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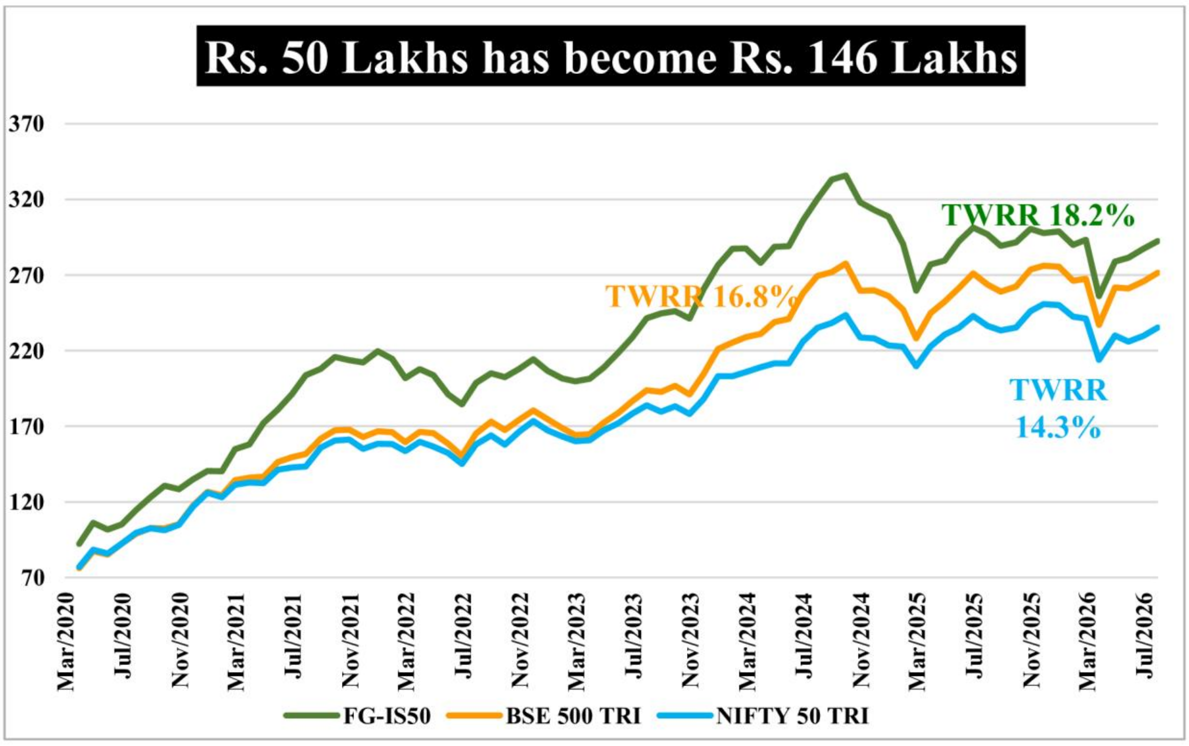
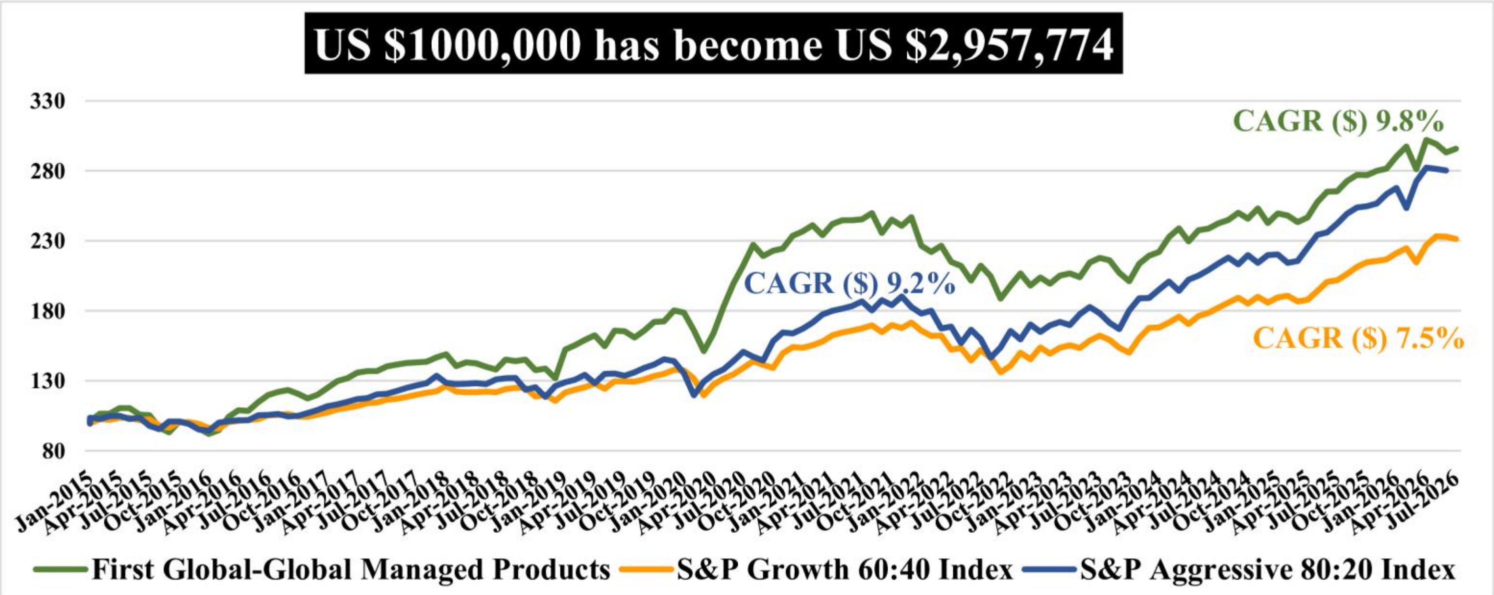
Our July '26 Performance

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



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



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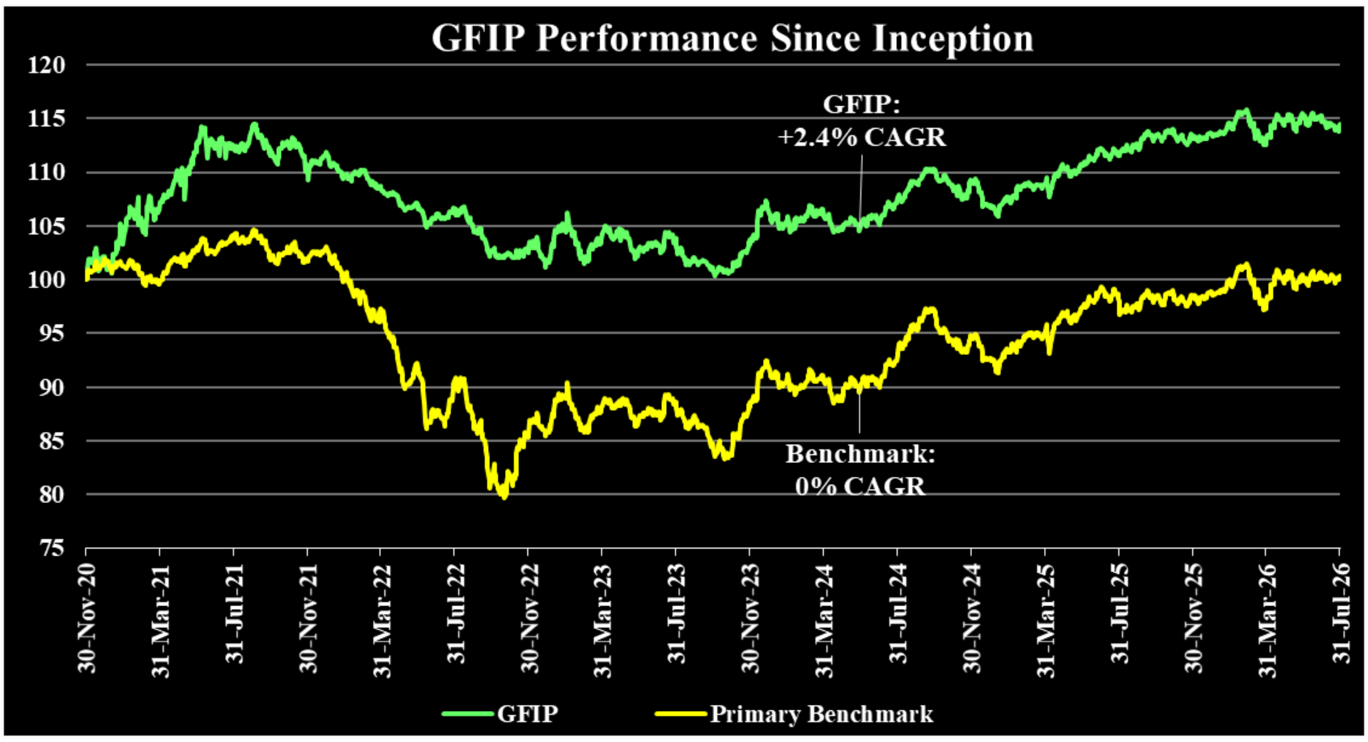
Global Fixed Income Portfolio: July '26



Brakes on the great run for Emerging Markets especially the tech heavy ones

We have been pointing out for a while that contrary to general perception, the leadership in the markets have moved away from only mega caps and technology to old economy and small caps, which have been doing better this year. Please do read our article in Economic times, dated May 2026 (https://economictimes.indiatimes.com/markets/stocks/news/the-global-markets-are-an-ai-storyor-are-they/articleshow/130729891.cms?from=mdr).

Global markets in July 2026 experienced a sharp rotation from tech-heavy growth to value stocks. Geopolitical tensions briefly pushed Brent crude above $100 per barrel, driving energy gains and lifting bond yields, while the AI sector underwent a valuation pullback. Energy stocks jumped 8.8% and financials rose 6.5% on higher oil prices and solid cash flows. ***The MSCI World Semiconductors Index fell 13.2% - we have been pointing out for a while that risks had been building up in the sector due to its inherent volatility combined with leveraged Investments going into the sector***. For more details, please refer to our article, dated 22nd June 2026 (https://economictimes.indiatimes.com/markets/stocks/news/as-new-tech-shines-market-takes-rest-on-old-cushions-devina-mehra/articleshow/131899439.cms?from=mdr).

Early in the month, escalating tensions between the US and Iran briefly pushed Commodities (+7.5%). As geopolitical concerns eased, attention shifted back to the strong second-quarter earnings and the sustainability of returns across the AI investment cycle.

Most asset classes, except Bonds and Precious Metals within Commodities had a respectable positive move in July 2026.

Of the top 42 Global Equity markets, about 67% of them including the US were UP for the month. Japanese equities were mixed over the month. The TOPIX finished broadly flat, while the technology-heavy Nikkei 225 fell by almost 8% as semiconductor companies came under pressure. The divergence between the two benchmarks reflected differences in sector composition, with the TOPIX's greater exposure to industrials, financials and domestically oriented companies helping to offset weakness in technology. European equities were broadly flat over the month. Despite a strong second-quarter earnings season, the S&P 500 was also broadly flat over the month.

The weakest performance came from emerging markets, with the MSCI Emerging Markets Index falling 3.0% and the MSCI Asia ex-Japan Index falling 3.2%. Unlike the US, where AI exposure is concentrated in hyperscalers and software platforms, emerging markets are more heavily exposed to the semiconductor manufacturing supply chain. Concerns surrounding advanced semiconductor technology from China triggered steep sell-offs in SK Hynix (-35%) and Samsung Electronics (-21%), with leveraged single stock ETFs exacerbating the declines. As a result, Taiwan (-

8.0%) and South Korea (-16.5%) underperformed, more than offsetting China's (+9.0%) positive contribution to the index over the month. Hence, the MSCI World Index was flat in July 2026.

In Fixed Income, the Global Aggregate bond Index was down 2.5%, while most Commodities except Precious Metals were UP in July 2026. The US Dollar index DXY, which was up 2.3% in June 2026, turned negative, down 1.3% in July 2026.

The Commodities Index, which was up 29% in CY26 till April 2026, went down by 3.6% and 8.7%, respectively in May and June 2026, though it picked up again in July 2026, up 7.5% and hence, CYTD, the Commodity Index is up 23%. Within the Energy sub-index, Oil prices corrected in May-June 2026, but picked up again in July 2026, up 24% and hence CYTD, the Brent Crude Oil is still up 49.5%. Gold and Silver are largely flat for the year.

REITs were up 2.4% in July 2026 and up 12.5% CYTD. US REITs were up 2.6%, while Global ex-US REITs were also up 2.5% in July 2026.

The Tech space and especially the Magnificent 7 stocks (Apple, Microsoft, Amazon, Alphabet, Meta, Nvidia and Tesla) are on a roller coaster ride in CY26. The Mag 7, which were down 8-23% in 2026 until March 2026, recovered a bit in April- May 2026, up 11-32%, while in June 2026 they were again down 5-17% and again turned slightly up again in July 2026. ***Overall, three of the seven are down for the year.***

The Mag 7 stocks, which contributed to 43% of S&P 500's return in CY25, have contributed to 16% of S&P 500 Index's return of 9.5% in 2026 CYTD.

Both in the US, India and Globally, we are seeing that Leadership has shifted from Big Tech to broader markets and old-economy sectors, especially small caps.

In the first seven months of 2026, the Russell 2000 generated a return of 16.7%, as against a return of 10.4% for the S&P500.

All sub-sectors within the Russell 2000 have been in positive territory for 2026 for a while

Sector-wise returns in S&P 500 Index Versus Russell 2000

Sector	S&P500 2026-YTD Return%	Russell2000 2026-YTD Return%
Index returns	**10.4%**	**16.7%**
Energy	**34.8%**	**31.3%**
Industrials	**17.2%**	**17.5%**
Information Technology	**16.2%**	**23.8%**
Real Estate	**14.3%**	**20.5%**
Consumer Staples	**10.2%**	**15.1%**
Materials	**10.1%**	**2.4%**
Health Care	**5.9%**	**16.0%**
Utilities	**5.3%**	**0.7%**
Financials	**4.9%**	**17.9%**
Communication Services	**1.4%**	**7.1%**
Consumer Discretionary	**0.0%**	**9.5%**

Analysis based on S&P500, ACWI ETF holdings data. Data Source: LSEG, YTD-31st Dec 2025 till 31st July 2026

In both the S&P 500 as well as the Russell 2000, the IT sector has gone up by 16.2% and 23.8%, respectively in the last 7 months. But, the interesting fact is that the IT has not been driven by the Mag 7 stocks but primarily by Semiconductors, Hardware, and Electronic Equipment sub sectors. As can be seen from the table below, we can observe an interesting divergence within the IT Services sub-sector of IT for the S&P 500 and Russell 2000 Index. When the IT Services sub-sector was up 31% for the Russell 2000, it was down 27% for the S&P 500. Meanwhile, strong performance from Semiconductors, Communication Equipment, and Hardware & Storage segments added to the performance of the IT sector.

Sub-sector moves of the Information Technology Sector in July 2026

	S&P 500		Russell 2000	
	Return	**Contribution**	**Return**	**Contribution**
Information Technology	**16.2**	**5.5**	**23.8**	**3.6**
- IT Services	-26.6	-0.3	31.1	0.2
- Software	-8.1	-1.0	5.9	0.3
- Communications Equipment	44.2	0.4	70.4	0.7
- Technology Hardware, Storage & Peripherals	25.2	1.8	-14.6	-0.1
- Electronic Equipment, Instruments & Components	25.7	0.2	22.2	0.8
- Semiconductors & Semi Equip	29.8	4.4	49.8	1.8

The same pattern is visible not just in the US markets but in the Global markets. **When the ACWI Index, which largely covers the Global large and midcap stocks is up 12% in 2026 CYTD, the MSCI Global Small cap Index is up almost 18%.** Plus, there too the apparent outperformance of the IT sector is confined to the suppliers of various kinds for the data centres.

In July 2026, 14 out of the 42 countries were down i.e. 67% of the top 42 countries still gave a positive return. ***European equities, which outperformed the US in CY25, January 2026 and February 2026, underperformed the US in March-May 2026, but once again outperformed somewhat in June and July 2026 - they are up 0.1% in July 2026 as compared to the US, which was flat. Eurozone is up 8.5% CYTD, slightly behind the US, which is up 9.5%.***

The Global Tech Sector, which contributed to 30% of ACWI's overall returns in 2025, was down in 2026 till March 2026. However, in April-May 2026, it witnessed a strong recovery and hence, CYTD until July 2026, the Global tech sector is up 28% and contributed to 52% of ACWI's 2026 CYTD.

The Indian markets, which delivered a pretty terrible performance in 2026 until May 2026, down 10.2% in dollar terms, made a strong recovery in June and July 2026 and were up 0.8-1.3% in July 2026 in dollar terms. In rupee terms, Indian markets were up 2.2-2.4% in July 2026. Hence, CYTD, till July 2026, Indian markets are down 1.4-5.9% in rupee terms and down 8-14% in dollar terms, because of rupee depreciation of 6.2% CYTD.

In July 2026, 53% of the Indian stocks gave a positive return with almost 42% outperforming the markets. In July 2026, while large caps were up 2.4%, the small caps and midcaps were up 0.5-2.0%. In July 2026, almost ALL sectors except Industrials were UP.

In July 2026, our equity PMS scheme, India Super 50 (IS50) was up 1.8%, slightly behind the benchmarks, the BSE 500 Index as well as the Nifty 50 Index, which were up 2.2-2.3%.

Our performance in sectors like Consumer Discretionary (largely Autos), Consumer Staples, Financials, Healthcare and Information Technology (IT) were far better than that for the benchmarks. However, we were still slightly behind the benchmark as our position in Materials (i.e. Chemical stocks) were slightly below that of the benchmarks.

In July 2026, our well-diversified Global portfolios were WELL AHEAD of the benchmarks as Commodities gave strong performance points to the portfolio. Also, our positions in European banks, Amazon and Microsoft added strong performance points to the portfolio. **Our Global Multi-Asset fund and portfolios were UP 0.3-0.9% in July 2026, OUTPERFORMING the benchmarks, which were DOWN 0.4-0.6% by 1.3-1.5 percentage points.**

For 2026 CYTD, our global portfolios are up 5.0-5.6% as against the benchmark return of 6.8-9.0%.

In July 2026, the Global market was quite broad with 67% of the Global stocks giving a positive return and 66% outperforming the market. Our well diversified, risk-contained portfolios do well in broader market conditions.

Our Global Fixed Income Portfolio (GFIP) was **DOWN 0.91%** in July, underperforming the benchmark, which was roughly flat at **-0.05%**. The primary driver was weakness in our convertible bond allocation (ICVT), which fell 6.91% on continued tech-sector softness and was the single largest drag on portfolio returns. Our underweight to REITs also worked against us, as Global REITs rallied over 2% in July and our lower allocation meant we captured less of that gain - though our underweight to credit risk in high yield continued to help, partially offsetting these losses.

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. We are evaluating the possibility of hedges for our global, especially US equity exposure, even though we are now significantly underweight relative to the benchmarks.

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 July 2026, CYTD, CY25 and CY24

MAJOR GLOBAL INDICES PERFORMANCE (as of 31st July 2026)							
YTD Rank	**Indices**	**Country**	**Region**	**July' 26 (%)**	**YTD (%)**	**2025 (%)**	**2024 (%)**
1	KOSPI INDEX	South Korea	Emerging	-16.5%	56.1%	79.4%	-19.9%
2	TAIWAN TAIEX INDEX	Taiwan	Emerging	-8.0%	44.4%	31.6%	22.8%
3	MSCI COLCAP INDEX	Colombia	Emerging	13.9%	38.5%		9.6%
4	BUDAPEST STOCK EXCH INDX	Hungary	Emerging	3.1%	37.1%	68.4%	14.3%
5	NIKKEI 225	Japan	Developed	-5.2%	26.9%	26.5%	8.7%
6	Straits Times Index STI	Singapore	Developed	9.8%	21.5%	30.3%	19.2%
7	STOCK EXCH OF THAI INDEX	Thailand	Emerging	1.4%	21.3%	-2.0%	2.2%
8	EGX 30 INDEX	Egypt	Emerging	1.8%	19.3%	49.9%	-24.8%
9	BRAZIL IBOVESPA INDEX	Brazil	Emerging	5.2%	19.2%	51.1%	-29.6%
10	TA-35 Index	Israel	Developed	-0.6%	18.9%	73.3%	28.6%
11	WIG 20	Poland	Emerging	10.1%	18.5%	66.1%	-5.6%
12	FTSE MIB INDEX	Italy	Developed	1.9%	13.9%	48.4%	11.7%
13	AEX-Index	Netherlands	Developed	2.7%	13.4%	22.8%	7.2%
14	IBEX 35 INDEX	Spain	Developed	2.5%	12.2%	69.3%	12.3%
15	NASDAQ-100 INDEX	United States	Developed	-6.6%	12.0%	20.2%	25.9%
16	**MSCI ACWI**	**Global**	**Global**	**0.0%**	**10.4%**	**20.6%**	**18.0%**
17	BEL 20 INDEX	Belgium	Developed	-0.2%	9.9%	35.1%	10.8%
18	FTSE 100 INDEX	United Kingdom	Developed	5.3%	9.5%	30.9%	7.5%
19	S&P 500 INDEX	United States	Developed	-0.1%	9.4%	16.4%	25.0%
20	OMX STOCKHOLM 30 INDEX	Sweden	Developed	3.5%	9.0%	39.1%	-2.2%
21	S&P/TSX COMPOSITE INDEX	Canada	Developed	2.3%	8.8%	34.4%	11.7%
22	S&P/ASX 200 INDEX	Australia	Developed	3.8%	8.4%	15.2%	2.0%
23	S&P/BMV IPC	Mexico	Emerging	0.9%	8.2%	50.2%	-27.8%
24	BIST 100 INDEX	Turkey	Emerging	-6.4%	8.0%	-5.8%	13.1%
25	OMX HELSINKI 25 INDEX	Finland	Emerging	0.7%	7.0%	49.2%	-5.8%
26	SWISS MARKET INDEX	Switzerland	Developed	1.2%	6.0%	30.9%	-0.3%
27	S&P/NZX 50 Index Gross	New Zealand	Developed	4.1%	3.2%	6.3%	-1.8%
28	CAC 40 INDEX	France	Developed	2.2%	2.5%	25.3%	-5.6%
29	FTSE Bursa Malaysia KLCI	Malaysia	Emerging	3.6%	2.0%	12.7%	20.7%
30	TADAWUL ALL SHARE INDEX	Saudi Arabia	Emerging	-1.9%	0.8%	-12.7%	3.4%
31	HANG SENG INDEX	Hong Kong	Developed	13.1%	0.2%	27.5%	23.6%
32	S&P/CLX IPSA (CLP) TR	Chile	Emerging	-0.8%	0.1%	72.4%	-3.9%
33	DAX INDEX	Germany	Developed	3.5%	0.1%	36.4%	11.7%
34	SHANGHAI SE COMPOSITE	China	Emerging	-5.9%	0.0%	23.6%	13.0%
35	PSEi - PHILIPPINE SE IDX	Philippines	Emerging	3.5%	-1.1%	-8.7%	-0.5%
36	OMX COPENHAGEN 20 INDEX	Denmark	Developed	1.0%	-2.5%	-13.8%	-12.3%
37	HO CHI MINH STOCK INDEX	Vietnam	Emerging	-6.8%	-2.7%	36.5%	8.8%
38	FTSE/JSE AFRICA ALL SHR	South Africa	Emerging	0.1%	-3.6%	56.9%	9.7%
39	DFM GENERAL INDEX	UAE	Emerging	-2.7%	-4.2%	17.2%	34.5%
40	**S&P BSE SENSEX INDEX**	**India**	**Emerging**	**1.3%**	**-13.7%**	**3.8%**	**6.6%**
41	SRI LANKA COLOMBO ALL SH	Srilanka	Emerging	-5.0%	-13.8%	34.2%	70.8%
42	JAKARTA COMPOSITE INDEX	Indonesia	Emerging	9.8%	-32.8%	17.9%	-3.7%

Source: LSEG Workspace

Our July '26 Performance

India Performance Analysis

The Indian markets had started 2026 on a negative note, down 13.3-19.6% in dollar terms and down 13.9-14.4% in rupee terms till March 2026. In fact, till March 2026, India was among the worst performing markets globally. From April 2026 onwards, the Indian markets started making some recovery and were up 10-14% in rupee terms from April-July 2026. Thus, CYTD as on July 2026, Indian markets are down 1.4-5.9% in rupee terms and down 7.9-13.7% in dollar terms.

The overall move in July 2026 was moderately broad-based. In July 2026, the Large-caps were UP 2.4%, while the mid-caps and small-caps were up 0.5-2.1% at the index level. *In India also, similar to the Global scenario, we are seeing that it's not the large cap stocks, but the mid and small caps that are participating in the market move and hence the overall market move is broadening.*

In July 2026, about 53% of the stocks gave positive returns, while about 66% outperformed the markets- a big change from 2025 where while headline indices were up, the average stock was down.

BSE 500 Index	July 2026	2026 CYTD
% Return	2.2%	-1.4%
Outperforming Stocks	42.1%	54.1%
Underperforming Stocks	57.9%	45.9%
Negative Stocks	47.5%	48.7%

Source: LSEG Workspace

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 2026 CYTD, the overall move is largely broad-based with 51% of the stocks UP while only 29% were down more than 10%. Thus, more than half the stocks outperformed the index.

BSE 500 Breadth Stats*	2024		2025		2026 YTD	
	Number	%	Number	%	Number	%
Index Total Returns	**-**	***15.5%***	**-**	***6.9%***	**-**	***-1.4%***
Stocks Return > Index returns	276	*56.2%*	185	*37.0%*	269	54.2%
Stocks Up > 10%	303	*61.7%*	171	*34.2%*	148	33.1%
Stocks Up > 20%	253	*51.5%*	128	*25.6%*	96	21.1%
Stocks Up > 30%	204	*41.5%*	79	*15.8%*	54	12.2%
Stocks with Positive Returns	363	*73.9%*	228	*43.0%*	238	51.2%
Stocks with Negative Returns	128	*26.1%*	272	*57.0%*	260	48.8%
Stocks down > 10%	72	*14.5%*	202	*40.5%*	155	29.1%
Stocks down > 20%	31	*6.2%*	118	*23.6%*	66	13.9%
Stocks down > 30%	14	*2.8%*	59	*11.8%*	21	4.0%
Median Stock Return	***18.7%***		***-4.1%***		**0.7%**	

**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 fell almost to the bottom, though it improved a bit in February 2026 to No.39. In July 2026, its rank is at No.40. In 2026 CYTD, India's return is still way below the global average and it is currently still among the worst performing Global markets.

Our Pure Equity portfolio, the India Super 50 (IS50) was UP 1.8% in July 2026, largely in line with the benchmark, the BSE 500 TR Index as well as the Nifty 50 index, which were up 2.1-2.3% in July 2026.

Our performance in sectors like Consumer Discretionary (largely Autos), Consumer Staples, Financials, Healthcare and Information Technology (IT) were far better than that for the benchmarks. However, we were still slightly behind the benchmark as our position in Materials (i.e. Chemical stocks) were slightly below that of the benchmarks.

In FY27 till July 2026, IS50 is up almost 14%, in line with the BSE 500 Index return and beating the NIFTY 50 Index return by almost 4.3 percentage points.

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	-7.5%	-4.0%	-3.1%
FY 2026-27*	14.2%	9.9%	14.6%
Total Return since Inception*	**172.2%**	**117.7%**	**154.5%**
TWRR since Inception#	**16.7%**	**12.5%**	**15.2%**

**As on 31st July 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 15-18 months from September 2024 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 until recently.

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, in CY25, the median stock was down 4% as compared to the benchmark return of 7%. 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.

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

Sector	Nifty 50			BSE 500		
	CY24	CY25	CY26 (YTD)*	CY24	CY25	CY26 (YTD)*
ETF Return	**10.0**	**12.3**	**-6.0**	**15.8**	**7.7**	**-1.4**
Energy	0.2	2.7	-1.4	0.5	1.7	-0.9
Materials	-0.3	1.4	0.4	0.5	1.4	0.5
Industrials	0.2	1.1	0.2	2.6	0.2	0.8
Consumer Discretionary	1.6	1.5	0.3	3.3	0.5	0.5
Consumer Staples	-0.3	0.4	-0.9	0.1	0.1	-0.7
Health Care	1.5	-0.3	0.4	2.2	-0.2	1.0
Financials	2.3	6.4	-2.6	2.7	5.2	-1.4
Information Technology	2.7	-2.1	-2.3	2.1	-1.7	-1.6
Communication Services	1.5	1.4	-0.2	1.0	0.7	-0.1
Utilities	0.6	-0.1	0.1	0.5	-0.1	0.4

Source: LSEG Workspace
**Till 31st July 2026*

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 July '26

Name	Return	Name	Return	Name	Return
TVS Motors	24.6%	Hero Motorcorp	14.0%	Torrent Pharma	10.9%
Tech Mahindra	20.6%	Bajaj Finance	13.6%	Nestle Ltd	8.1%
Bajaj Auto	18.6%	Infosys Ltd	13.0%	Britannia	7.0%
Tata Consultancy	17.1%	Mahindra & Mahindra	11.9%	Punjab Nat Bank	5.6%
IND Nippon Electricals	16.9%	R Systems	11.7%	Bharat Petro	5.3%

Global Performance Analysis

In July 2026, 67% of the top most Equity markets were UP with Developed markets (DM) outperforming the Emerging markets (EM). However, CYTD the EMs are still outperforming the DMs.

The EMs were down 6.3% as compared to the Developed markets, which were largely flat. Within the Tech driven countries, Taiwan and South Korea, which were the top performing markets in 2025 and in 2026 until June 2026, finally took a breather and were down 8-16.5% in July 2026, though they are still up 44-56% CYTD.

Among the developed markets, US markets which were down 4.6-6.0% till March 2026, rallied 16-26% in April-May 2026, while were down 1.1% in June 2026 and flat in July 2026. MSCI Japan was down 0.9%, while the Eurozone was up 0.1%. Thus, in July 2026, both the Eurozone and the US were largely flat, while CYTD, the ***US is still outperforming the Eurozone by 1.0 percentage points.***

In July 2026, while the S&P 500 was flat, the NASDAQ was down 6.6%. ***Overall, the Global market Index, ACWI was flat in July 2026 and is up 10.4% CYTD.***

FIRST GLOBAL

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In 2026, the technology sector, which was a major contributor to ACWI's return in CY24 and CY25, was UP and contributed to 52% of ACWI's return of 11.8%. For the S&P 500 Index also, the tech sector, which contributed to more than 44% of S&P 500's return in CY25, contributed to 54% of S&P's return of 10.4% CYTD.

However, the Mag 7 stocks, which contributed to 43% of S&P 500's return in CY25, have contributed to just 16% of S&P 500 Index's return of 10.4% in 2026 CYTD. Both in the US and Globally, we are seeing that Leadership has shifted from Big Tech to broader markets and old-economy sectors, especially small caps. While AI spending remains strong, gains are concentrated in suppliers like semiconductors and infrastructure, not tech giants, signalling a deeper market rotation and changing drivers of global equity performance. The current trend indicates a clear rotation from large caps to small caps, as well as a recovery in old economy stocks.

The same pattern is visible not just in the US markets but in the Global markets.

Bond markets were down, with the Global Aggregate Index down 2.5% in July 2026. Commodities were up 7.5% in July 2026, primarily led by the strong 15.6% up-move seen in the Energy sub index while the Precious metals index was down 0.1%. Crude oil was UP 24% in July 2026, while Gold and Silver were in the range of -1.2% to 1%.

Out of the top 3000 Global companies/stocks in terms of market cap, almost 45% of the stocks were UP, though 51% underperformed the ACWI Index. Thus, the market move in July 2026 was pretty much broad.

	July-CY26			CY26		
	MSCI ACWI Index	S&P 500 Index	Nasdaq 100 Index	MSCI ACWI Index	S&P 500 Index	Nasdaq 100 Index
% Return	0.1%	-0.1%	-6.2%	11.8%	10.4%	14.2%
Top 10 Stocks Contribution	0.9%	1.1%	-1.14%	2.01%	2.1%	5.3%
% of 10 stocks to total move	-0.8%	-1.1%	-5.06%	9.8%	8.2%	8.9%
Outperforming Stocks	NM	NM	18.4%	17.1%	20.4%	37.1%
Underperforming Stocks	66.2%	60.8%	69.6%	38.7%	47.6%	35.3%
Negative Stocks	33.8%	39.2%	30.4%	61.3%	52.4%	64.7%

Source: LSEG Workspace *NM-Not meaningful*

For our benchmarks, the S&P Aggressive 80:20 and 60:40 Indices, the key sector moves were in Financials, Healthcare and Consumer Discretionary.

The US Dollar Index, DXY was down 1.3% in July 2026 and is UP 1.6% CYTD.

Cross-Asset Performance for July 2026 and CYTD

Cross-Asset Performance	July '26	2026 CYTD	Cross-Asset Performance	July '26	2026 CYTD
Equities			**Bonds**		
MSCI Japan	-0.9%	14.4%	VanEck EM High Yield ETF	-0.2%	3.3%
S&P 500	0.0%	9.5%	Bloomberg Global High Yield	-0.4%	-4.0%
NASDAQ 100	-6.6%	12.4%	Bloomberg Pan European High Yield	-1.9%	-1.7%
MSCI ACWI	0.0%	10.4%	Bloomberg EM USD Aggregate	-1.3%	0.7%
MSCI Eurozone	0.1%	8.5%	Bloomberg Pan European Aggregate	-1.7%	-1.5%
MSCI India	0.8%	-7.9%	Bloomberg Global Aggregate	-2.5%	-4.3%
Core MSCI International Developed Markets	1.7%	9.7%			
EM ex-China	-10.0%	26.7%			
MSCI Emerging Markets	-6.3%	17.1%			
MSCI Asia ex-Japan	-2.5%	19.7%			
MSCI China	9.4%	-7.1%			
Bloomberg Latin America Index	4.8%	18.4%			
REITs	**July '26**	**2026 CYTD**	**Commodities**	**July '26**	**2026 CYTD**
S&P Global REIT	2.4%	12.5%	Bloomberg Livestock Subindex	-2.7%	0.1%
Vanguard Global ex-US REITs ETF	2.6%	0.1%	Bloomberg Precious Metals Subindex	-0.1%	-7.7%
Vanguard US REITs ETF	2.6%	10.9%	Bloomberg Energy Subindex	15.6%	60.2%
			Bloomberg Commodity Index	7.5%	23.0%
			Bloomberg Industrial Metal Subindex	3.7%	10.5%
			Bloomberg Agriculture Subindex	6.0%	11.0%

Source: LSEG, Trading Economics

In July 2026, our well-diversified Global portfolios OUTPERFORMED the benchmarks as Commodities, which is part of our portfolio gave a strong move and contributed to our portfolio. Our Global Multi-Asset fund and portfolios were Up 0.3-0.9% in July 2026, as against the benchmarks, which were down 0.4-0.6%.

For 2026 CYTD, our global portfolios are up 5.0-5.6%, largely in line with the benchmark return of 6.8-9.2%.

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 '26

Name	Country	Return	Name	Country	Return	Name	Country	Return
Fujian Wanchen Biotechnolo-A	China	26.0%	Zhejiang Cfmoto Power Co L-A	China	19.7%	Sonicshares Global Shipping	United States	16.2%
Microsoft Corp	US	24.6%	Ryohin Keikaku Co Ltd	Japan	18.0%	Rheinmetall AG	Germany	15.1%
CME Group Inc	US	21.3%	SEI Investments Co	United States	17.4%	Corpay Inc	United States	14.6%
Cintas Corp	US	20.3%	Yankershop Food Co Ltd-A	China	16.7%	Marsh & Mclennan Cos Inc	United States	14.5%

FG-GFIP Performance Analysis

In July 2026, investment-grade global bonds broadly declined, with the Bloomberg Global Aggregate Bond Index, down roughly 0.5% for the month. Global high yield bonds were close to flat (our benchmark's high yield component was down about 0.3%), while Global REITs rallied sharply, up roughly 2.4% on a benchmark basis. Fixed income markets in the US came under pressure in July as yields rose on hawkish Fed commentary and renewed rate-hike concerns, with the 2-year Treasury note climbing from around 4.16% in early July to roughly 4.3% by month-end.

July 2026 saw renewed pressure in global fixed income markets, with government bond yields moving higher across most developed markets as hawkish central bank signals and persistent inflation concerns led investors to scale back expectations of near-term policy easing.

In the United States, the 10-year Treasury yield rose from around 4.42% to 4.74% during July as the Federal Reserve kept rates unchanged but delivered a hawkish message, with three policymakers dissenting in favor of a rate hike. Although consumer inflation expectations eased and sentiment improved, inflation remained elevated enough to support expectations of a September rate hike.

In Japan, the Bank of Japan kept its policy interest rate unchanged at 1.0% in July, in line with market expectations. However, it warned that inflation risks have increased, mainly because higher energy prices could push up the cost of goods and services. BOJ Governor Kazuo Ueda also said the central bank needs to remain watchful of inflation. As a result, investors continued to expect another interest rate hike later this year, even though no action was taken in July.

The ICE BofA MOVE Index, a widely followed measure of US Treasury market volatility, moved higher during July as investors reassessed the interest rate outlook following the Federal Reserve's hawkish policy stance. Persistent inflation concerns, geopolitical tensions, and uncertainty over the Fed's next policy move kept Treasury market volatility elevated during the month

Across the euro area, government bond yields moved higher during July as investors reduced expectations of near-term interest rate cuts following the European Central Bank's cautious policy stance and renewed concerns over energy-driven inflation. The ECB kept interest rates unchanged and reiterated that future policy decisions would remain data dependent. Manufacturing activity improved, although new demand remained weak, while the region's economy continued to expand modestly. Markets continued to price in the possibility of further policy tightening if inflation remained elevated.

In Australia, stronger labour market data and persistent underlying inflation reinforced expectations that the Reserve Bank of Australia would keep interest rates higher for longer. Although headline inflation eased, policymakers continued to signal caution on policy easing, supporting expectations that monetary policy would remain restrictive.

In July 2026, our GFIP portfolio was down 0.91%, underperforming the benchmark's roughly flat -0.05% return. The shortfall was driven primarily by weakness in our convertible bond sleeve (ICVT, down 6.91% on continued tech-sector softness) and our investment-grade satellite holding (down 1.28%), compounded by our underweight to REITs, which rallied this month. This was partly offset by our underweight to credit risk in high yield and our cash-equivalent positioning, both of which continued to add value versus the benchmark. The total return since inception for GFIP still meaningfully outperforms the benchmark, standing at **14.18%**, as against the benchmark's **0.22%** since inception.

The investment strategy continues to run underweight interest rate risk, with a duration of **4.34** versus **5.21** for the benchmark. The yield-to-maturity (YTM) for the GFIP portfolio is now **4.46%**, against **4.28%** for the benchmark. The focus remains on high quality investment grades, while closely monitoring markets where yields have moved sharply higher on renewed rate-hike concerns - a reversal from the rate-cut expectations that shaped positioning earlier in the year.

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