



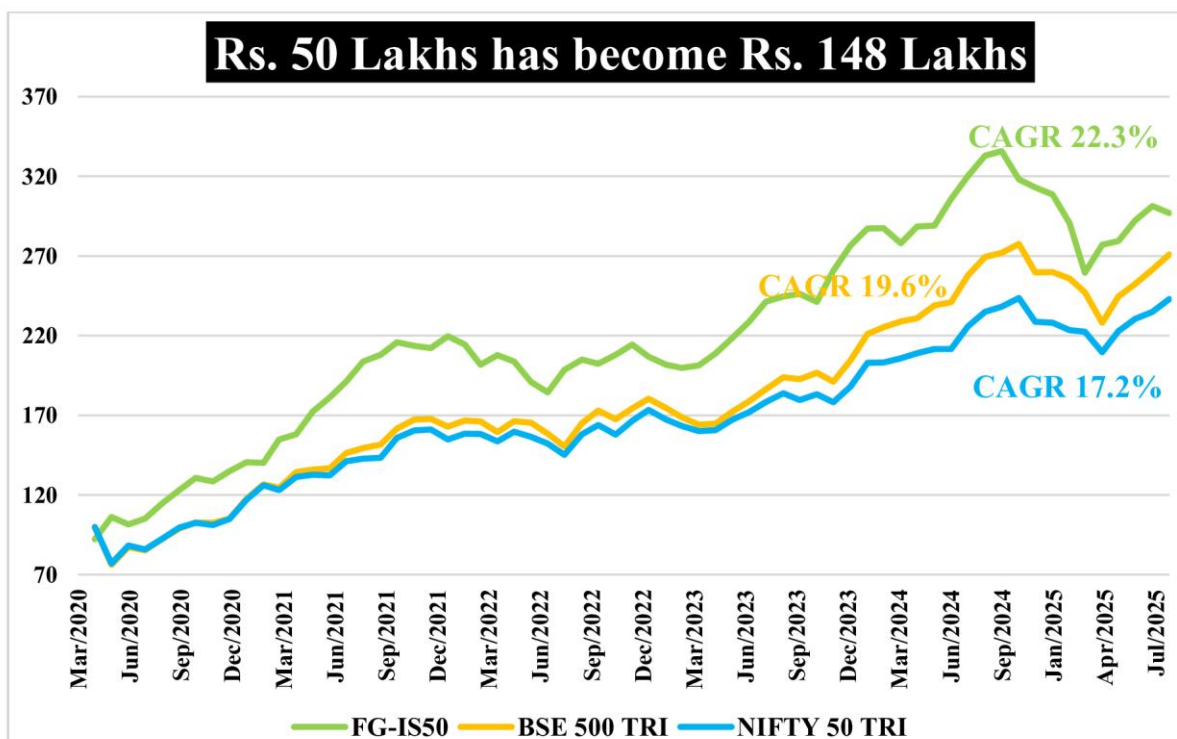
FIRST GLOBAL

Be One Step Ahead™

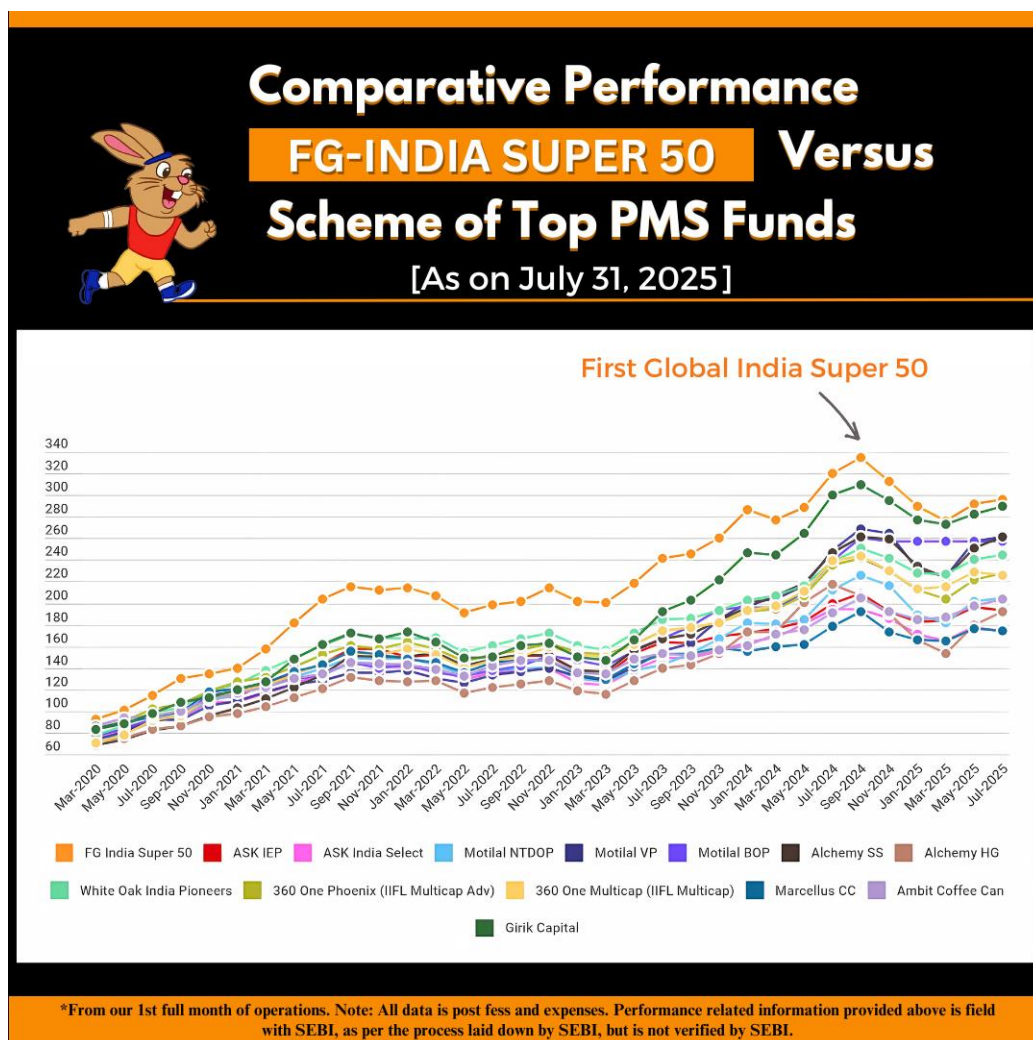


Our July '25 Performance

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



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



www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753

Global Asset Management | Portfolio Management | Wealth Management



FIRST GLOBAL

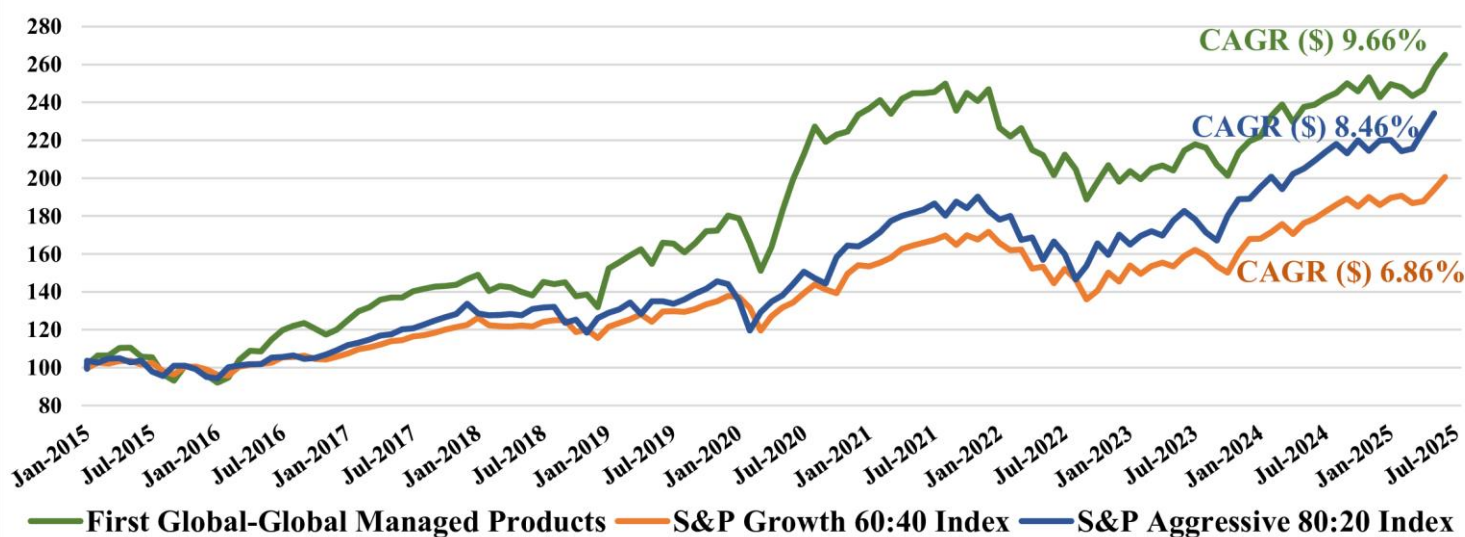
Be One Step Ahead™



Sr. No.	Top Multicap PMS Schemes	Total Return* (Mar '20 to July '25)	Risk Adj Return (CAGR / Volatility) (Equivalent of Sharp Ratio)	Gain to Pain (x)
1	Stallion Asset Core Fund	347.9%	1.57	1.99
2	First Global India Super 50	197.0%	1.37	1.55
3	Girik Capital	185.5%	1.29	1.50
4	IIFL Multicap Advantage	128.2%	1.08	1.22
5	White Oak India Pioneers Equity	144.3%	1.01	1.20
6	BSE 500	163.7%	1.04	1.30
7	MoneyLife Mass Growth	213.9%	0.98	1.19
8	Nifty 50 TRI	136.3%	0.95	1.19
9	Motilal Oswal Value	160.9%	0.92	1.17
10	Ambit Coffee CAN	103.4%	0.91	1.01
11	Alchemy Select Stock	161.8%	0.90	1.15
12	MoneyLife Mass Prime	133.9%	0.86	1.05
13	Axis Brand Equity	111.3%	0.81	0.93
14	IIFL Multicap	125.9%	0.80	1.05
15	Motilal Oswal NTDOP	105.1%	0.71	0.83
16	Axis Core and Satellite	88.1%	0.68	0.79
17	ASK IEP	93.2%	0.65	0.77
18	Marcellus Consistent Compounders	74.5%	0.61	0.64
19	ASK Growth	82.7%	0.58	0.72
20	Alchemy High Growth	92.0%	0.57	0.66
21	ASK India Select	73.6%	0.54	0.64

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

US \$1000,000 has become US \$2,652,983



www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnkrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753

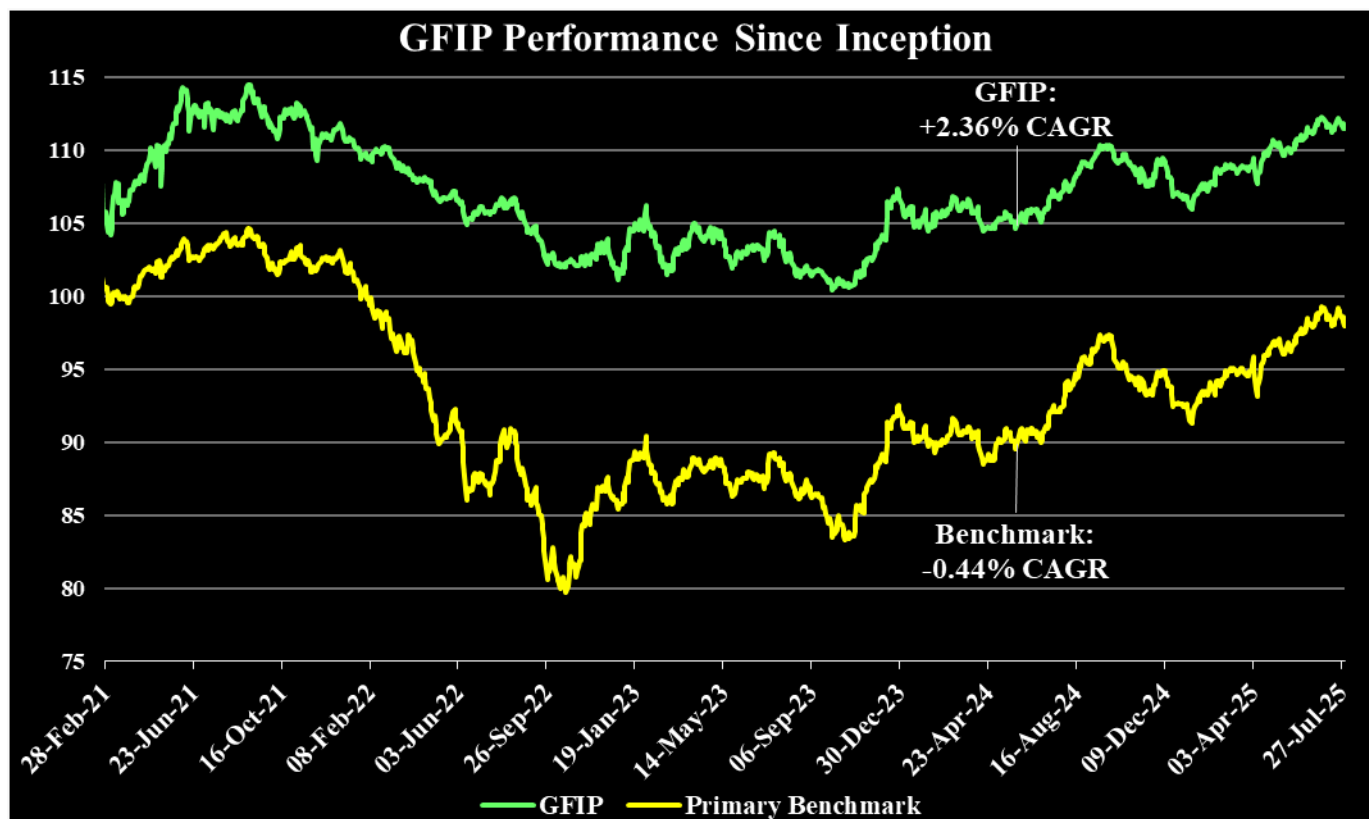
Global Asset Management | Portfolio Management | Wealth Management

India

UK



Global Fixed Income Portfolio: July '25



When the tide goes down...why we manage for 'Risk first'

July 2025 was not a great month for Indian markets. The BSE 500 index and the Nifty 50 Index were down 2.7-2.8%. *Our equity PMS scheme, India super 50 (IS 50) was also down 1.5% but out performed the market by about 1.3 percent points. Our managing for Risk and Portfolio downside doesn't look so good in a runaway Bull market but these are the months where the advantages of being conservative and laser focused on risk management show up.*

Our returns for the month were driven by our overweight position in Pharma, Industrials and Materials though this was offset by our slight overweight position in the IT sector. IT sector was down about 10% in July 2025 and was the worst performing sector after Financials for the month. *For FY26 YTD (year to date), IS50 is now up 7.2%, in line with the BSE 500 and outperforming the Nifty 50 by 1.3 percentage points.*

We just concluded our India rebalance, where we have maintained our overweight position in Pharma, although we have made some changes. We have also increased weightage to Industrials and Chemicals. Plus added names from metals where we had near zero exposure. We largely maintained our weightage in Financials and IT. Within IT, we reduced weightage to large cap IT and shifted to Mid-cap IT names.

Interestingly while we are overweight in pharmaceuticals and healthcare as well as auto components, our stock picks are mostly domestic business oriented and hence relatively insulated from the tariff tantrums.

The Indian equity market which, was down almost 11% in Rupee terms in Jan-Feb 2025, went up 16-19% from March- June 2025. However, it once again turned negative in July 2025 and was down 2.7-2.8% on account of which CYTD, it is now up 3%. In July 2025, all the sectors except Healthcare and FMCG were negative.

Globally, there was certainly never dull moment with President Trump's daily statements and policy changes!

July 2025 was an eventful month with passage of the One Big Beautiful Bill Act (OBBBA) and announcements related to the tariffs.

Second-quarter earnings reports provided a tailwind for equity markets. In *the US, close to 80% of companies in the S&P 500 that have reported thus far have beaten consensus earnings and revenue growth expectations, which is better than the long-term average.*

**www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnkrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753**

Global Asset Management | Portfolio Management | Wealth Management

India

UK



Strong earnings reports reinforced the view that the political turmoil of the past months has so far had only a muted impact on company earnings. The Magnificent Seven companies continued to report stronger earnings growth and revenue growth in technology outshone the rest of the market based on the companies that have reported so far.

The Asset-wise performance was a mixed bag in July 2025 with Equities overall doing well, though Fixed Income, Commodities and REITs were down in July 2025.

In July 2025, the US markets were up 2.2-2.4%, while Eurozone was down 2.3% - part of the reason for this apparent movement was the strengthening of the dollar for the first times since Trump took over. The Global Equity index, the ACWI Index, was up 1.1% in July 2025.

However, Calendar Year to date (CYTD), the Eurozone still outperforms the US markets by about 17 percentage points, partly due to the sliding dollar. The ACWI was up 11.5% for the year.

About 65% of the top Equity markets and the Dollar ended positive for the month. In July 2025, apart from Eurozone, other developed markets like Japan and Denmark were also down 2-16%. Also, most Emerging markets (EM) were up, led by China, Thailand, which were up 4-13%. Only few EM markets like India, Philippines and Brazil declined.

Global bond markets on the other hand, posted flat to negative return, with the Bloomberg Global Aggregate Index, down 1.5% in July 2025. Commodities were marginally down for the month, with the broad Bloomberg Commodities Index, down 0.5% led by the Industrial metals which were down 6%.

The Tech Sector, which was down almost 11% in Jan-April 2025, recovered much of these losses with a strong comeback in May 2025 and this has continued even in June and July. In July, the Tech sector was up about 4% for the ACWI index. It is now up about 13.6% CYTD.

In July 2025, our Global portfolios were largely in line with their benchmarks while the Indian portfolios outperformed their respective benchmarks.

Our Global Multi-Asset fund and portfolios were up 0.1-0.5% in July 2025, as against the benchmarks which were up approximately 0.5-0.8%.

Our positions in countries like China, Taiwan, our hedged position in Japan, our position in European banks, Commodities and also our stock positions in Communication Services and Industrials added performance points to the portfolios in July 2025, though this was offset by negative returns from Fixed income and other EM markets and Europe.

Our Global Fixed Income Portfolio (GFIP) was down 0.66% in July 2025, but outperformed the benchmark, which was down 1.1%. We are underweight both interest rate and credit risk. Our lower duration exposure, focus on investment grade bonds and our positions in high yield bonds helped us in July 2025.

The US June consumer price index (CPI) report came in a bit better than expected, with core inflation surprising to the downside. Early signs of tariff effects are beginning to emerge, but remain limited so far. On a year-on-year basis, the headline CPI climbed 2.7% and core CPI rose 2.9%. One reason for the limited impact of tariffs on CPI so far is that the rate that companies are paying has so far been lower than the statutory tariff rate, due to inventory management and supply chain reorganisation. Also, Credit markets outperformed government bonds as spreads narrowed in July, supported by strong corporate earnings.

In July 2025, all currencies went down, except the US Dollar. The US Dollar after 6 months of negative returns, finally gave a strong positive return of 3.2%. The US Dollar is still down 7.9% CYTD.

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 last year.

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...

**www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753**

Global Asset Management | Portfolio Management | Wealth Management

India

UK



FIRST GLOBAL

Be One Step Ahead™



Country wise-performance in July 2025, CYTD, CY24 and CY23

MAJOR GLOBAL INDICES PERFORMANCE (as of 31 st July 2025)							
YTD Rank	Indices	Country	Region	July '25 (%)	YTD	2024 (%)	2023 (%)
1	WIG 20	Poland	Emerging	0.1%	51.0%	-5.6%	50.4%
2	KOSPI INDEX	South Korea	Emerging	2.8%	45.1%	-19.9%	17.3%
3	BUDAPEST STOCK EXCH INDX	Hungary	Emerging	0.6%	44.3%	14.3%	49.0%
4	MSCI COLCAP INDEX	Colombia	Emerging	3.7%	43.7%	9.6%	32.2%
5	IBEX 35 INDEX	Spain	Developed	0.6%	41.2%	12.3%	32.3%
6	FTSE MIB INDEX	Italy	Developed	0.4%	36.7%	11.7%	38.8%
7	TA-35 Index	Israel	Developed	1.0%	34.8%	28.6%	0.1%
8	DAX INDEX	Germany	Developed	-2.3%	32.8%	11.7%	24.3%
9	S&P/BMV IPC	Mexico	Emerging	0.2%	31.7%	-27.8%	40.9%
10	OMX HELSINKI 25 INDEX	Finland	Emerging	-1.2%	28.2%	-5.8%	0.9%
11	DFM GENERAL INDEX	UAE	Emerging	7.9%	25.8%	34.5%	27.8%
12	HANG SENG INDEX	Hong Kong	Developed	3.1%	25.3%	23.6%	-10.6%
13	S&P/CLX IPSA (CLP) TR	Chile	Emerging	-4.7%	24.7%	-3.9%	13.4%
14	FTSE/JSE AFRICA ALL SHR	South Africa	Emerging	-0.4%	24.0%	9.7%	2.0%
15	BEL 20 INDEX	Belgium	Developed	0.6%	23.3%	10.8%	6.9%
16	EGX 30 INDEX	Egypt	Emerging	6.3%	22.5%	-24.8%	40.1%
17	BRAZIL IBOVESPA INDEX	Brazil	Emerging	-6.8%	22.3%	-29.6%	33.1%
18	SRI LANKA COLOMBO ALL SH	Srilanka	Emerging	8.4%	22.0%	70.8%	48.5%
19	OMX STOCKHOLM 30 INDEX	Sweden	Developed	0.3%	21.0%	-2.2%	25.4%
20	FTSE 100 INDEX	United Kingdom	Developed	0.6%	20.6%	7.5%	13.6%
21	CAC 40 INDEX	France	Developed	-1.5%	19.6%	-5.6%	24.1%
22	Straits Times Index STI	Singapore	Developed	3.4%	19.2%	19.2%	6.3%
23	SWISS MARKET INDEX	Switzerland	Developed	-2.9%	17.2%	-0.3%	17.6%
24	HO CHI MINH STOCK INDEX	Vietnam	Emerging	8.9%	16.4%	8.8%	11.1%
25	S&P/TSX COMPOSITE INDEX	Canada	Developed	0.1%	16.4%	11.7%	14.6%
26	AEX-Index	Netherlands	Developed	-4.0%	15.2%	7.2%	21.1%
27	TAIWAN TAIEX INDEX	Taiwan	Emerging	4.6%	14.8%	22.8%	32.0%
28	S&P/ASX 200 INDEX	Australia	Developed	0.2%	13.9%	2.0%	14.3%
29	MSCI ACWI	Global	Global	1.1%	11.5%	18.0%	22.2%
30	NASDAQ-100 INDEX	United States	Developed	2.4%	11.0%	25.9%	55.1%
31	SHANGHAI SE COMPOSITE	China	Emerging	4.0%	10.3%	13.0%	-3.9%
32	S&P 500 INDEX	United States	Developed	2.2%	8.6%	25.0%	26.3%
33	NIKKEI 225	Japan	Developed	-2.9%	8.5%	8.7%	21.8%
34	JAKARTA COMPOSITE INDEX	Indonesia	Emerging	5.9%	7.2%	-3.7%	11.3%
35	S&P/NZX 50 Index Gross	New Zealand	Developed	-1.5%	3.1%	-1.8%	2.4%
36	S&P BSE SENSEX INDEX	India	Emerging	-4.8%	2.6%	6.6%	19.6%
37	FTSE Bursa Malaysia KLCI	Malaysia	Emerging	-2.6%	-1.3%	20.7%	-2.8%
38	PSEi - PHILIPPINE SE IDX	Philippines	Emerging	-4.9%	-2.5%	-0.5%	1.5%
39	BIST 100 INDEX	Turkey	Emerging	6.0%	-3.0%	13.1%	-11.6%
40	STOCK EXCH OF THAI INDEX	Thailand	Emerging	13.1%	-4.6%	2.2%	-11.5%
41	TADAWUL ALL SHARE INDEX	Saudi Arabia	Emerging	-2.0%	-7.3%	3.4%	18.1%
42	OMX COPENHAGEN 20 INDEX	Denmark	Developed	-16.1%	-20.2%	-12.3%	31.4%

Source: Bloomberg

www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnkrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753

Global Asset Management | Portfolio Management | Wealth Management

India

UK



Our July '25 Performance

India Performance Analysis

The Indian markets had started 2025 on a negative note, but this reversed from March 2025 onwards till June 2025. The markets again declined in July 2025.

After 4 consecutive months of positive return, Indian markets took a breather in July 2025 and were down 2.7-2.8% in rupee terms. Thus, CYTD, i.e. since January, the Indian market indexes are now up just about 3%. Interestingly, in spite of this positive return from the index, a majority of the stocks are down for the year.

In July 2025, the participation in the Indian equity markets were narrow. While the Large-caps were down 2.8%, the small-caps and mid-caps were down 2.3% at the index level. ***In July 2025, almost 60% of the stocks went down.***

In July 2025, out of the top 1500 companies/stocks in terms of market cap, around 61% underperformed the markets.

July 2025	No. Of stocks	%	2025 CYTD	No. Of stocks	%
Positive	596	39.73%	Positive	633	42.20%
Negative	904	60.27%	Negative	867	57.80%
Outperformer	578	38.53%	Outperformer	619	41.27%
Underperform	922	61.47%	Underperform	881	58.73%

In 2023, out of the 42 top Equity markets by market cap, India was ranked No.21 and its rank fell to No.25 by the end of CY24. For 2025 so far, it is now at No. 36 by end of July 2025. In July 2025 as well as CYTD, overall India’s return is below the global average.

In July 2025, ALL sectors except Pharma and FMCG were down. The major sectors that were down were Financials, Oil and Gas, IT and Industrials.

Our Pure Equity portfolio, India Super 50 (IS50) was down 1.5% in July 2025 as against the benchmark, the BSE 500 TR Index as well as the Nifty 50 index which were down 2.7-2.8%.

In FY26, the IS50 is up 7.2%, in line with the BSE 500 TRI Index and outperforming the Nifty 50 Index by 1.5 percentage points. Our increased weightage to Pharma and FMCG added strong performance points to the portfolio which to a certain extent offset the negative returns from IT and Financials. Interestingly, while the Industrial sector was down for the index, our positions in Industrials did very well and contributed positively to the portfolio in July 2025.

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 [*]	7.2%	6.0%	7.8%
Total Return since Inception [*]	176.5%	118.6%	147.1%
CAGR since Inception [#]	20.4%	15.4%	17.9%

^{}As on 31st July 2025 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, the difference against the markets were on account of the markets behaving peculiarly from October 2024 till early March 2025.** 85% of the stocks were down more than 25% from the market’s all time high (ATH) of 26th September 2024 till 6th March 2025, with approximately 25% being down by more than 50%, while indices fell far less. In FY26, we are once again beating the Nifty 50 Index by 1.2 percentage points and in line with the BSE 500 TR Index.

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 July '25

Name	Return	Name	Return	Name	Return
Vimta Labs Ltd	54.2%	Godrej Agrovet Ltd	9.8%	Kovai Medical Center and Hospi	7.1%
Gabriel India Ltd	47.7%	Torrent Pharmaceuticals Ltd	9.8%	Ajanta Pharma Ltd	6.9%
Sudarshan Chemical Industries	16.4%	VRL Logistics Ltd	9.3%	Swaraj Engines Ltd	6.2%
Akzo Nobel India Ltd	11.3%	Excel Industries Ltd/India	8.0%	Ipca Laboratories Ltd	6.1%
Hindustan Unilever Ltd	9.9%	Hawkins Cookers Ltd	7.7%	Navin Fluorine International L	4.9%

www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnkrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753

Global Asset Management | Portfolio Management | Wealth Management



Global Performance Analysis

In July 2025, Equity markets and especially the US continued the strong up move it started from May onwards. The US, which was underperforming the Eurozone all the way from Jan 2025 till April 2025, outperformed the Eurozone in May, June as well as in July 2025. However, the Eurozone still continues to outperform the Eurozone on a CYTD basis by 17 percentage points.

The S&P 500 led the Global Equity markets and was up 2.2% in July 2025, amid a broad-based rally. In July 2025, the technology sector outperformed, but the rally extended to Communication Services, Consumer Discretionary and Industrials. CYTD, S&P 500 is now up 8.6%, marking a significant rebound from negative return of 5% till April 2025. The strong market performance was underpinned by a robust second quarter earnings season.

In July 2025, about 65% of the top 42 Equity markets and the US Dollar were in positive territory. Only a few Developed markets like the Eurozone and Japan were negative.

Most Emerging markets, except a few Emerging markets like India, Brazil and Philippines were positive. *Hence, the Global market Index, ACWI was up 1.1% in July 2025 and up 11.5% CYTD.*

Within the US markets, while the S&P 500 Index was up 2.2%, NASDAQ was up 2.4% in July 2025 as the overall move was led by the tech sector. The Tech sector which was down till April 2025, rebounded in May, June and July, up 11% in May, 10% in June 2025 and 4% in July 2025. The NASDAQ and S&P is now up 9-11% CYTD.

Bond markets were largely flat to slightly negative, with the Global Aggregate Index down 1.5% in July 2025. Commodities were also flat in July 2025 with the broad Bloomberg Commodities Index slightly negative, down 0.5% due to a 6.3% fall seen in Industrial Metals.

Out of the top 3000 Global companies/stocks in terms of market cap, almost 62% of the stocks went up, while almost 40% outperformed the ACWI Index. Thus, the market move in July 2025 and CYTD was broad-based unlike the narrow move witnessed in CY23 and much of CY24.

July-25	No. Of stocks	%	2025 CYTD	No. Of stocks	%
Positive	1878	62.6%	Positive	2143	71.4%
Negative	1122	37.4%	Negative	857	28.6%
Outperform ACWI	1241	41.4%	Outperform ACWI	1102	36.7%
Underperform ACWI	1759	58.6%	Underperform ACWI	1898	63.3%

For our benchmarks, the S&P Aggressive 80:20 and 60:40 Indices, most sectors were UP in July 2025 except Consumer Staples and Healthcare which were down and gave negative returns.

Most currencies were negative in July 2025, except for the US Dollar Index which was up 3.2%, though it is still down 7.9% CYTD.



Cross-Asset Performance for July 2025 and 2025 CYTD

Cross-Asset Performance	July '25	CYTD 2025	Cross-Asset Performance	July '25	CYTD 2025
Equities			Bonds		
MSCI Japan	-1.8%	10.6%	VanEck EM High Yield ETF	0.9%	5.7%
S&P 500	2.2%	8.6%	Bloomberg Global High Yield	0.4%	7.2%
MSCI Frontier and Select EM	0.0%	0.0%	Bloomberg Pan European High Yield	1.1%	3.5%
NASDAQ 100	2.4%	11.0%	Bloomberg EM USD Aggregate	0.9%	5.9%
MSCI ACWI	1.1%	11.5%	Bloomberg Pan European Aggregate	-0.1%	0.6%
MSCI Eurozone	-2.3%	25.6%	Bloomberg Global Aggregate	-1.5%	5.7%
MSCI India	-5.5%	0.0%			
Core MSCI International Developed Markets	-1.6%	18.1%			
EM ex-China	-0.5%	14.6%			
MSCI Emerging Markets	0.7%	17.2%			
MSCI Asia ex-Japan	2.3%	15.7%			
MSCI China	4.2%	23.8%			
Bloomberg Latin America Index	-3.8%	23.6%			
REITs	July '25	CYTD 2025	Commodities	July '25	CYTD 2025
S&P Global REIT	-0.7%	4.1%	Bloomberg Livestock Subindex	2.6%	16.7%
Vanguard Global ex-US REITs ETF	-2.0%	14.3%	Bloomberg Precious Metals Subindex	0.4%	24.5%
Vanguard US REITs ETF	0.1%	2.1%	Bloomberg Energy Subindex	2.5%	1.3%
			Bloomberg Commodity Index	-0.5%	5.0%
			Bloomberg Industrial Metals Subindex	-6.3%	1.3%
			Bloomberg Agriculture Subindex	-1.4%	-3.4%

Source: Bloomberg, Yahoo Finance

Our Global Multi-Asset fund and portfolio were up 0.1-0.5%, largely in line with the benchmarks which were up 0.5-0.8%.

Our positions in Tech, in countries like China, Taiwan, our hedged position in Japan, our positions in Communication Services, European banks and Commodities added strong performance points to the portfolios in July 2025.

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 July '25

Name	Country	Return	Name	Country	Return	Name	Country	Return
3SBIO INC	Hong Kong	36.9%	Armstrong World	US	15.8%	Pro Medicus	Australia	10.5%
Monarch Casino	US	19.1%	Belimo Holding AG	Switzerland	15.4%	Topicus.com Inc.	Canada	9.6%
Baker Hughes	US	17.5%	Nvidia Corp	US	12.6%	Netwealth Group Ltd	Australia	9.3%
EMCOR Group Inc.	US	17.4%	Eagle Materials	US	11.0%	O'Reilly Automotive	US	9.1%

www.firstglobalsec.com • Enquire on http://tinyurl.com/4xrnrh6
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753

Global Asset Management | Portfolio Management | Wealth Management

India

UK



FG-GFIP Performance Analysis

In July, the Barclays Bloomberg Global Aggregate Index, which tracks investment grade bonds across major developed market economies, was down by around **1.50%**. Global REITs was also marginally negative for the month, and was down 0.7%, after an increase in the previous month.

Fixed Income markets in the US were negative for the month, as the short-term yields rose, with the 2-yr bond rising around 7 basis points, to end the month at 3.95%. The longer-term bond yields rose up marginally to 4.40% in the month.

Majority of the world markets saw **bond yields surging in the month**, as the investors assessed economic conditions with new incoming data, and the evolving rate path scenario, taking cues from economic policies and central bank meetings. The markets faced a lot of volatility from the ongoing tariff war and related updates.

In the Eurozone, 10-y bond yields moved slightly higher across France, Germany, Italy, Spain, and Switzerland. Yields for these economies gained nearly 10 basis points in the month. Bonds were negative in the UK, as the 10-yr bond yield went up marginally, to end at 4.53%. Yields were marginally up for the major economies in the Asia Pacific as well, as the 10y bond yields in Australia was up 7 basis points, while the same in Japan moved up by 3 basis points.

The US June consumer price index (CPI) report came in a bit better than expected, with core inflation surprising to the downside. Treasury yields moved higher in July, reflecting the improving growth outlook but also the growing uneasiness of markets with the fiscal situation. In July, eurozone government bond yields drifted higher as growth sentiment was broadly positive.

Japan was the worst performing major government bond market, with ten-year Japanese yields touched 1.6% on 25 July, which was the highest level since 2008. Overall, Credit markets outperformed government bonds as spreads narrowed in July, supported by strong corporate earnings.

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 **9.2%**. In *REITs* category, the allocation stood at around 3.7%. The exposure to the convertible bonds category is at **3.9%**. There was no major change in our portfolio holdings in the month.

Our GFIP portfolio was marginally down 0.66% in the month, outperforming the benchmark's negative return of 1.1%. ***The major drive was that GFIP's higher allocation to the cash and equivalents position performing greatly and the position was taken considering the highly volatile and uncertain scenario regarding future rate cuts, especially as concerns around tariffs persisted. Also, the high yield category did well this month and our allocation at 10.35% added performance points.***

The total return since inception for GFIP still outperforms the benchmark by a wide margin as it delivered an impressive return of 11%, as against the benchmark which was down 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 **4.22** versus the 5.44 for the benchmark. The **yield-to-maturity (YTM)** for the GFIP portfolio is at **4.62%**, as against 4.06% 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 (except the US), 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 4.63% (4.06% for the benchmark) and 7.31%, respectively.

**www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753**

Global Asset Management | Portfolio Management | Wealth Management



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/4xrnrh6> or info@firstglobalsec.com and we will respond quick.

**www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753**

Global Asset Management | Portfolio Management | Wealth Management



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

Chat soon!

From Your Friends at First Global



Trusted financial advisors to some of the world's largest funds, institutions & family offices, for 30 years.

Regulated by

-  **Financial Conduct Authority (FCA), United Kingdom**
-  **Securities Exchange Commission (SEC), United States**
-  **Securities And Exchange Board of India (SEBI), India**
-  **Cayman Islands Monetary Authority (CIMA), Cayman Islands**

Covered by Top Publications:













<https://www.firstglobalsec.com> | info@firstglobalsec.com



DISCLAIMER:
The information shown and any claimed performance is with respect to proprietary capital managed by First Global and is presented for information purposes only. The performance results were calculated gross of any fees, prepared internally, and have not been compiled, reviewed or audited by an independent accountant. The information provided is historical, and it is not a guide to future performance nor representative of every investment the portfolio made over the same period. Investors should be aware that a loss of investment is possible. No representation is being made that the portfolio will or is likely to achieve similar profits or losses.

The returns on investment ("ROI") shown for each asset were generated in proprietary capital managed by First Global and is presented for information purposes only. Additional information about the time periods and methods of calculation of the ROI for each asset are available upon request. The performance results were calculated gross of any fees, prepared internally, and have not been compiled, reviewed or audited by an independent accountant. The information provided is historical, and it is not a guide to future performance nor representative of every investment the portfolio made over the same period. Investors should be aware that a loss of investment is possible. No representation is being made that the portfolio will or is likely to achieve similar profits or losses.

**www.firstglobalsec.com • Enquire on <http://tinyurl.com/4xrnkrh6>
Contact: info@firstglobalsec.com • WhatsApp +91 88501 69753**

Global Asset Management | Portfolio Management | Wealth Management

India

UK