FIRST GLOBAL
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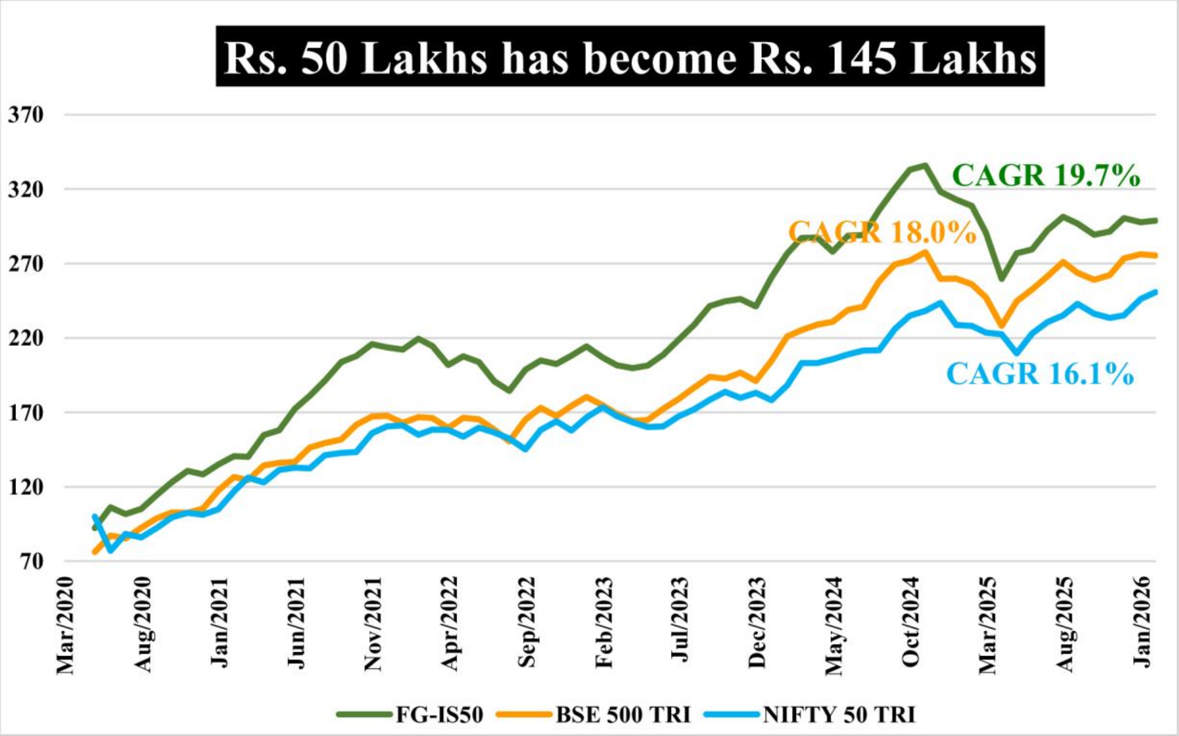
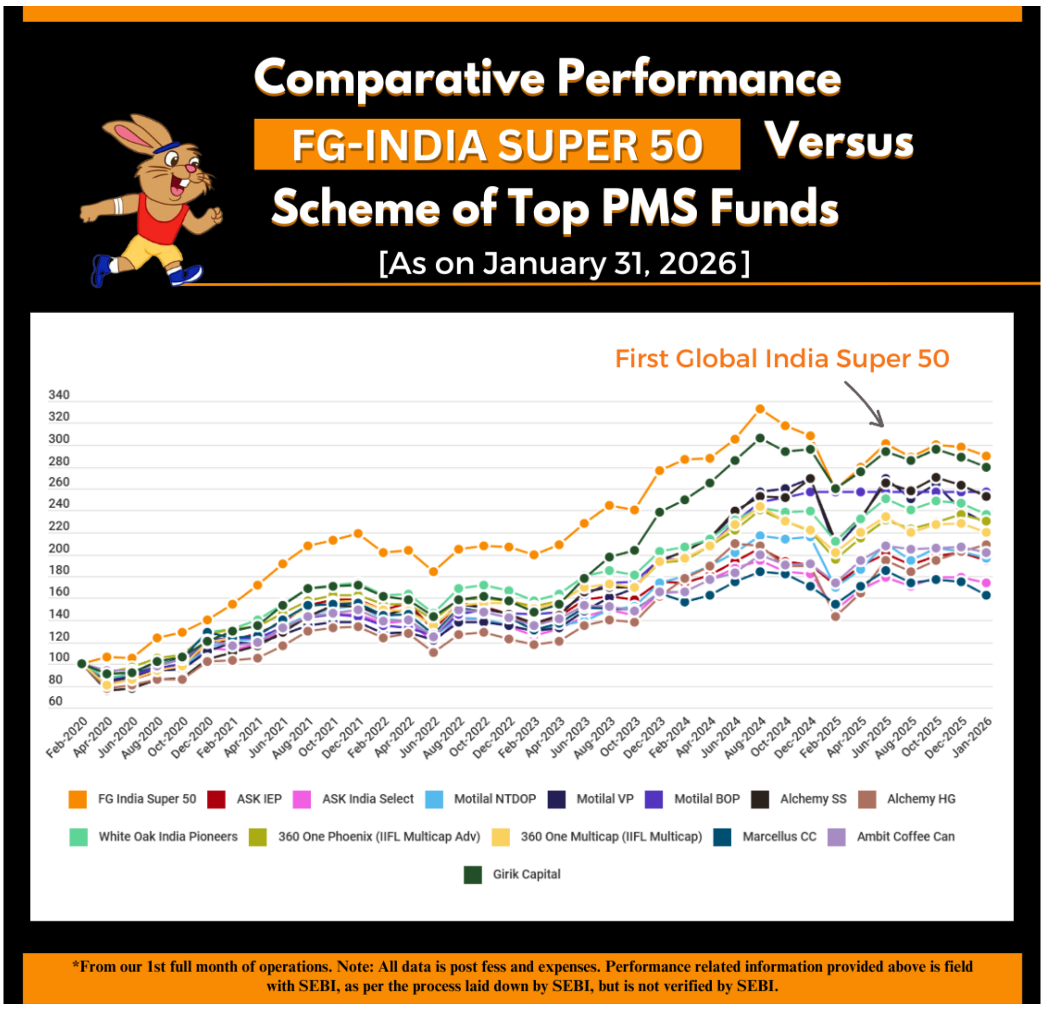
Our January '26 Performance

The First Global - India Super 50 (IS50) PMS Scheme



Comparison of First Global - India Super 50 PMS Scheme with various Multi-cap PMSs



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Global Asset Management | Portfolio Management | Wealth Management

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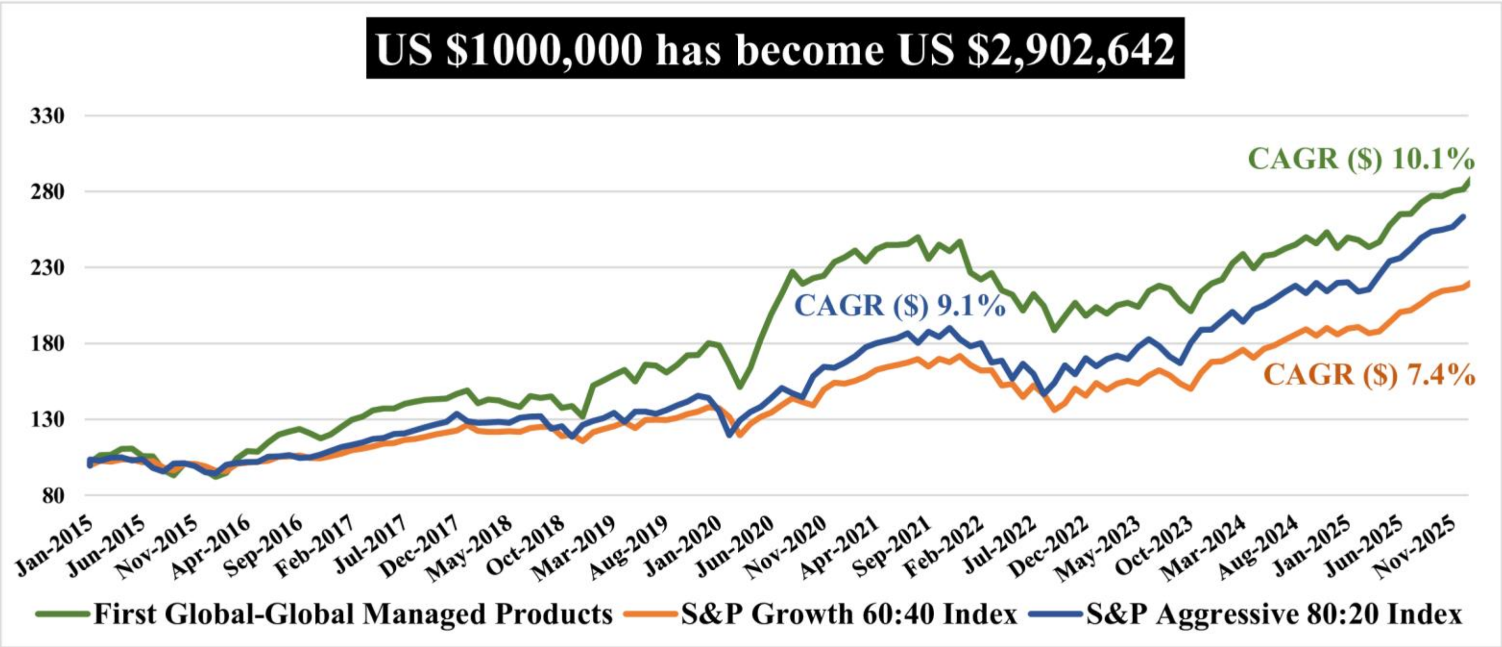
Sr. No.	Top Multicap PMS Schemes	Jan '26	Total Return* (Mar '20 to Jan '26)	Risk Adj Return (CAGR / Volatility) (Equivalent of Sharp Ratio)	Gain to Pain (x)
1	Stallion Asset Core Fund	-4.3%	336.3%	1.43	1.80
2	First Global India Super 50	-3.0%	190.0%	1.24	1.40
3	Girik Capital	-3.4%	179.4%	1.15	1.32
4	IIFL Multicap Advantage	-2.9%	130.0%	1.02	1.14
5	BSE 500 TRI	-3.3%	166.3%	0.99	1.23
6	Nifty 50 TRI	-3.0%	142.5%	0.92	1.16
7	White Oak India Pioneers Equity	-4.1%	136.5%	0.91	1.06
8	Ambit Coffee CAN	-2.1%	102.0%	0.85	0.96
9	Alchemy Select Stock	-3.6%	153.1%	0.81	1.03
10	MoneyLife Mass Growth	-8.0%	180.9%	0.81	0.97
11	IIFL Multicap	-3.8%	120.0%	0.73	0.96
12	Motilal Oswal Value	-5.3%	127.8%	0.72	0.86
13	MoneyLife Mass Prime	-5.8%	107.4%	0.67	0.79
14	Axis Brand Equity	-5.2%	95.8%	0.67	0.76
15	ASK IEP	-3.7%	94.3%	0.62	0.73
16	Motilal Oswal NTDOP	-3.4%	95.9%	0.61	0.71
17	Axis Core and Satellite	-3.6%	83.7%	0.61	0.70
18	Alchemy High Growth	3.1%	109.0%	0.61	0.71
19	ASK Growth	-2.8%	82.3%	0.55	0.69
20	ASK India Select	-2.7%	73.9%	0.51	0.61
21	Marcellus Consistent Compounders	-6.7%	62.9%	0.49	0.52

Performance of First Global - Global Managed Products vs. Benchmark Indices



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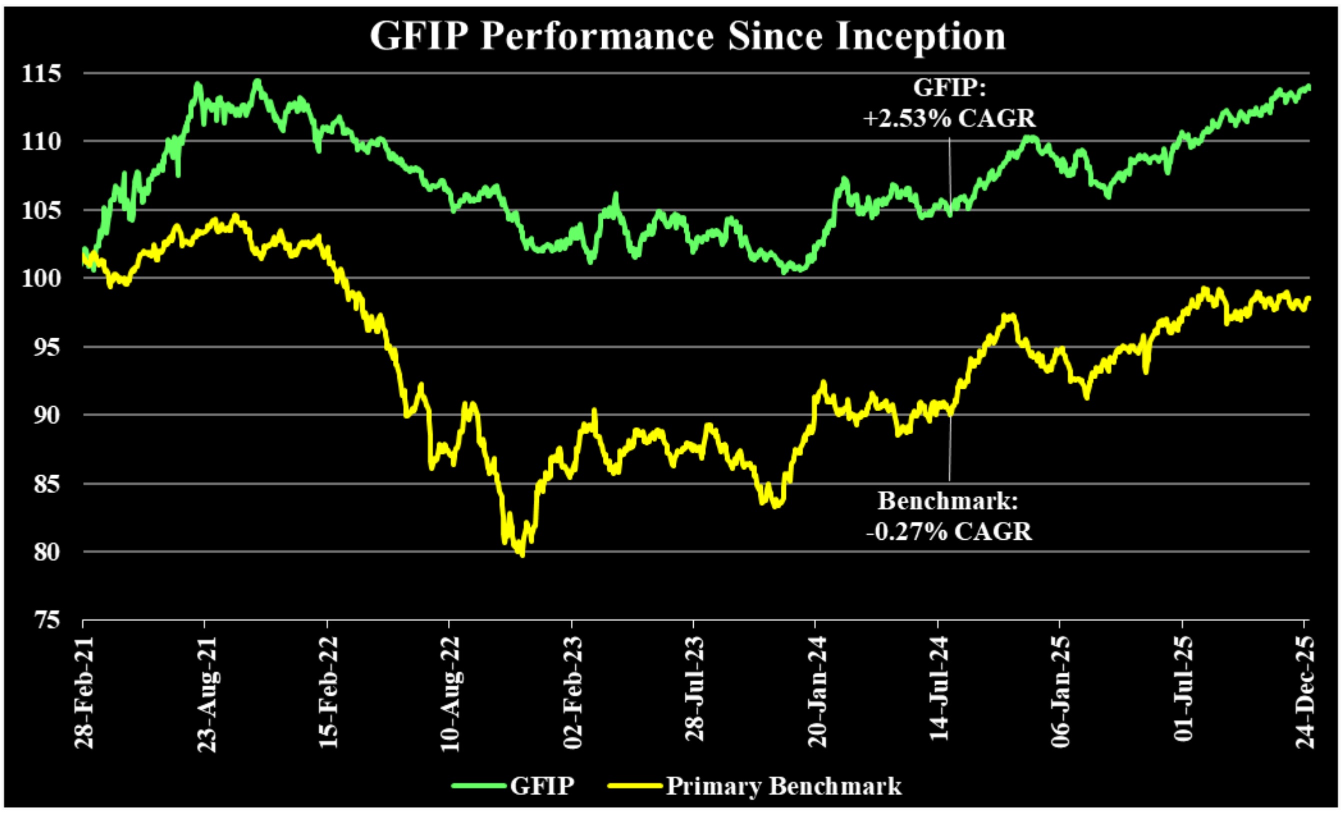
Global Fixed Income Portfolio: January '26



Our Outperformance across India and global portfolios in December continues in January 2026…

Global equities had a strong start to the year 2026 with almost all markets ending with a positive return. Emerging markets did the best - unfortunately India was an exception. Commodities did well too despite the month end volatility in gold and silver. Oil had a definitive rally after quite a while. The US dollar continued its slide.

Among the top 42 Global equity markets that we track, only Indonesia and India were down for the month. The MSCI World Index rose 2.8% in U.S. dollar terms, while the MSCI World ex US Index gained 4.7%, reflecting outsized strength across emerging markets and Asia Pacific coupled with a weaker U.S. dollar.

Emerging markets were the top-performing equity regions in January 2026, returning 8% in dollar terms followed by Japan, which was up 6.2%. European equities continue to benefit from a continued dollar decline versus European currencies.

For January 2026, the S&P 500 returned around 1.5% in USD, lagging global peers due to dollar weakness and this was despite a strong move seen by AI-driven tech companies like Nvidia, AMD, LAM Research and Microchip Technologies. The US market was not as narrow as in the previous two years and the Magnificent Seven did not contribute to the move in the S&P 500. In fact, the Magnificent 7 contributed negatively in January 2026 as Apple, Microsoft and Tesla were down for the month while the others were largely flat. Diversification away from US large caps continued to play out. Within the US, small caps had a strong start to the year, up 5%.

Global government bonds delivered positive returns for the month with the Global aggregate Index delivering a return of 0.6%.

The Commodity index was up 10.4%, driven by the Energy sub-index which was up 20.6%, while precious metals were up 11%. Precious metals (Gold and **silver)** rallied 32.6% till 29th January 2026, extending their 2025 gains, though both tumbled sharply at month end amid extreme volatility and hence, the Precious metal index ended the month with a return of 11%. Oil **p**rices rallied amid rising Middle East tensions, with WTI and Brent both snapping five-month losing streaks. WTI rose more than 13%, its best monthly performance since 2022.

The **U.S. Dollar Index** fell 1.3% in January 2026, over an above the 9.4% fall witnessed in CY25.

Emerging market (EM) equity performance was broad based, with almost all countries posting strong returns. Chinese equities performed well, returning 4.4%, while South Korea, Turkey, Brazil, Hungary and Egypt were the top performing Emerging markets in January 2026. India and Indonesia were the only EMs that played the spoilt sport and were down. Indian equities were, down 5.4% in dollar terms while Indonesian equities were down 3.8%.

Within Developed markets (DMs), Japan was the top performer, followed by the Eurozone and within the Eurozone, the key markets that drove the move were Sweden and Denmark, which were up 8.1-8.3%.

The Global Tech Sector, which contributed to 30% of ACWI's overall returns in 2025, contributed just 8% of ACWI's return in January 2026.

The **Indian markets** were down 5.4% in dollar terms and down 3.0-3.3% in rupee terms in January 2026. ***In January 2026, 76% of the stocks were down, while 23% were down more than 10%. In January, all sectors except IT, PSU banks and Metals were down***.

Our equity PMS scheme, India Super 50 (IS50) was down 2.9% in January 2026 - however we outperformed the benchmark i.e. the BSE 500 TR Index as well as the Nifty 50 Index which were down 3.0-3.3%. We were able to beat the benchmarks as our position in Energy added performance points to the portfolio while this sector contributed negatively to the benchmarks. Our positions in PSU banks also helped.

In January 2026, our well-diversified Global portfolios were well above the benchmarks as the overall market move was broad. Our Global Multi-Asset fund and portfolios were up 3.0-3.1% in January 2026, as against the benchmarks which were up approximately 2.0-2.6%. ***Our positions in Industrials, Communication services, Consumer Discretionary and markets like Japan, China, Sweden, Taiwan, Europe, South Africa and Commodities added strong performance points to the portfolio. Our portfolios were actually up 6.4% till 29th January 2026 and we were significantly ahead of the benchmarks. However, the precious metals price crash and fall on 30th January 2026, brought down our portfolio returns to 3.0-3.2%.***

In January 2026, the Global market move was broader, with strong returns from sectors like Energy, Metals, Industrials and Consumer staples. Our risk-contained portfolios do well in such broader market conditions.

Our Global Fixed Income Portfolio (GFIP) was UP 0.75%, slightly behind the benchmark, which up 1.0%. We are underweight, interest rate and credit risk and even underweight REITs, which gave some move in January 2026 and led to the difference from the benchmark.

In both Indian and Global equity markets, our advice remains to stay invested, emphasizing the significance of not missing good trading days, which can substantially impact returns.

In any event, when things look uncertain, we do buy hedges - as was done for our Indian PMS portfolios more than once during CY24. However currently we are not hedged as our systems do not show that this is required. We are evaluating the possibility of hedges for our global, especially US equity exposure.

In keeping with our philosophy that investing is a Loser's Game we always err on the side of caution. However, since our medium term outlook on equity (excluding certain frothy areas of the market) remain positive, we are almost fully invested - the cost of missing out on unexpected up moves is substantial.

Now for the details…

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Country wise-performance in January 2026, CY25, CY24 and CY23

MAJOR GLOBAL INDICES PERFORMANCE (as of 30th Jan 2026)							
YTD Rank	**Indices**	**Country**	**Region**	**Jan'26 (%)**	**2025 (%)**	**2024 (%)**	**2023 (%)**
1	KOSPI INDEX	South Korea	Emerging	22.9%	79.4%	-19.9%	17.3%
2	BIST 100 INDEX	Turkey	Emerging	21.4%	-5.8%	13.1%	-11.6%
3	BUDAPEST STOCK EXCH INDX	Hungary	Emerging	18.5%	68.4%	14.3%	49.0%
4	BRAZIL IBOVESPA INDEX	Brazil	Emerging	17.3%	51.1%	-29.6%	33.1%
5	EGX 30 INDEX	Egypt	Emerging	16.4%	49.9%	-24.8%	40.1%
6	TA-35 Index	Israel	Developed	12.9%	73.3%	28.6%	0.1%
7	S&P/CLX IPSA (CLP) TR	Chile	Emerging	12.3%	72.4%	-3.9%	13.4%
8	TAIWAN TAIEX INDEX	Taiwan	Emerging	9.7%	31.6%	22.8%	32.0%
9	TADAWUL ALL SHARE INDEX	Saudi Arabia	Emerging	8.5%	-12.7%	3.4%	18.1%
10	S&P/BMV IPC	Mexico	Emerging	8.4%	50.2%	-27.8%	40.9%
11	OMX STOCKHOLM 30 INDEX	Sweden	Developed	8.3%	39.1%	-2.2%	25.4%
12	OMX COPENHAGEN 20 INDEX	Denmark	Developed	8.1%	-13.8%	-12.3%	31.4%
13	NIKKEI 225	Japan	Developed	7.2%	26.5%	8.7%	21.8%
14	BEL 20 INDEX	Belgium	Developed	7.0%	35.1%	10.8%	6.9%
15	WIG 20	Poland	Emerging	6.7%	66.1%	-5.6%	50.4%
16	FTSE Bursa Malaysia KLCI	Malaysia	Emerging	6.7%	12.7%	20.7%	-2.8%
17	Straits Times Index STI	Singapore	Developed	6.7%	30.3%	19.2%	6.3%
18	FTSE/JSE AFRICA ALL SHR	South Africa	Emerging	6.4%	56.9%	9.7%	2.0%
19	HANG SENG INDEX	Hong Kong	Developed	6.4%	27.5%	23.6%	-10.6%
20	DFM GENERAL INDEX	UAE	Emerging	6.4%	17.2%	34.5%	27.8%
21	AEX-Index	Netherlands	Developed	6.2%	22.8%	7.2%	21.1%
22	S&P/ASX 200 INDEX	Australia	Developed	6.2%	15.2%	2.0%	14.3%
23	SRI LANKA COLOMBO ALL SH	Srilanka	Emerging	5.7%	34.2%	70.8%	48.5%
24	STOCK EXCH OF THAI INDEX	Thailand	Emerging	5.0%	-2.0%	2.2%	-11.5%
25	FTSE 100 INDEX	United Kingdom	Developed	4.6%	30.9%	7.5%	13.6%
26	PSEi - PHILIPPINE SE IDX	Philippines	Emerging	4.4%	-8.7%	-0.5%	1.5%
27	SHANGHAI SE COMPOSITE	China	Emerging	4.4%	23.6%	13.0%	-3.9%
28	IBEX 35 INDEX	Spain	Developed	4.2%	69.3%	12.3%	32.3%
29	HO CHI MINH STOCK INDEX	Vietnam	Emerging	3.9%	36.5%	8.8%	11.1%
30	S&P/NZX 50 Index Gross	New Zealand	Developed	3.6%	6.3%	-1.8%	2.4%
31	MSCI ACWI	Global	Global	2.9%	20.6%	18.0%	22.2%
32	OMX HELSINKI 25 INDEX	Finland	Emerging	2.6%	49.2%	-5.8%	0.9%
33	FTSE MIB INDEX	Italy	Developed	2.2%	48.4%	11.7%	38.8%
34	SWISS MARKET INDEX	Switzerland	Developed	1.8%	30.9%	-0.3%	17.6%
35	S&P/TSX COMPOSITE INDEX	Canada	Developed	1.5%	34.4%	11.7%	14.6%
36	S&P 500 INDEX	United States	Developed	1.4%	16.4%	25.0%	26.3%
37	NASDAQ-100 INDEX	United States	Developed	1.2%	20.2%	25.9%	55.1%
38	DAX INDEX	Germany	Developed	1.1%	36.4%	11.7%	24.3%
39	CAC 40 INDEX	France	Developed	0.6%	25.3%	-5.6%	24.1%
40	JAKARTA COMPOSITE INDEX	Indonesia	Emerging	-3.8%	17.9%	-3.7%	11.3%
41	S&P BSE SENSEX INDEX	India	Emerging	-5.4%	3.8%	6.6%	19.6%
42	MSCI COLCAP INDEX	Colombia	Emerging	NA	NA	9.6%	32.2%

Source: LSEG Workspace

Our January '26 Performance

India Performance Analysis

The Indian markets had started 2026 on a negative note, down 4.3-5.4% in dollar terms and down 3.0-3.3% in rupee terms. In January 2026, the Large-caps were down 3%, the small-caps were down 9%, while mid-caps were down 5.8% at the index level***. Hence the fall was across all market caps, with sharper falls in mid and smallcaps.***

For January-26	BSE 500 Index
% Return	-3.3%
Outperforming Stocks	40.3%
Underperforming Stocks	59.7%
Negative Stocks	75.8%

In CY25, the markets had been very narrow with the median stock down more than 4%, even as the BSE 500 Index was up 7%. 57% of the stocks were down for the year, in contrast to the index's upward move. A full 40% declined by more than 10%.

In January 2026, 76% of the stocks were down while 23% were down more than 10%. Thus, the fall was broad-based.

BSE 500 Breadth Stats*	2024		2025		2026 Jan	
	Number	%	Number	%	Number	%
Index Total Returns	-	*15.5%*	-	*6.9%*	-	*-2.6%*
Stocks Return > Index returns	276	*56.2%*	185	*37.0%*	182	*36.4%*
Stocks Up > 10%	303	*61.7%*	171	*34.2%*	15	*3.0%*
Stocks Up > 20%	253	*51.5%*	128	*25.6%*	3	*0.6%*
Stocks Up > 30%	204	*41.5%*	79	*15.8%*	1	*0.2%*
Stocks with Positive Returns	363	*73.9%*	228	*43.0%*	120	*24.0%*
Stocks with Negative Returns	128	*26.1%*	272	*57.0%*	380	*76.0%*
Stocks down > 10%	72	*14.5%*	202	*40.5%*	115	*23.0%*
Stocks down > 20%	31	*6.2%*	118	*23.6%*	15	*3.0%*
Stocks down > 30%	14	*2.8%*	59	*11.8%*	2	*0.4%*
Median Stock Return	***18.7%***		***-4.1%***		***-4.8%***	

*Analysis is done using current ICICI Prudential BSE500 ETF as a Proxy,
Data Source: LSEG

In 2023, out of the 41 top Equity markets by market cap, India was ranked No.21 and its rank fell to No.25 by the end of CY24 and further down to No. 36 in CY25. In January 2026, it further went down to No.41. India and Indonesia were the only markets that were down in January 2026. Thus, in January 2026, India's return is way below the global average.

Our Pure Equity portfolio, the India Super 50 (IS50) was down 2.9% in January 2026 as against the benchmark, the BSE 500 TR Index as well as the Nifty 50 index which were DOWN 3.0-3.3%, giving us 40 basis points outperformance. ***We were able to beat the benchmarks as our position in Energy contributed positively to the portfolio while this sector contributed negatively to the benchmarks. Our positions in PSU banks contributed to the performance as well.***

In FY26 up to January 2026, the IS50 is up 5% as against the BSE 500 TRI and Nifty 50 Indices which were up 8.8%. Our increased weightage to PSU banks added strong performance points to the portfolio, though this was offset by our overweight positions in Pharma and IT, which turned out to be laggards, coupled with our underweight positions in Energy, Real Estate and Defence, which witnessed strong moves.

Of course, we remain among the top PMS providers in the multi-cap space - with a return that's far better than most others.

Considering that we have completed 5-years since the official launch of our pure Equities PMS scheme, **India Super 50 (IS50), below is the overall performance of IS50, breaking it up year-wise**, highlighting the portfolio's journey through various market phases and emphasizing the importance of prudent risk management in the face of dynamic market conditions.

Here is the year-wise performance of the IS50 strategy since inception, i.e., from 18th February 2020, versus the Nifty TRI:

India Super 50 (IS-50) PMS – Year-wise Performance (Post Fees)

	FG-IS50	NIFTY 50 TRI	BSE 500 TRI
FY 2019-20#	-14.2%	-28.8%	-28.6%
FY 2020-21	71.4%	72.5%	78.6%
FY 2021-22	31.4%	20.3%	22.3%
FY 2022-23	-3.0%	0.6%	-0.9%
FY 2023-24	38.0%	30.1%	40.2%
FY 2024-25	-0.4%	6.7%	6.0%
FY 2025-26*	4.7%	8.8%	8.8%
Total Return since Inception*	**170.0%**	**124.4%**	**149.6%**
CAGR since Inception#	**18.1%**	**14.5%**	**16.3%**

**As on 30th January 2026 and net of fees and expenses*
 # Since inception i.e. from Feb 18 2020

As can be seen from the above table, **IS50 has more than made up whichever year it underperformed with stronger outperformance in the other years. In FY25 and FY26, the difference against the markets were on account of the markets behaving peculiarly.** The last 15-16 months had been unusually challenging for equity investors. While headline indices may not reflect the full extent of the stress, the underlying market breadth was extremely weak.

As we have detailed above, though the Indices like the Nifty 50 and BSE 500 gave returns of 7-12% in 2025, there was considerable pain in the market with more than 57% of the stocks declining, with 40% down more than 10% for the BSE 500.

Hence, for the BSE 500, the median stock is down 4% in CY25 as compared to the benchmark return of 7%. Even in January 2026, 76% of the stocks were down.

Even, in terms of sectors, as seen from the below table, the market move in CY25 was extremely narrow, led by Financials and within that, the PSU banks and the Energy sector to some extent led by Reliance, BPCL, HPCL etc. This is unlike the broader across sectors move witnessed in CY24.

In January 2026, most sectors except IT and Metals were down and hence, there was no room to generate positive returns.

Sector-wise contribution to returns (%) in CY24, CY25 and January 2026

Sector	BSE 500*		
	CY24	CY25	Jan 2026
ETF Return (%)	**15.8**	**7.7**	**-3.3**
Energy	**0.5**	**1.7**	**-0.5**
Materials	**0.5**	**1.4**	**0.1**
Industrials	**2.6**	**0.2**	**-0.3**
Consumer Discretionary	**3.3**	**0.5**	**-0.8**
Consumer Staples	**0.1**	**0.1**	**-0.5**
Health Care	**2.2**	**-0.2**	**-0.4**
Financials	**2.7**	**5.2**	**-0.6**
Information Technology	**2.1**	**-1.7**	**0.0**
Communication Services	**1.0**	**0.7**	**-0.2**
Utilities	**0.5**	**-0.1**	**-0.1**

That said, our investment philosophy is designed for the long term. Risk management and broad participation are key pillars of our approach, and history shows that once market breadth improves, portfolios like IS50 tend to capture the upside effectively.

Looking ahead, we remain optimistic that as the rally broadens beyond this very narrow leadership, IS50 is well-positioned to benefit.

We believe in a **data-led, disciplined strategy** focused on risk-adjusted returns and long-term wealth creation—not momentum chasing. Hence, on a risk adjusted return basis, we remain among the top in the market **with a wide gap with most other providers. (Please see the table given below).**

Our diversified portfolio has stood us in good stead.

Our Winners in January '26

Name	Return	Name	Return	Name	Return
LG Balakrishnan & Bros Ltd	38.3%	Mahindra and Mahindra Ltd	7.7%	State Bank of India	4.5%
ESAB India Ltd	15.5%	Tech Mahindra Ltd	6.5%	Bank of Baroda Ltd	4.1%
Hero MotoCorp Ltd	11.4%	Infosys Ltd	5.2%	Wipro Ltd	3.7%
Canara Bank Ltd	10.7%	Ajanta Pharma Ltd	5.0%	Abbott India Ltd	3.7%
Privi Speciality Chemicals Ltd	8.9%	Torrent Pharmaceuticals Ltd	4.5%	Alkem Laboratories Ltd	3.2%

Global Performance Analysis

In January 2026, most Equity markets gave a positive move with Emerging markets outperforming the Developed markets. South Korea, Turkey, Brazil, Hungary and Egypt were the top performing markets in January 2026, giving a strong return of 16-23%. Among the developed markets, Japan was the best performing market, with a return of 6% while the Eurozone rose 4%. The S&P 500 Index was up only 1.5%, thus once again underperforming the Eurozone as was the case in CY25. In January 2026***, the Eurozone is outperforming the US by 2.5 percentage points.***

In January 2026, while the S&P 500 was up 1.5%, the NASDAQ was up 1.2%. In January 2026, about 95% of the top 41 Equity markets were in positive territory. ***Hence, the Global market Index, ACWI was up 2.8% in January 2026.***

In January 2026, the technology sector, which was a major contributor to ACWI's return in CY24 and CY25, was largely flat and contributed to just 8% of ACWI's return of 2.8%.

For the S&P 500 Index also, the tech sector, which contributed to more than 40% of S&P 500's return in CY25, was actually down in January 2026. S&P 500 Index's return of 1.5% was led by Communication services and Industrials.

Bond markets were up, with the Global Aggregate Index up 0.6% in January 2026. Commodities were up 10.4% in January 2026 led by the Energy Sub index which was up 20.6% and Precious metals which was up 11%.

Out of the top 3000 Global companies/stocks in terms of market cap, almost 64% of the stocks went up, while 52% outperformed the ACWI Index. Thus, the market move in January 2026 was relatively broad based.

	Jan-CY26		
	MSCI ACWI Index	**S&P 500 Index**	**Nasdaq 100 Index**
% Return	3.0%	1.4%	1.2%
Top 10 Stocks Contribution	0.1%	-0.3%	0.0%
% of 10 stocks to total move	2.6%	-20.0%	0.7%
Outperforming Stocks	51.6%	59.5%	48.0%
Underperforming Stocks	48.4%	40.5%	52.0%
Negative Stocks	35.9%	35.9%	49.0%

For our benchmarks, the S&P Aggressive 80:20 and 60:40 Indices, the key sector moves were led by Industrials, Metals and Communication services.

The US Dollar Index, DXY was down 1.3% in January 2026.

Cross-Asset Performance for CY25 and January 2026

Cross-Asset Performance	Jan '26	2025	Cross-Asset Performance	Jan '26	2025
Equities			**Bonds**		
MSCI Japan	6.2%	20.3%	VanEck EM High Yield ETF	1.3%	8.4%
S&P 500	1.5%	16.4%	Bloomberg Global High Yield	1.1%	8.3%
NASDAQ 100	1.2%	20.2%	Bloomberg Pan European High Yield	0.3%	8.1%
MSCI ACWI	2.8%	20.6%	Bloomberg EM USD Aggregate	0.4%	11.1%
MSCI Eurozone	4.0%	35.8%	Bloomberg Pan European Aggregate	0.7%	-1.5%
MSCI India	-4.3%	2.7%	Bloomberg Global Aggregate	0.6%	4.8%
Core MSCI International Developed Markets	4.6%	27.9%			
EM ex-China	9.8%	31.1%			
MSCI Emerging Markets	8.0%	30.8%			
MSCI Asia ex-Japan	7.5%	27.6%			
MSCI China	3.9%	28.2%			
Bloomberg Latin America Index	16.5%	17.0%			
REITs	**Jan '26**	**2025**	**Commodities**	**Jan '26**	**2025**
S&P Global REIT	2.8%	4.3%	Bloomberg Livestock Subindex	2.8%	22.7%
Vanguard Global ex-US REITs ETF	4.6%	15.9%	Bloomberg Precious Metals Subindex	11.0%	80.2%
Vanguard US REITs ETF	2.6%	-0.7%	Bloomberg Energy Subindex	20.6%	10.4%
			Bloomberg Commodity Index	10.4%	15.8%
			Bloomberg Industrial Metals Subindex	5.6%	21.4%
			Bloomberg Agriculture Subindex	-0.3%	-2.3%

Source: LSEG, Trading Economics

Our Global Multi-Asset fund and portfolio were up 3.1%, as against the benchmarks which were up 2.0-2.6%. Our portfolios were up more than 6% till 29th January 2026. Had the fall in Precious metals not taken place, our portfolios would have beaten benchmarks by almost 3 percentage points.

Our positions in Financials especially European banks, European markets like Sweden, UK, other markets like Japan, South Africa, China, Taiwan and Commodities added strong performance points to the portfolios in January 2026. Precious metals like Gold and Silver witnessed a big crash on 30th January 2026 by 9% and 27%, respectively and hence, Gold and Silver ended the month by being up just 13% and 18%, respectively.

Our well-diversified portfolio, though it may seem a bit conservative now and then, generates steady, consistent returns over a period, without major drawdowns.

That is indeed what we aim to do and our systems are designed that way!

As the table below shows our winners are diversified across sectors and geographies.

Our Winners in January '26

Name	Country	Return	Name	Country	Return	Name	Country	Return
Advantest Corp	Japan	29.9%	EMCOR Group Inc	US	17.9%	PriceSmart Inc	US	15.9%
Baker Hughes Co	US	23.1%	KLA Corp	US	17.5%	Colgate-Palmolive Co	US	15.0%
POP Mart International Group	China	19.1%	ESCO Technologies Inc	US	17.1%	Iridium Communications Inc	US	14.6%
Curtiss-Wright Corp	US	19.1%	CACI International Inc	US	16.8%	Rheinmetall AG	Germany	14.1%

FG-GFIP Performance Analysis

In January 2026, the Barclays Bloomberg Global Aggregate Index, which tracks investment grade bonds across major developed market economies, was up 0.6%. Also, the Global High yield bonds were up 1.1%, EM High yield bonds were up 1.3%, while the EM bonds were up 0.4% in January 2026. **Fixed Income markets in the US were positive for the month, as the short-term yields dropped, with the 2-yr bond falling around 8 basis points, to end the month at 3.52%.**

Global government debt markets saw mixed moves in January 2026. While most European 10-year benchmark yields retreated from December's high levels, their equivalents in Australia, Canada, Ireland, Japan, the UK, and the U.S. all rose during the month.

Japan's 10-year government bond yield registered the sharpest increase, climbing nearly 17 basis points over the month to close at 2.24%, after reaching a 3-year high of 2.38% on January 20. At its first 2026 meeting, the Bank of Japan kept its key policy rate steady at 0.75% ahead of snap elections planned for February 8. The central bank has continued to scale back its bond purchase program to normalize its monetary policy.

In the U.S., the 10-year Treasury yield was another big mover, rising nearly 10.6 basis points to close the month at 4.26%. The Federal Reserve left the federal funds rate in a range of 3.50-3.75% at its January meeting, following the third of three cuts in 2025 on December 30. In its statement, the central bank said that indicators suggest overall economic activity is expanding at a "solid pace" but that "inflation remains somewhat elevated."
The latest CPI data released in mid-January came in around expected levels in both the headline reading (2.7%) and core reading (2.6%) but still above the Fed's 2.0% target.

Across the Atlantic, UK 10-year Gilt yields rose for the third consecutive month, ending January 4.6 basis points higher at 4.52%. Headline UK inflation rose by more than expected to 3.4% in December, according to data from the Office for National Statistics, which was anticipated by the Bank of England in its recent forecast. The S&P Global Flash UK PMI suggested the strongest increase in private sector business activity since April 2024.

Elsewhere in Europe, most 10-year government bond yields fell in January, with those for Germany dropping by nearly five basis points to 2.80%. The yield on Italy's 10-year government bond fell by over eight basis points to 3.46%, while its French equivalent decreased by 12.7 basis points at 3.43%. The only exception was the Irish 10-year bond yield, which finished the month nearly one basis point higher at 3.11%.

Headline Eurozone inflation slowed to 2.0% in December, data from Eurostat showed, matching the European Central Bank's target. Core and services inflation measures also eased. The HCOB Eurozone Composite PMI from S&P Global showed continued expansion in December; flash PMI for the Eurozone suggested a continued rise in output in January. Meanwhile, the euro saw big increases in January, rising to its highest level since June 2021.

Our exposure to the *investment-grade category* is currently unchanged at **65%.** We are still less than the benchmark allocation of around 76%. In the *global high-yield category*, our exposure was held at **9.3%**. In *REITs* category, the allocation stood at around 3.7%. The exposure to the convertible bonds category is at **3.9%**. The remaining are in Cash Equivalents. There was no major change in our portfolio holdings in the month.

In January 2026, our GFIP portfolio was up 0.75%, slightly below the benchmark, which was up 1%. ***The difference from the benchmark was due to GFIP's lower allocation to REITs, as well as the cash equivalents held by us as the***

***position was taken considering the highly volatile and uncertain scenario regarding future rate cuts, especially as concerns around tariffs persisted.* The total return since inception for GFIP still highly outperforms the benchmark as it delivered an impressive return of 14.4%, as against the benchmark which is down 0.2% since inception.**

As our portfolio was unchanged in the month, the investment strategy is now only slightly under-weight in interest rate risk, with a duration of ***4.23*** versus the 5.43 for the benchmark. The **yield-to-maturity (YTM)** for the GFIP portfolio is at **4.35%**, as against 3.84% for the benchmark. The focus remains on high quality investment grades, while monitoring and assessing the conditions in markets where yields are on a rally, after the central banks had initiated lowering the rates.

Looking ahead

Given that a global easing cycle has been continued by major central banks, we recommend clients with short investment horizons (less than 3 years) to consider our lower-duration active fixed income product called **GARP**. Those with a longer-term investment horizon should prefer the **GFIP**, which is usually more sensitive to interest rates. In a scenario of rates coming down, the GFIP is poised to perform better. *In GFIP, we remain neutral in the interest rate risk, as the portfolio was unchanged in the month, and our duration is just slightly less than the benchmark. We expect the* ***Investment Grade*** *category to do better in the coming months. Fixed income markets are likely to experience further volatility, until the path for rate cuts become clearer, though historically, bonds have provided good returns in months succeeding the first rate cut. With the inflation data being inconsistent, and worries of resurgence in inflation arising from the potential tariffs from Trump's policies, markets remain cautious and uncertain of the future rates scenario. The worsening outlook on the economy is also adding to the concerns.*

We are focusing on high-quality income with our fixed income products, GFIP and GARP, offering a gross yield-to-maturity of 4.35% (3.84% for the benchmark) and 7.31%, respectively. A higher yield helps cushion against losses in case yields rise materially.

Our Investing Mantras

Avoid the Big Losses

Be the "House", not the "Gambler"

Protect in Down Markets
Participate in Up Markets

Play for Singles. Not for Home Runs

Play Everything. Believe Nothing

Not Bullish. Not Bearish. Be Hare-ish

Great trades are like buses
There's always one coming

No Storification. Just Datafication

Rigidity Kills. In Arteries. And in Investing

And our Human+Machine delivers these Returns with the lowest possible risk.

As we've said before:

We do not run "High Conviction" risk.

We do not run "Storification" risk.

We do not run "High Concentration" risk.

Being neutral and systematic in investing, will absolutely make us win, barring the occasional pullback patches.

That's what our unique Human + Machine Model delivers.

Consistency. Not stomach churning yo-yos.

For those who aren't invested with us, but want in, just drop us a line on **http://tinyurl.com/4xrnkrh6** or **info@firstglobalsec.com and we will respond quick.**

By the way, you can also **WhatsApp** us on **+91 88501 69753**

Chat soon!

From Your Friends at First Global