent and WTI surged 24% and 21%, increasing inflation and import-cost pressures for India.
- **Global markets stayed resilient** — US equities rose, but high bond yields, mixed earnings and geopolitical risks favoured selective investing.

ASHOK GROUP OF COMPANIES

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