



Asset X:
Investment Strategy

March 5, 2026



What we are seeing

Equities

Domestic Equity markets fundamentally are seeing improving macros and visible recovery in corporate earnings; however, the current geo-political crisis acts as a strong headwind in the near-term. While our base case continues to anticipate a broadening of market participation, with a sectoral tilt towards chemicals and industrial metals, the evolving situation in the Middle East warrants a more cautious, agile and staggered approach to fresh allocations. Similar to domestic equities, **global equities** remain vulnerable at such times and fresh positions can be staggered between a well-diversified basket of DMs including US and EMs excluding India.

Alternates

Rapid advances in AI and defence technologies continue to drive investor interest across **Unlisted Equities**, including deep-tech PE and VC. However, recent IPOs listing below pre-IPO valuations have tempered appetite for late-stage private deals. The preference is shifting towards companies still two to three years from listing, where entry valuations and risk-return trade-off may be more reasonable

Commercial Real Estate is the space where we continue to see steady growth across most cities (except Kolkata, Ahmedabad & Hyderabad which require deliberate monitoring)

Fixed Income & Commodities

Domestic Debt markets have seen some short-term volatility largely driven by global factors. While further rate cuts in India might not be imminent in the near-term, we expect consistent support on the liquidity front. Also, safe-haven demand amid global uncertainty could support the yields.

In Commodities, both gold and silver continue to have strong fundamental drivers, however, gold seems to be better positioned amid heightened uncertainty. Although sharp upswing in gold following the middle-east tensions, warrants a more staggered approach to building new positions. Silver remains inherently volatile, thus we maintain our call on staggered position.

Currency

INR though supported by improving domestic fundamentals, could remain under pressure due to global uncertainty. Persistently higher oil prices along with renewed caution from FPIs could burden country's BoP account and thus INR. We expect INR to move in the band of **88-92**, however **current geopolitical tensions + DXY strength could weaken INR in the short term**

AssetX brings you facts and data that cut through market noise. We highlight the most important signals across major asset classes in the global financial markets, so your investment strategy always stays on point.



What we are doing

Deployment Notes

- At this point within Equity, **75:25 mix between domestic & global equity** seems ideal
 - We believe a **staggered position** within domestic equity seems reasonable at this point given the building global uncertainty.
 - For global equity, a staggered approach with a 60:40 mix between DMs including US & EMs excluding India looks favourable.
- As a tactical overlay, our factor analysis reveals a positive bias towards value factors, with neutral view on low volatility and momentum.
- On Fixed Income, a **75-25 mix** between mid (3Y-5Y) and long duration (30Y and above) bonds will be an ideal portfolio construct.
- While we continue to be bullish on precious metals however, keeping recent upswing in mind, allocating **85% staggered position in Gold and 15% staggered position in Silver** on new positions look reasonable.

Asset Signals

- **Domestic Equity:** Earnings & Macros reviving on the margin + favourable trade deal, although the ongoing crisis in the middle-east remain the biggest headwind in the near-term.
- **Global Equity:** World ex US still looks favourable. Staggered positions in the near-term could be ideal to protect from any sharp price swings.
- **Fixed Income:** Continued liquidity infusion + increased safe haven demand could support yields.
- **Commodities:** Gold looks more favourable than silver in times of greater risk-aversion.
- **Private Deals:** Structural private market growth
- **Real Estate** Commercial segment growth



Portfolio Recommendation For LRS Investors During Heightened Uncertainty

For investors deploying capital under the Liberalised Remittance Scheme (LRS), a balanced and staggered allocation strategy remains prudent amid elevated global uncertainty.

Safe Haven/Hedge Options During The Current Crisis	Rationale
Gold	Gold, as historically observed, tends to be the preferred asset during periods of crisis and elevated uncertainty, offering relative stability amid market stress. That said, given the potential for sharp price swings during heightened risk episodes, building positions in a staggered manner would help manage entry risk while preserving its portfolio-hedging benefits.
Global Defence Stocks/ETFs	As the global environment turns more uncertain, with governments prioritising national security and accelerating defence preparedness, global defense stocks and ETFs are increasingly positioned as structural beneficiaries.
Defensive play like healthcare, staples	Amid rising uncertainty, defensive sectors such as consumer staples and healthcare are relatively better positioned to weather the crisis, supported by stable demand and resilient earnings profiles.
SGD or CHF Currency ETFs or money market funds in these currencies	SGD and CHF can help cushion portfolios during periods of global uncertainty. The Swiss Franc typically strengthens as investors seek safety, while the Singapore Dollar benefits from strong economic fundamentals and policy stability, making both useful diversifiers in risk-off phases.
Cash	In times of extreme volatility and uncertainty, it is prudent to realise the power of cash in one's portfolio. Maintaining adequate cash in the portfolio helps preserve capital and also provide flexibility to navigate through drawdowns while also retaining the ability to re-deploy funds opportunistically .

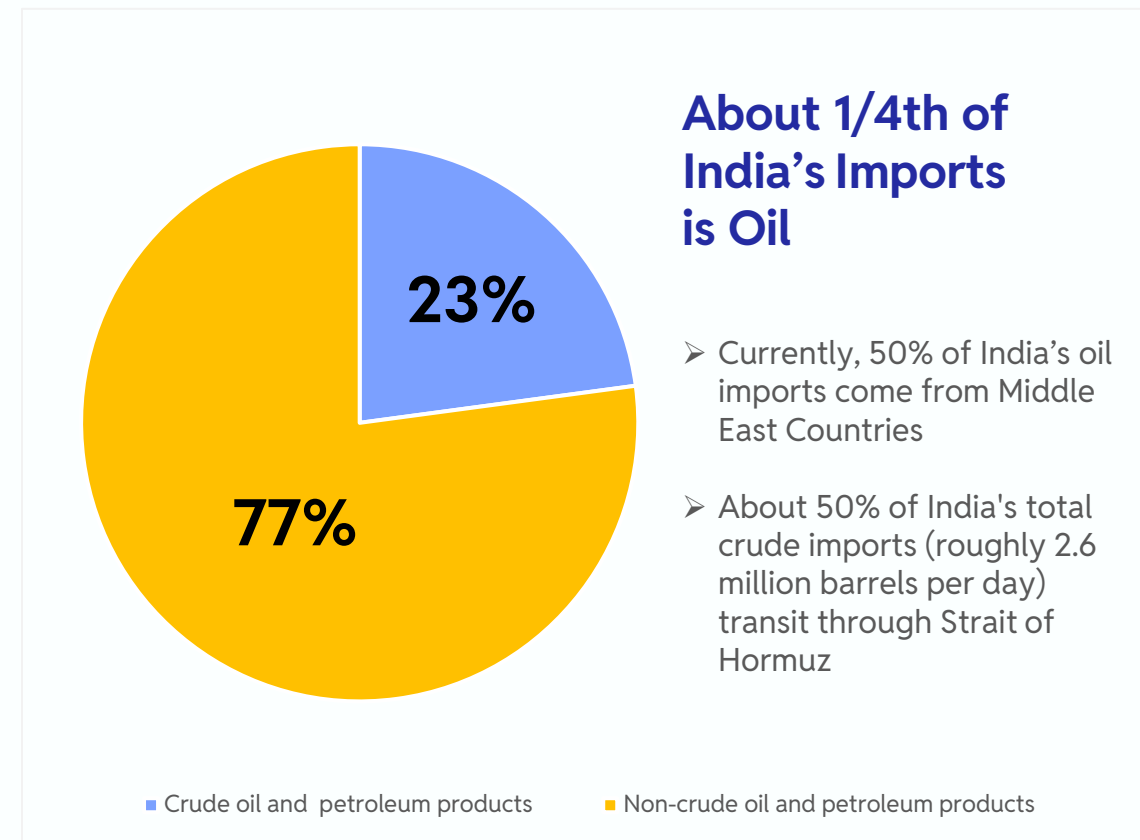
India Equity: Continued Macro Recovery + Earnings Revival + Gradual Return of FPIs Support Market Sentiment, Although Persistent Tensions In the Middle East Could Weigh

Macros reviving on the margin, although sustained improvement essential for broad based recovery in markets

Further escalation in tensions could potentially impact inflation expectations, CAD balances, rate cuts and domestic growth

	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Jan-26	Jan-25
							12M Rolling Avg	12M Rolling Avg
Passenger cars sales YoY%	1.3	6.8	8.5	16.5	18.6	3.2	↑ 1.8	↓ -9.4
Two wheelers Sales YoY%	10.5	8.0	4.4	22.8	35.8	24.9	↓ 10.3	↑ 14.9
Tractor Sales YoY%	24.6	42.9	14.4	30.3	34.9	40.1	↑ 22.7	↓ -0.1
Eight Core Industry YoY%	6.5	3.3	-0.1	2.1	4.7	4.0	↓ 3.0	↑ 4.9
IIP YoY%	4.1	4.6	0.5	7.2	7.8		↓ -4.9	↑ 4.4
Bank Credit YoY%	10.0	10.4	12.5	11.5	14.5	14.6	↓ 11.2	↑ 15.4
Personal Loans YoY%	11.8	11.7	14.0	12.8	14.4	14.9	↓ 12.5	↑ 19.1
Credit to Industry YoY%	6.5	7.3	10.0	9.6	13.3	12.1	↓ 8.1	↑ 8.9
Credit to Services YoY%	10.6	10.6	10.2	13.0	11.7	15.3	↓ 11.2	↑ 17.6
Deposit Growth YoY%	10.2	9.5	10.9	10.2	12.7	12.5	↓ 10.6	↑ 11.9
Credit-Deposit Ratio YoY%	79.3	80.3	80.2	80.5	81.8	82.3	↑ 80.2	↓ 79.8
Systemic Liquidity (Rs. Bn)	2639.8	1545.6	1083.0	2376.5	-95.5	1823.0	↑ 1616.8	↓ 453.4
Policy Repo Rate %	5.5	5.5	5.5	5.5	5.3	5.3	↓ 5.7	↑ 6.5
Govt. Capital Expenditure (Rs. Tn)	0.8	1.5	0.4	0.4	1.3	0.5	↑ 0.9	↓ 0.8
GST Collections YoY%	6.5	9.1	4.6	-4.0	1.3	2.0	↓ 6.8	↑ 9.8

Source: CMIE, Ionic Wealth, Data available as of February 2026 | HFIs- High Frequency Indicators



Source: Bloomberg, Ionic Wealth, Data available as of February 2026

Our Hypothesis

While the domestic factors including corporate earnings and macros have started to revive, along with the trade deal with the US, **evolving situation in the middle east could lead to intermittent volatility and warrants disciplined asset allocation**

Drivers

Improving earnings & macros, easy monetary policy, domestic growth revival and a favourable trade deal. Persistent tensions in the middle-east remain a key headwind in the near-term

Risks

India macro weakening further, slower than expected revival in earnings, slower than expected return of FPIs, crisis in the middle east continues to a prolonged time

Data to watch

High frequency data on domestic growth, inflation, interest rates, geopolitics, sentiments, FII and DII flows

Potential Risk On CAD, Inflation & GDP Amid Rising Global Oil Prices

Scenario Analysis For CAD, CPI & GDP at different levels of Brent Oil prices for the next twelve months

Avg Oil Price in FY27 (USD/bbl)	Base Case	Scenario Analysis				
	75	80	85	90	95	100
CAD (USD Bn)	-57.0	-68.0	-79.0	-90.0	-101.0	-112.0
CAD as % of GDP	-1.3%	-1.6%	-1.8%	-2.1%	-2.3%	-2.6%
CPI Inflation YoY%	4.1%	4.4%	4.8%	5.1%	5.4%	5.7%
Real GDP YoY%	7.0%	6.8%	6.6%	6.4%	6.2%	6.0%

Though there are upward risks to inflation, there might not be full pass through to the retail prices— OMCs and Government might absorb some part of the increase to cushion consumers

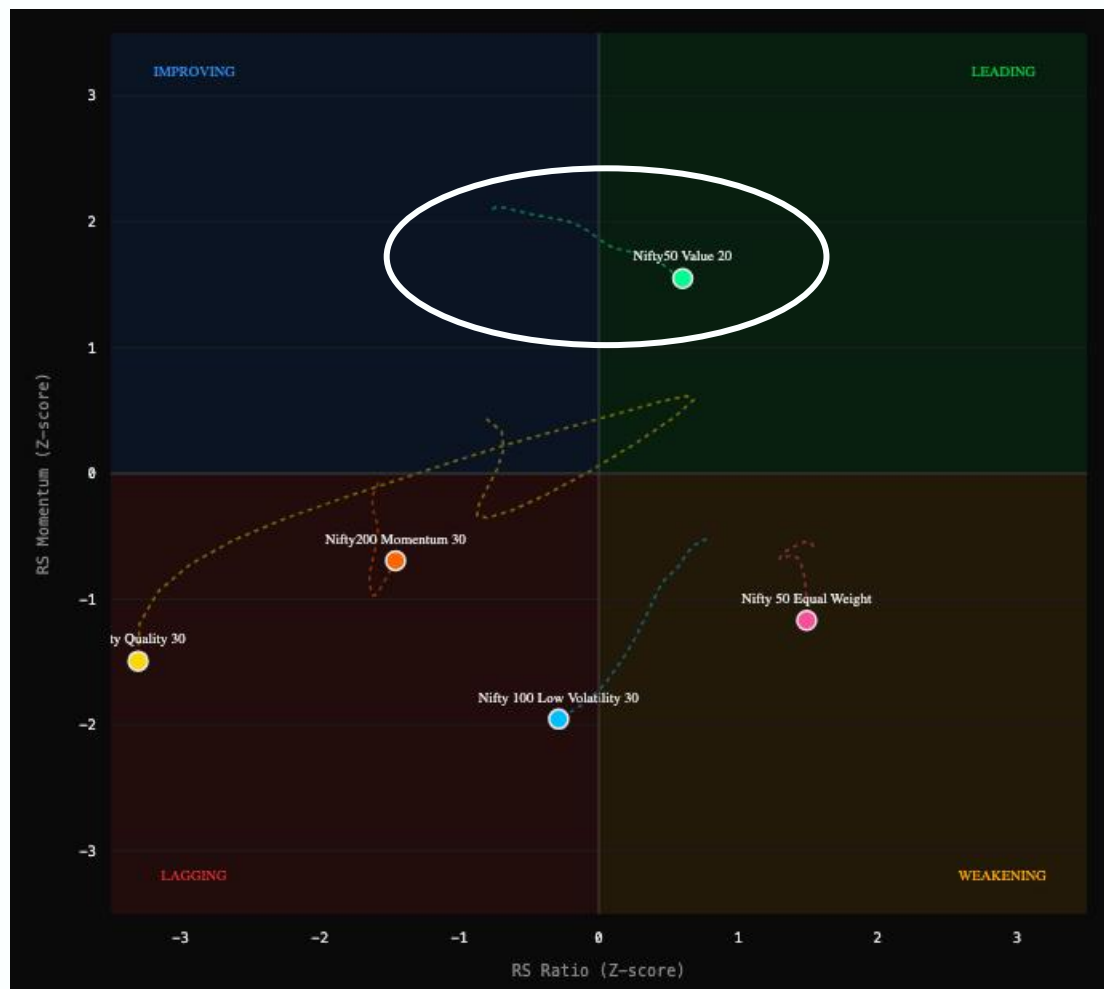
Key Risks To The Economy If Global Oil Prices Remain Elevated –

- Domestic CPI inflation is already expected to be slightly higher than the RBI’s medium-term target in H1 FY27. If oil prices continue to edge higher, inflation can remain well above RBI’s target in FY27.
- This could derail the expectation of further rate cuts, in turn hurting the growth which only started to show signs of recovery recently.
- Current account of the economy, which is already burdened by slower merchandise export growth could further witness widening of deficit if oil prices remain elevated for a prolonged time.
- Though there are estimated oil reserves of about 70-85 days, which could provide relief in the interim, persistent tensions in the middle-east for longer than 3 months could begin to impact CAD, inflation and domestic growth meaningfully.



Factors: Value still gaining, Momentum volatile, Low Vol weak..

6 Month Relative Strength and Relative Momentum



Factor	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
Low Volatility	0.01%	-2.61%	1.37%	14.56%	16.69%	13.32%
Momentum	2.46%	-2.44%	5.41%	17.56%	20.57%	17.08%
Quality	-4.77%	-4.61%	-0.22%	11.52%	13.29%	11.28%
Value	-2.85%	-1.82%	3.04%	7.72%	11.94%	12.75%
Nifty 50	-0.65%	-3.91%	2.77%	13.80%	13.32%	11.62%

- Momentum has seen some short-term reversal, not significant though
- Rapid factor rotation visible, value went through negative trajectory, long term structure still looks strong
- Low Volatility kept purely as hedge in portfolio, witnessing weakness
- **Our View:** Overweight in Value with neutral on Low Volatility and Momentum

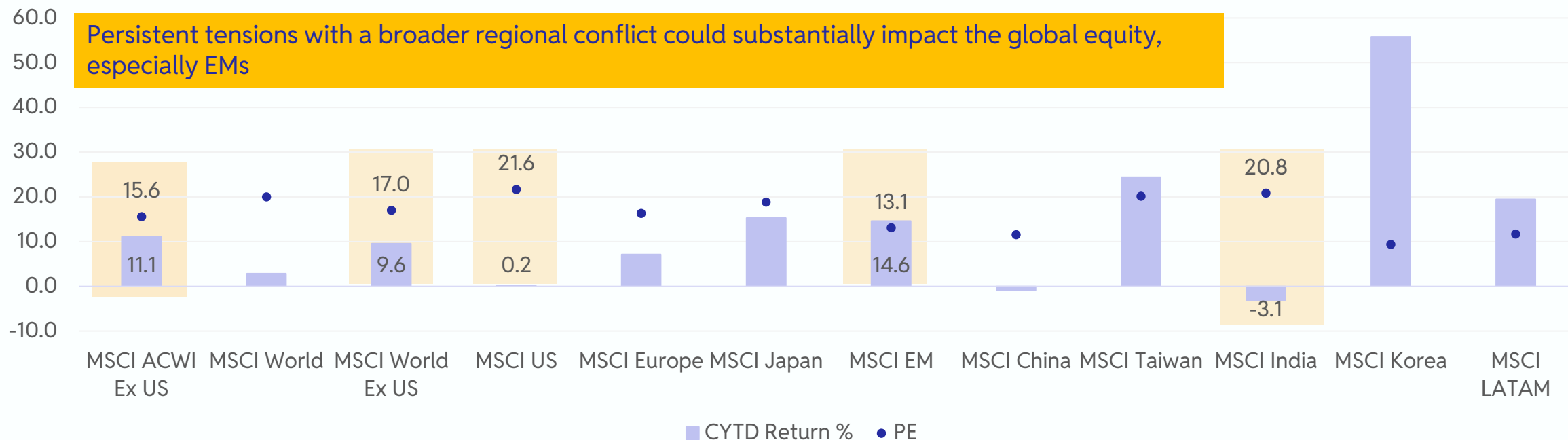
Risks

- Current volatility also means swift factor rotation which can lead to short term underperformance in factors
- Momentum can gather pace only if sustained pace is gathered in market with sustained up/down move

Global Equities: Favorable Opportunity, Volatile Times—Middle -East Tensions Remain The Key Risk In the Near-Term

Resurgence in the global risk aversion amid continued crisis in the middle east necessitates a disciplined and calibrated allocation strategy rather than aggressive positioning

So Far Returns: EMs > World Ex US > US Also PE: EMs < World Ex US < US



Source: Bloomberg, Ionic Wealth, Data available as of February 2026

Our Hypothesis

Diversify across global economies while keeping the ongoing crisis in sight. While EMs have borne the brunt of the ongoing situation, any meaningful de-escalation could also prompt a sharp v-shaped recovery. Until that time, a staggered, well-diversified, less volatile markets seem favourable

Drivers

Rising geo-political risks while fundamentals for World Ex US still remain strong.

Risks

Longer than anticipated war, stagnant/falling global growth, continued policy uncertainty under Mr. Trump's administration

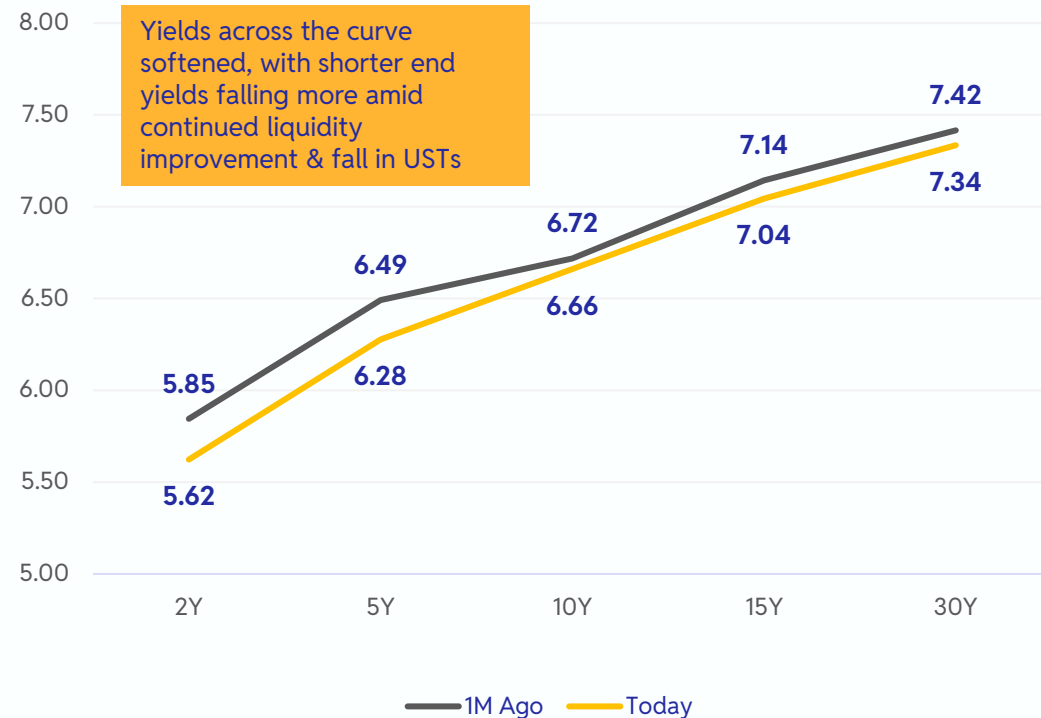
Data to watch

Monetary and fiscal policy of China, US's rate actions, Japan's interest rate decisions, DXY, yield movement, earnings

India Debt: Mix of Medium Term And Long-Term Debt

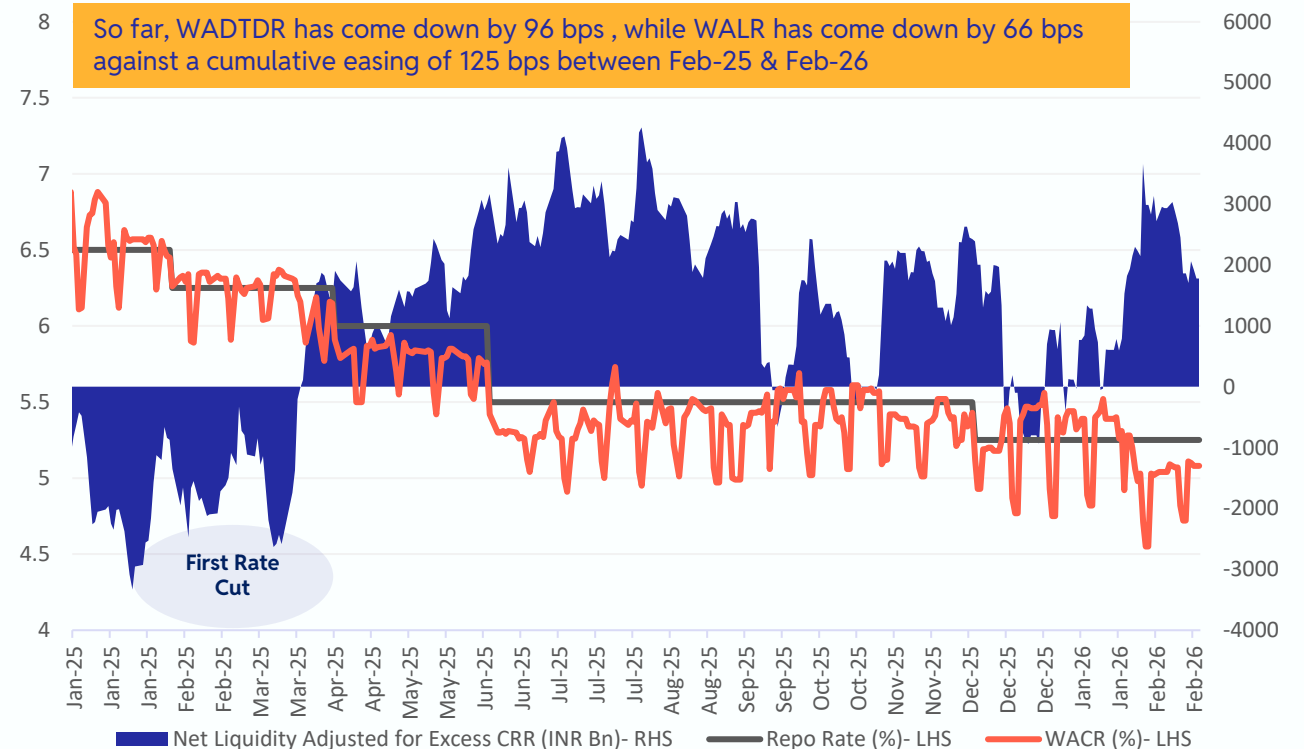
An ideal mix can be **75% allocation in the 3-5 years duration and 25% in the longer duration.**

India Yield Curve



Source: Bloomberg, Ionic Wealth, Data available as of February 2026

Systemic liquidity increased to a comfortable surplus amid continued liquidity infusion by the RBI



Source: Bloomberg, Ionic Wealth, Data available as of February 2026 | WADTDR- Weighted average domestic term deposit rate, WALR- Weighted average lending rate, WACR- Weighted average call rate

Our Hypothesis

Short-term volatility could continue largely due to global factors. Higher allocation of ~75% in 3-5Y papers ideal, while ~25% could be allocated in longer durations. This mix could benefit from continued liquidity infusion by the RBI. Also, higher risk aversion could support bond yields

Drivers

Easy liquidity, US rate cuts, geopolitical tensions

Risks

Domestic/US growth & inflation remaining higher, weak currency and delayed rate cuts in US

Data to watch

US FOMC policy, India & US inflation, US labour market data, domestic high frequency indicators, crude oil, inclusion in more global bond indices

Currency: INR Remains One Of The Worst Hit Currencies, Heightened Tensions In the Middle East Pose As the Biggest Risk

Since the announcement of trade deal, INR has been supported, however, escalating tensions in the middle east have led to depreciation. In the near-term INR could remain under pressure if tensions persist.

USD & INR depreciation continue to co-exist

	CYTD 2026	CYTD 2025	1Y Change 2026	1Y Change 2025
USD/CNY	1.8%	0.2%	5.8%	-1.2%
USD/INR	-1.1%	-1.8%	-4.3%	-5.2%
USD/KRW	0.0%	1.7%	0.5%	-8.7%
USD/JPY	0.4%	4.7%	-4.2%	0.5%
EUR/USD	0.6%	0.4%	13.6%	-4.1%
GBP/USD	0.2%	0.7%	7.0%	-0.7%
DXY	-0.7%	-1.1%	-9.0%	3.3%

Source: Bloomberg, Ionic Wealth, Data available as of February 2026

Our Hypothesis

INR could be more volatile in the near-term but should broadly remain in the range of 88-92.

Drivers

Strong & Stable policies and favourable trade deal, and gradual comeback of FPIs. In the near-term, crisis in the middle-east would impact INR movement.

Risks

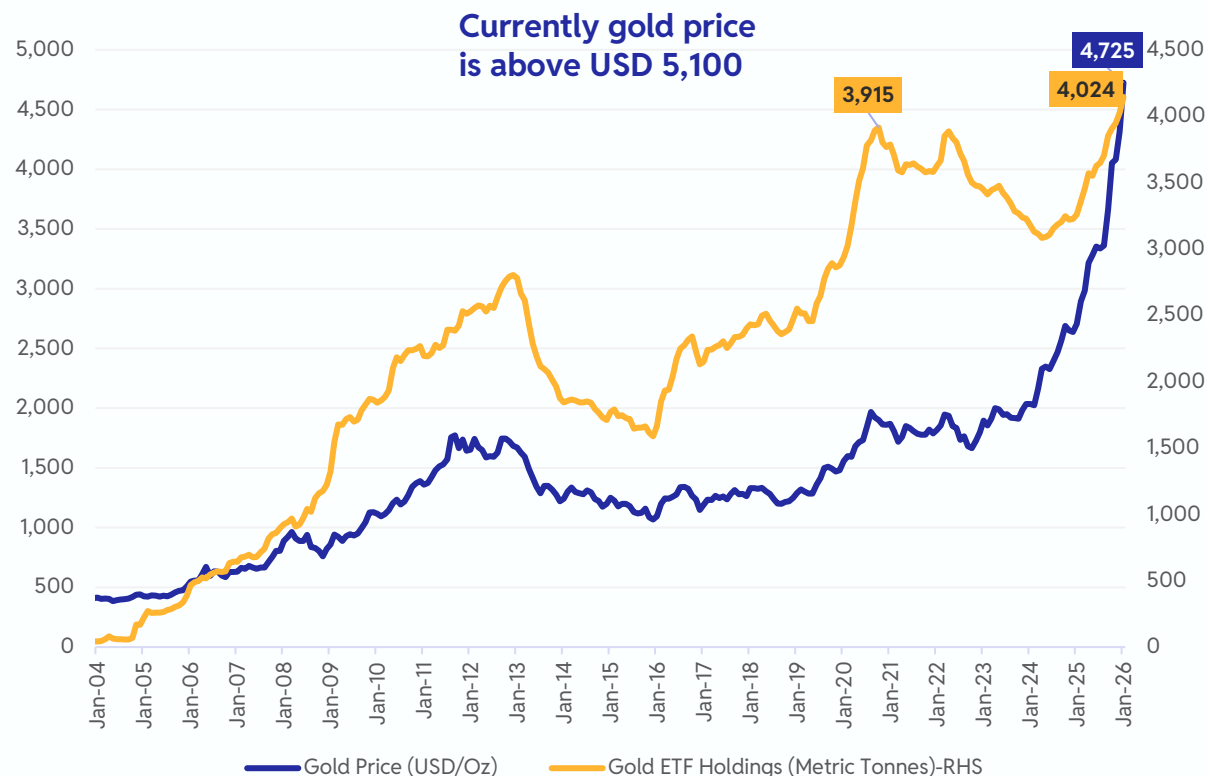
USD strength, complete risk off and drying of EM liquidity.

Data to watch

FX reserves, flows, DXY, geopolitics, inflation differential, yield movements

Commodities: As Risk-Aversion Grows, Gold Seems To Be Better Positioned To Weather Through Heightened Uncertainty

Investment demand for gold remains strong, ETF holdings cross previous high



Source: Bloomberg, Ionic Wealth, Data available as of February 2026

Inherent volatile nature of silver has acted with gold/silver ratio falling sharply to now below LPA



Source: Bloomberg, Ionic Wealth, Data available as of February 2026

Our Hypothesis

Rising geo-political risks places gold as more favourable than silver in the near-term. While both metals can play a role in portfolio hedging, a staggered allocation strategy with a higher weight towards gold appears more appropriate in the current environment.

Drivers

Increasing geo-political tensions have led to flows increasing in gold. Gold also stands to benefit from strong fundamental drivers. Silver though supported by fundamentals, can be extremely volatile

Risks

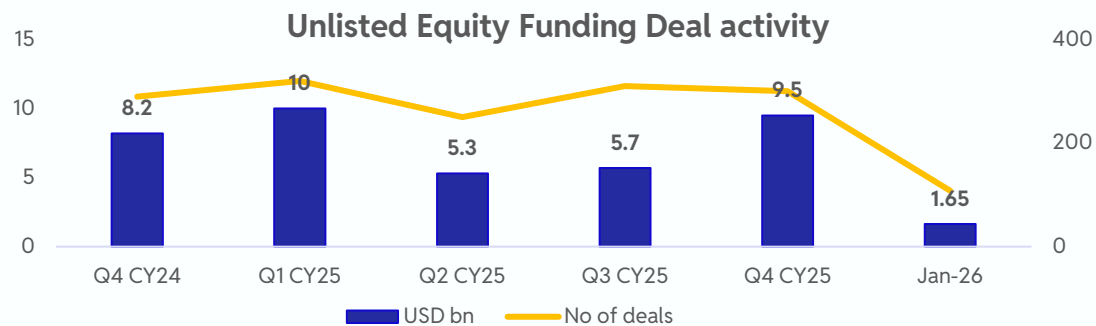
USD strength, growth improving for good without inflation, meaningful de-escalation in the war

Data to watch

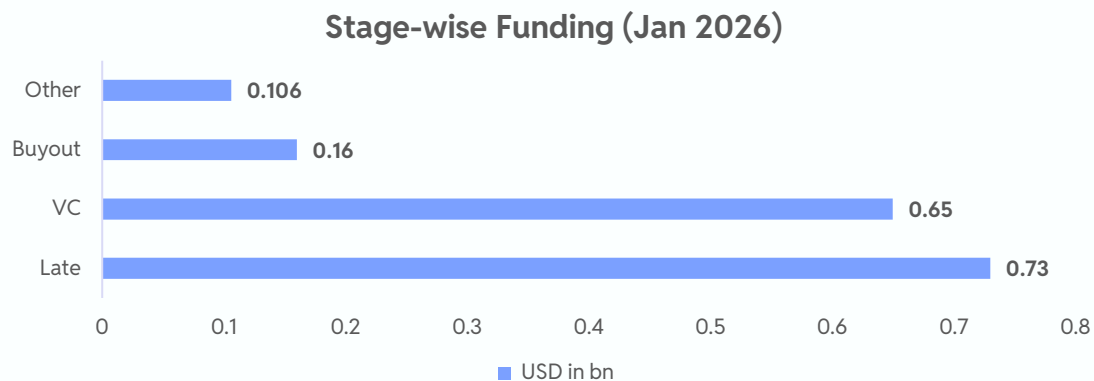
Sentiments, DXY, demand from China and other central banks for Gold, industrial demand for silver

Private Equity: Strong Fundraising, Strategic Exits Drive Market Dynamics

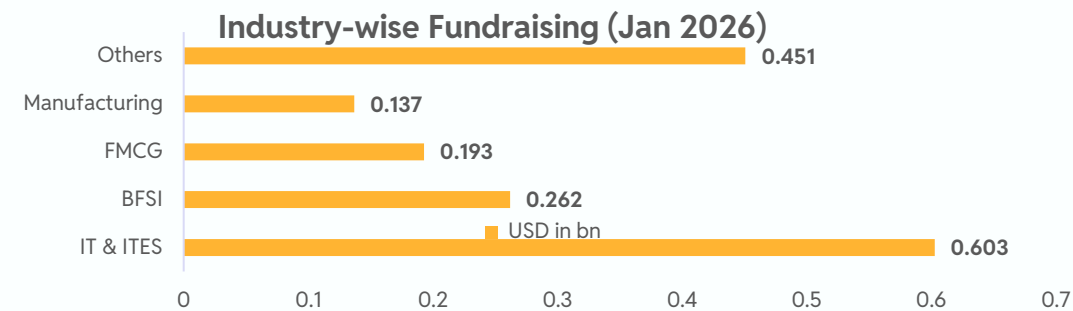
PE markets have transitioned into a more selective and quality-driven phase, capital deployment is increasingly focused on resilience, earnings visibility, and governance strength. Investors are favoring conviction-led transactions over broad participation, resulting in fewer but larger and strategically aligned deals.



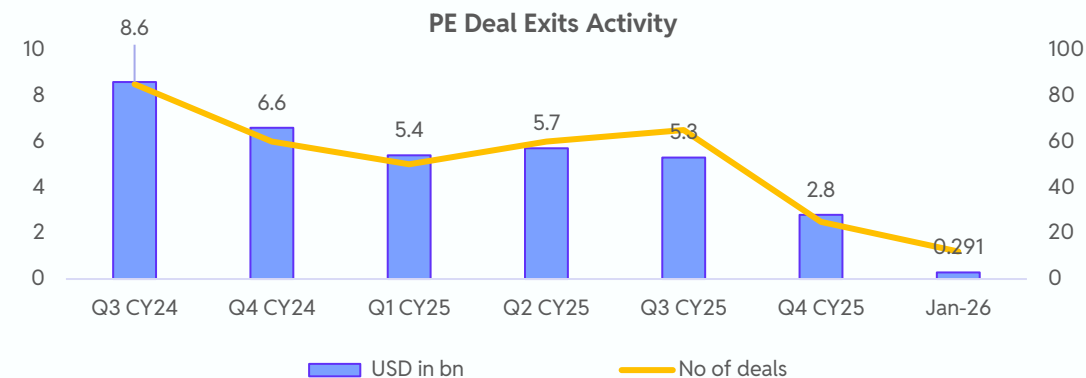
Late-stage and VC rounds dominate current flows, reflecting investors' preference for relatively de-risked growth. Buyouts remain active, particularly in founder-transition and secondary transactions, supported by strong dry powder with large funds.



IT & ITES continues to lead fundraising, supported by scale, export visibility, and AI-led transformation tailwinds. BFSI remains structurally attractive due to financial deepening and digital penetration. FMCG and Manufacturing are witnessing selective deployment, largely in category leaders with pricing power and distribution depth.



Near-term realisations may therefore be driven more by sponsor-to-sponsor deals and strategic sales, with IPO activity likely to remain window-dependent until broader stability returns.



Source: IVCA, Ionic Wealth, Data available as of February 2026

Source: IVCA, Ionic Wealth, Data available as of February 2026

Our Hypothesis

Private equity markets are entering a more disciplined growth phase, driven by scalable business models, profitability focus, and governance maturity.

Drivers

Improving exit visibility through strategic and secondary routes, Strong dry powder with disciplined deployment. Tailwinds in tech, BFSI, healthcare, manufacturing

Risks

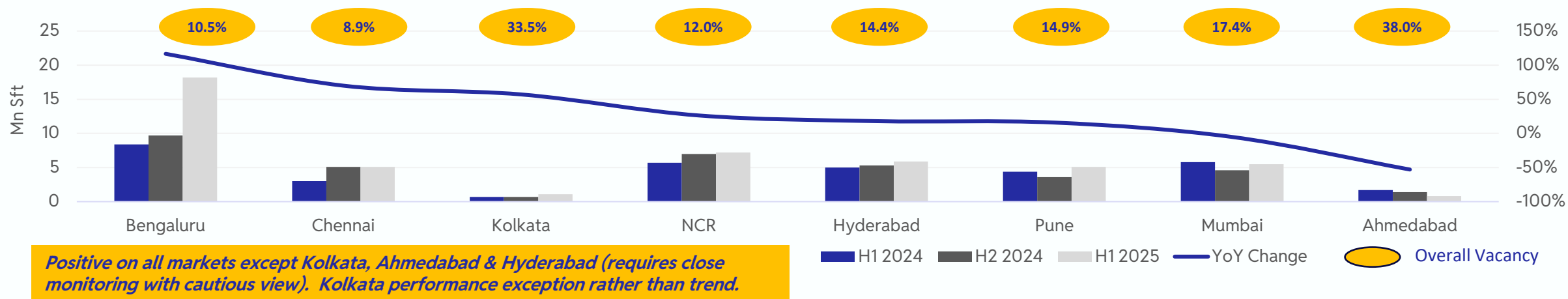
Valuation mismatches in late-stage assets, Prolonged exit timelines, Governance and compliance lapses impacting premium outcomes

Data to watch

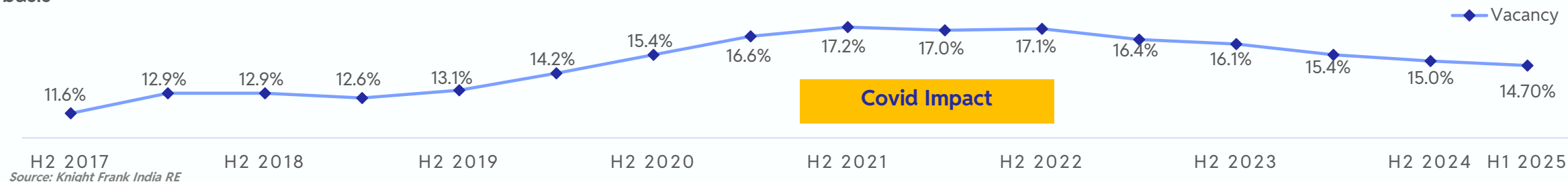
Late-stage valuation resets, Dry powder deployment velocity, IPO pipeline depth and conversion rate, sectoral concentration shifts

Real Estate: Commercial Real Estate Scaling New Peaks

In H1 2025, pan India office leasing got off to a strong start with gross leasing of ~48.9 Mn sft (up 41.0% YoY). Bengaluru & Delhi led from the front accounting for ~50% of the overall leasing, while Chennai & Kolkata were a surprise among markets in leasing growth.



With absorption outpacing supply, vacancy levels have witnessed steady decline in last couple of years. With decline in vacancy levels, rentals surged 5% on a YoY basis



Our Hypothesis

Commercial RE on a steady growth path with Bangalore & Delhi NCR market leading the charge.

Drivers

GCCs contributing ~39% of overall leasing. Flex office space growing at rapid pace (21%) & revival of third-party IT services (22%)

Risks

Quality supply constraints, monetary tightening, and macro environmental factors

Data to watch

New completions, vacancy levels, rental rate escalations, leasing transactions

Source: Knight Frank India RE

Reach us at hello@ionic.in

Disclaimer

This presentation note has been prepared by Angel One Investment Services Private Limited (“Ionic Wealth”), a private limited company incorporated under the Companies Act, 2013, being an AMFI-registered Mutual Fund Distributor (ARN 306165) and a SEBI registered Research Analyst (INH000020305) and may undergo change in the future.

This presentation is intended for informational purposes only and does not constitute an offer or solicitation for investing in any products distributed by or services made available by Ionic Wealth or any of its affiliates or group entities. Any information contained in this presentation shall not be treated or construed as an investment advice or a recommendation. The recipient is advised to conduct its own due diligence and consult with its legal, tax and financial advisors before making any investment decisions. The recipient is requested to note that past performances is not indicative of future results.

Although all information and opinions expressed in this document were obtained in good faith from sources believed to be reliable, no representation or warranty, express or implied, is made as to the document’s accuracy, sufficiency, completeness or reliability. Ionic Wealth is under no obligation to update or keep current the information contained herein.

All pictures or images (“images”) herein are for illustrative, informative or documentary purposes only, in support of subject analysis and research. Images may depict objects or elements which are protected by third party copyright, trademarks and other intellectual property rights.

To the extent this presentation contains statements about future performance, such statements are forward looking and subject to a number of risks and uncertainties. Predictions, forecasts, projections and other outcomes described or implied in forward-looking statements may not be achieved. To the extent this presentation contains statements about past performance, simulations and forecasts are not a reliable indication or future performance. Any information obtained from the public domain herein is based on sources believed to be reliable and accurate at the time of preparation.

Actual results may differ materially from those suggested in this note due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, inflation, etc. There is no assurance or guarantee that the objectives of the products mentioned will be achieved.

Investment decisions based on this note may not be always profitable, as actual market movements may differ from anticipated trends. No guaranteed returns are offered to the investors. This note may contain forward -looking statements, identified by terms such as “will”, “expect”, “should” and similar expressions. All forward-looking statements involve risk and uncertainty, they speak only as of the date they are made.

All trademarks and logos are the property of their respective owners. This presentation is confidential and is intended solely for the recipient. Unauthorized distribution, reproduction, or other use of the information contained herein is strictly prohibited.

Ionic Wealth and its affiliates disclaim any liability for actions taken based on the information provided in this presentation.