TATA CAPITAL WEALTH

ATLAS

Monthly Market Review
July 2026

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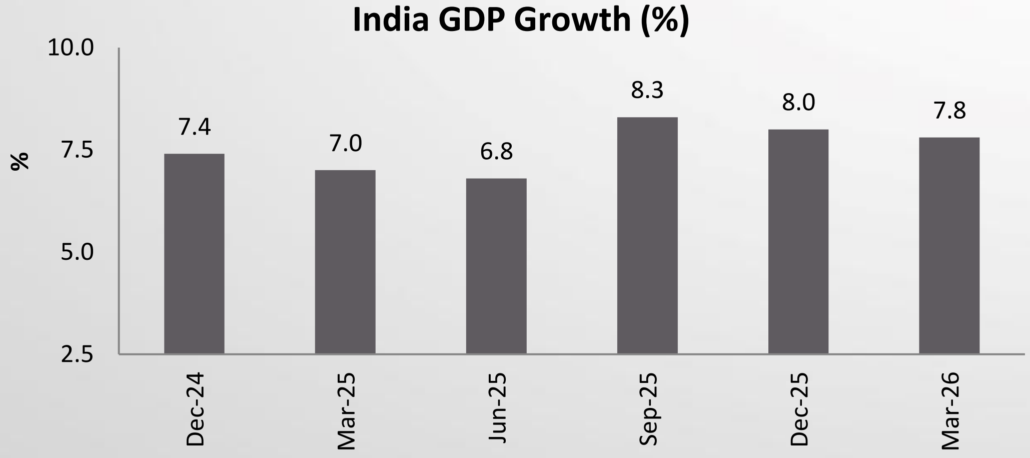
MACRO ECONOMIC INDICATORS

GDP and Current Account Deficit Trend

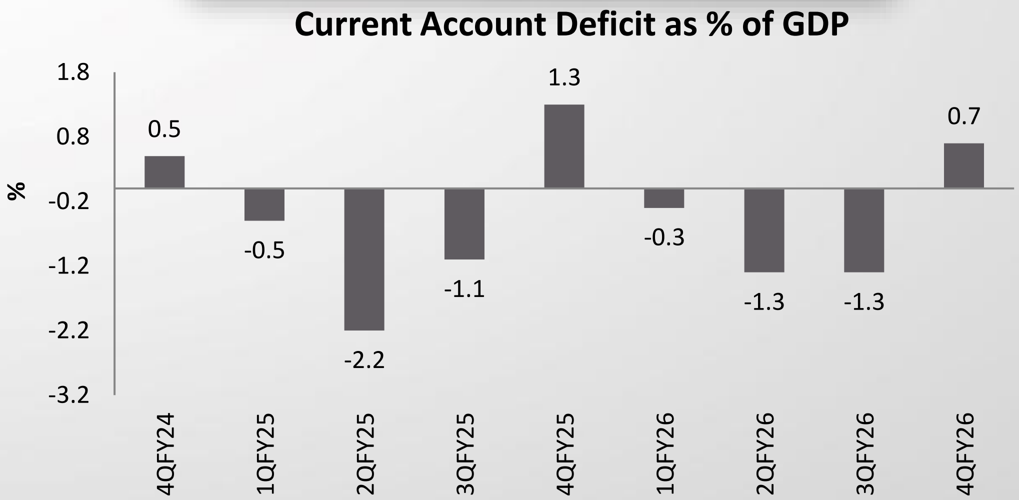
MACRO

GDP grew by 7.8% YoY in 4QFY26



Source: Refinitiv

Current a/c balance recorded a surplus in 4QFY26



Source: Refinitiv

GDP of the Indian economy at constant (2022-23) prices witnessed a growth of 7.8% YoY in the fourth quarter of FY26. In the Jan-Mar quarter of last year, the GDP growth rate was 7.0%.

According to the RBI data, India's current account recorded a surplus of US$ 7.1 billion (0.7% of GDP) in 4QFY26, compared with a higher surplus of US$ 13.7 billion (1.3% of GDP) in 4QFY25.

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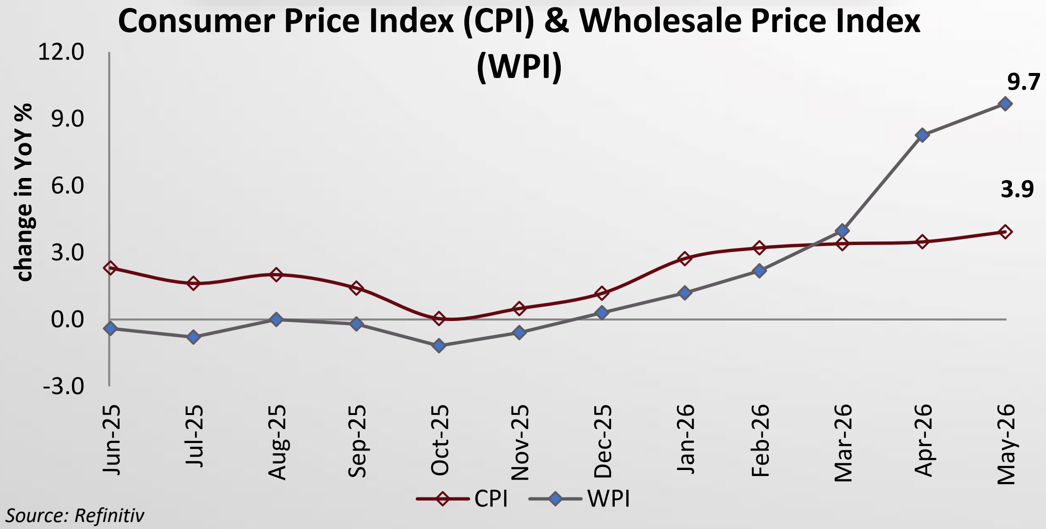
MACRO ECONOMIC INDICATORS

Inflation and Trade Data Trend

MACRO

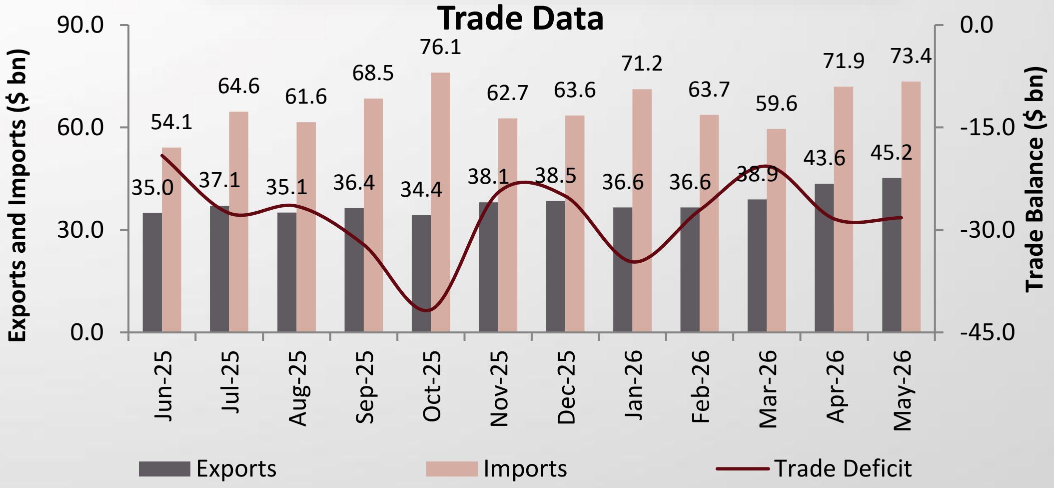
CPI inflation rose in May 2026



Source: Refinitiv

CPI-based inflation rose to 3.93% in May 2026, driven largely by higher food prices. WPI-based inflation rose 9.68% YoY in May 2026, accelerating from a marginally revised 8.26% increase in Apr 2026.

Trade deficit widened YoY in May 2026



Source: Refinitiv

Merchandise trade deficit widened to $28.21 billion in May 2026, compared with $22.56 billion in May 2025. Exports increased 18.02% YoY, while imports rose 20.62% YoY over the same period.

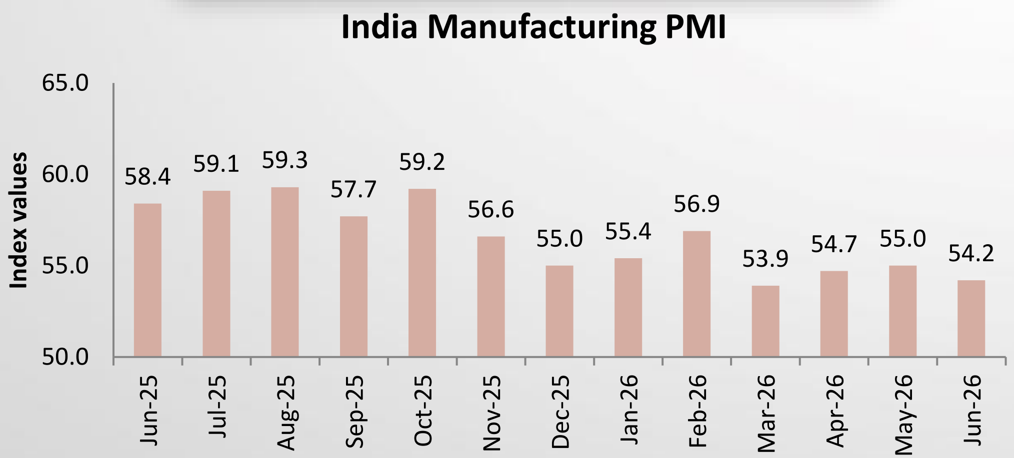
MACRO ECONOMIC INDICATORS

Manufacturing and Services PMI Trend

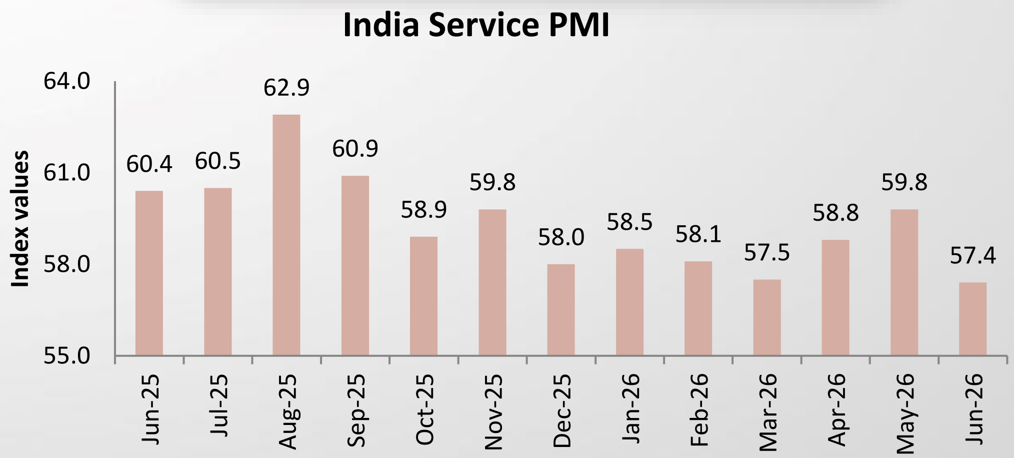
MACRO

Manufacturing PMI eased in Jun 2026

Services PMI decreased in Jun 2026



Source: Refinitiv; PMI >50 denotes expansion and <50 is contraction



Source: Refinitiv; PMI >50 denotes expansion and <50 is contraction

Manufacturing PMI eased to 54.2 in Jun 2026 from 55.0 in May 2026, as growth in international sales, output, purchasing activity, and employment moderated.

Services PMI fell to 57.4 in Jun 2026 from 59.8 in May 2026, as domestic demand softened, client interest weakened across some service segments, and hiring activity remained broadly stagnant.

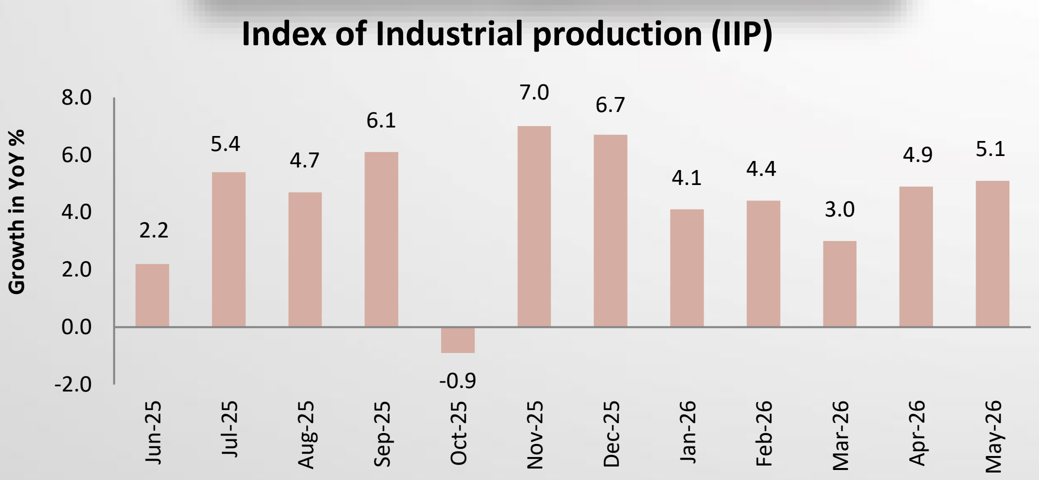
MACRO ECONOMIC INDICATORS

IIP and GST Trend

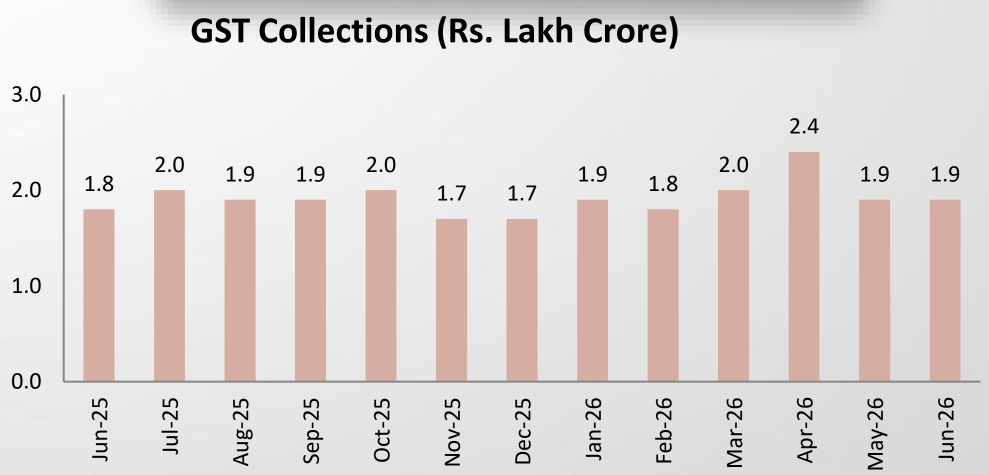
MACRO

Industrial production accelerated in May 2026

GST revenue rose YoY in Jun 2026



Source: Refinitiv



Source: PIB

The Index of Industrial Production expanded by 5.1% YoY in May 2026, picking up from the 4.9% increase in the previous month, based on the revised IIP series with 2022–23 as the base year.

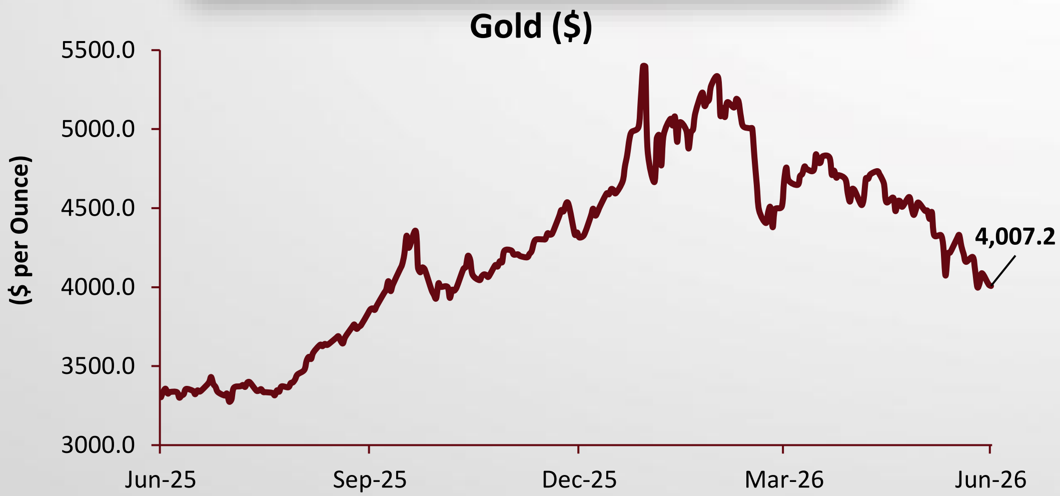
Total gross Goods and Services Tax (GST) revenue grew 13.9% YoY to Rs. 1.95 lakh crore in Jun 2026 from Rs. 1.71 lakh crore in Jun 2025.

MACRO ECONOMIC INDICATORS

International Gold and U.S. 10 Year Treasury Trend

MACRO

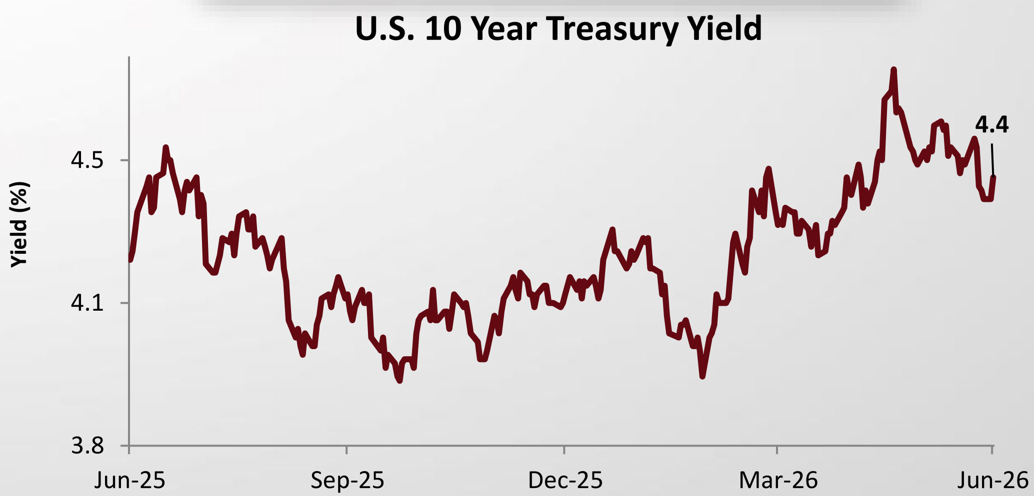
Gold prices fell MoM in Jun 2026



Source: Refinitiv

Gold prices fell as strong U.S. payroll data for May 2026 reinforced expectations of a Fed rate hike and prolonged higher interest rates amid inflation concerns.

U.S. Treasury yields fell MoM in Jun 2026



Source: Refinitiv

U.S. Treasury prices rose as lower oil prices supported sentiment, though gains were capped by stronger-than-expected May 2026 U.S. payroll data, which reinforced expectations of a Fed rate hike.

Gold data as on 30th Jun 2026; U.S. 10 Year Treasury Yield data as on 30th Jun 2026

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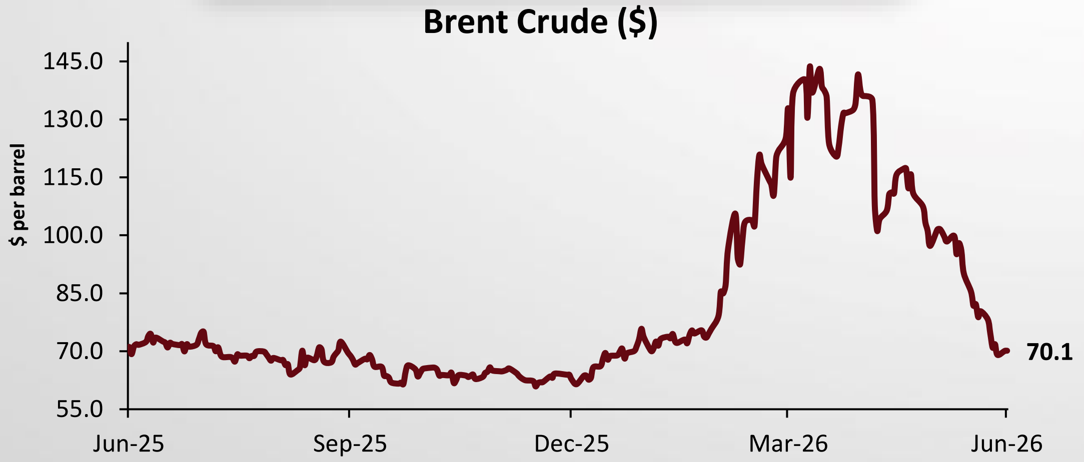
MACRO ECONOMIC INDICATORS

Crude and USD/INR Currency Trend

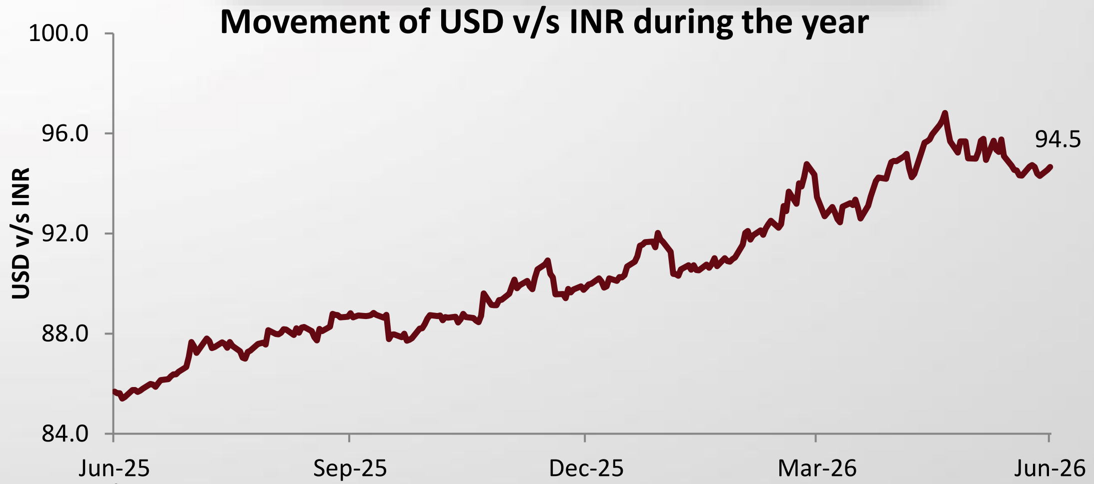
MACRO

Crude oil prices fell MoM in Jun 2026

Rupee rose against U.S. dollar on MoM in Jun 2026



Source: Refinitiv



Source: Refinitiv

Brent crude oil prices fell amid easing geopolitical tensions after the U.S. President and his Iranian counterpart remotely signed a preliminary agreement to end the 110-day conflict.

Indian rupee rose against the U.S. dollar as global crude oil prices dropped sharply following the U.S. President's announcement that the U.S. and Iran had finalized a deal to end the conflict.

Brent Crude data as on 30th Jun 2026; Rupee data as on 30th Jun 2026

EVENT UPDATE

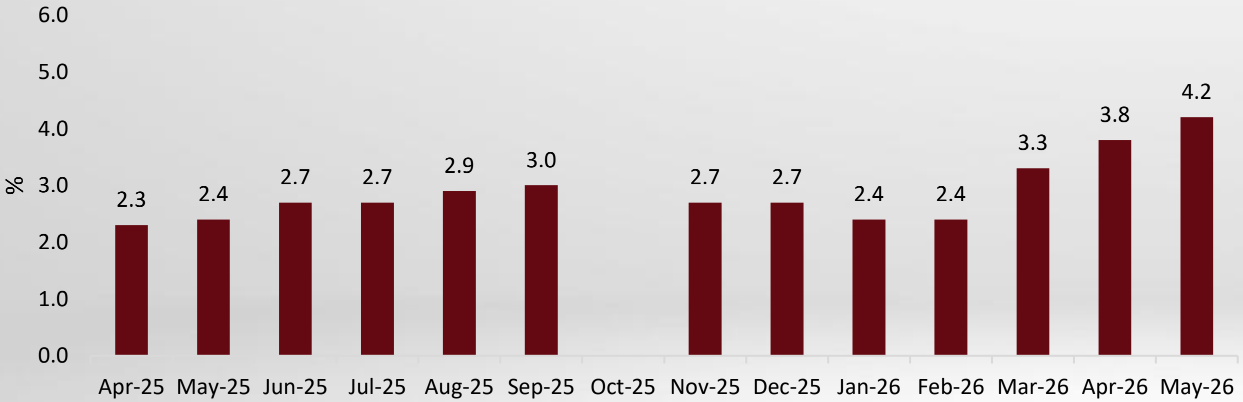
U.S. Fed maintained the interest rate in Jun 2026

MACRO

Key Highlights

- The Federal Reserve, on Jun 17, 2026, announced its widely expected decision to **leave interest rates unchanged**. The Fed said it would **maintain the target range for the federal funds rate at 3.50% to 3.75%**, citing its dual goals of maximum employment and inflation at a rate of 2% over the longer run.

U.S. Inflation(%)



Source: Refinitiv

Note: The monthly Consumer Price Index (CPI) report for Oct-25 was not released due to a federal government shutdown.

U.S inflation Peaking

- The **U.S. Consumer Price Index rose by 0.5% MoM in May 2026** after increasing by 0.6% in Apr 2026, according to the Labor Department. **The annual rate of consumer price growth accelerated to 4.2% in May**, up from 3.8% in Apr 2026.

To Conclude

- The Federal Open Market Committee (FOMC) seeks **to achieve maximum employment and inflation at a rate of 2% over the longer run**. Uncertainty about the economic outlook remains elevated, and the Committee is attentive to risks on both sides of its dual mandate. In support of its objectives, the Committee decided to maintain the target range for the federal funds rate at 3.50% to 3.75%. In considering the extent and timing of any additional adjustments to the target range, **the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks.**

DOMESTIC & GLOBAL

Equity Market Update

INDIAN EQUITY MARKET DASHBOARD

June 2026

DOMESTIC

Index Name (Broader Market Indices)	Absolute (%)				CAGR(%)		
	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
BSE Sensex	2.61	6.85	-9.73	-7.55	6.97	9.12	12.31
Nifty 50	1.67	7.40	-8.10	-5.42	8.80	9.98	12.50
Nifty 100	1.52	9.39	-6.10	-3.64	10.46	10.53	12.78
Nifty 500	1.71	12.40	-3.20	-1.71	12.92	12.40	13.89
Nifty Midcap 150	0.98	17.36	2.53	4.22	20.03	18.28	18.23
Nifty Smallcap 250	4.34	24.14	6.41	0.15	19.60	16.80	15.42
Nifty Microcap 250	6.41	33.20	11.70	4.40	24.68	22.45	20.31
Sectoral Indices							
Nifty Bank	6.41	14.99	-2.97	1.20	9.61	11.46	13.01
Nifty Realty	6.00	27.41	-5.49	-15.64	17.20	19.62	15.69
Nifty Healthcare	4.93	13.75	10.55	12.22	22.53	13.66	11.02
Nifty PSU Bank	4.20	8.60	0.26	18.81	28.24	28.84	12.72
Nifty Pharma	4.11	14.04	11.82	15.73	23.42	12.94	9.31
Nifty Auto	0.66	11.70	-5.66	12.18	21.57	21.26	12.72
Nifty Infrastructure	0.56	9.99	-1.96	0.70	18.90	17.87	14.24
Nifty FMCG	-0.97	7.50	-11.67	-10.33	-0.72	7.94	10.17
Nifty Oil & Gas	-1.34	2.44	-9.44	-5.50	14.61	11.67	15.92
Nifty Energy	-2.70	14.15	13.04	10.06	18.77	16.73	18.70
Nifty Metal	-6.51	12.89	12.92	32.75	27.33	20.68	21.38
Nifty IT	-9.56	-9.01	-29.86	-31.03	-1.78	0.00	11.23

- Domestic equity markets advanced, supported by a decline in crude oil prices after the U.S. President announced a tentative peace agreement with Iran. Market gains were further reinforced by growing optimism surrounding a potential bilateral trade agreement between the U.S. and India.

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Data as on 30th Jun 2026. Performance shown is for Total Return Index. Source: NSE, BSE

BROADER MARKET INDICES PERFORMANCE

Calendar Year wise

DOMESTIC

2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	2025 (%)	CYTD (%)
Nifty Smallcap 250 58.5	BSE Sensex 7.2	BSE Sensex 15.7	Nifty Smallcap 250 26.5	Nifty Smallcap 250 63.3	BSE Sensex 5.8	Nifty Smallcap 250 49.1	Nifty Smallcap 250 27.2	Nifty 50 11.9	Nifty Smallcap 250 6.4
Nifty Midcap 150 55.7	Nifty 50 4.6	Nifty 50 13.5	Nifty Midcap 150 25.6	Nifty Midcap 150 48.2	Nifty 50 5.7	Nifty Midcap 150 44.6	Nifty Midcap 150 24.5	BSE Sensex 10.4	Nifty Midcap 150 2.5
Nifty 500 37.7	Nifty 100 2.6	Nifty 100 11.8	Nifty 500 17.9	Nifty 500 31.6	Nifty 100 4.9	Nifty 500 26.9	Nifty 500 16.2	Nifty 100 10.2	Nifty 500 -3.2
Nifty 100 32.9	Nifty 500 -2.1	Nifty 500 9.0	BSE Sensex 17.2	Nifty 100 26.4	Nifty 500 4.2	Nifty 50 21.3	Nifty 100 13.0	Nifty 500 7.8	Nifty 100 -6.1
Nifty 50 30.3	Nifty Midcap 150 -12.6	Nifty Midcap 150 0.6	Nifty 50 16.1	Nifty 50 25.6	Nifty Midcap 150 3.9	Nifty 100 21.2	Nifty 50 10.1	Nifty Midcap 150 6.0	Nifty 50 -8.1
BSE Sensex 29.6	Nifty Smallcap 250 -26.1	Nifty Smallcap 250 -7.3	Nifty 100 16.1	BSE Sensex 23.2	Nifty Smallcap 250 -2.6	BSE Sensex 20.3	BSE Sensex 9.5	Nifty Smallcap 250 -5.5	BSE Sensex -9.7

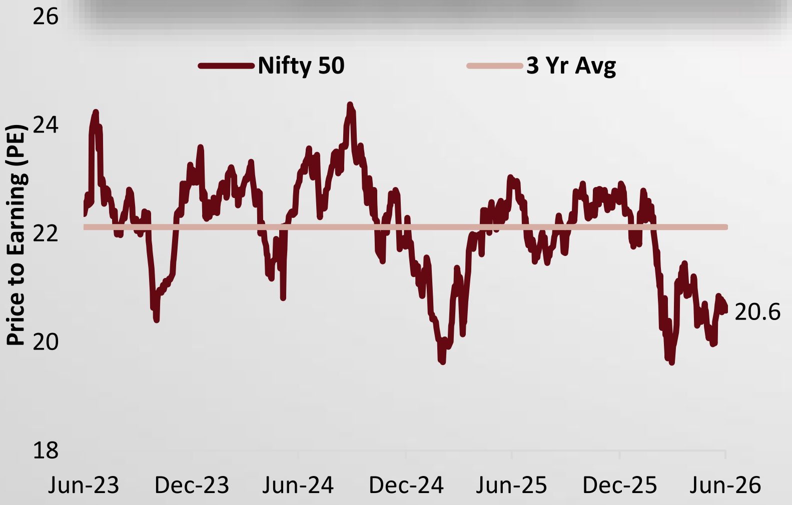
- On CYTD basis, Nifty Smallcap 250 witnessed the highest gain, while BSE Sensex followed by Nifty 50 witnessed the highest fall.
- Out of nine full calendar years, the Nifty Smallcap 250 has been the top performer in five years.

RELATIVE TRAILING VALUATIONS (P/E)

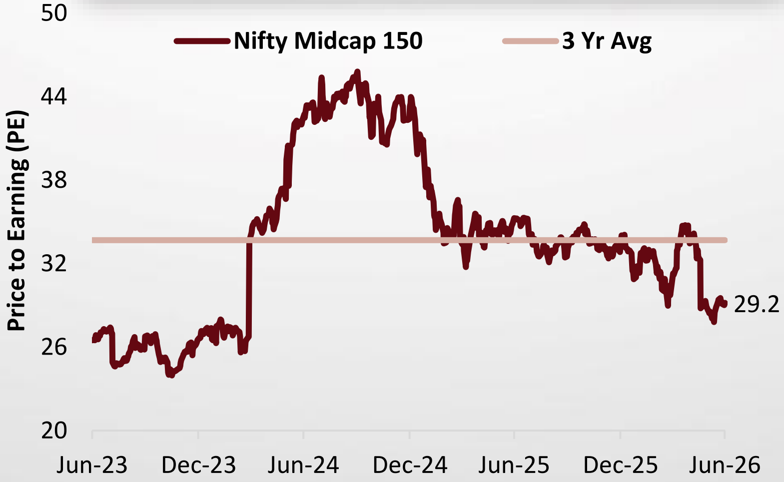
Large Cap vs Mid Cap vs Small Cap

DOMESTIC

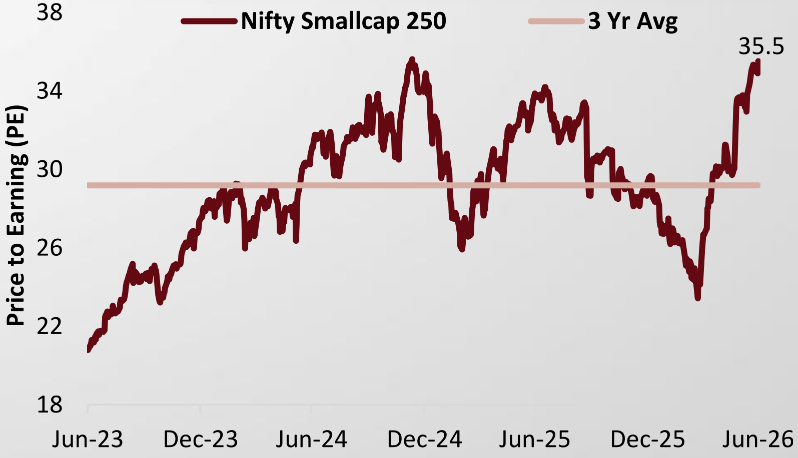
Nifty 50 trailing PE remained below the 3-year average mark



Nifty Midcap 150 trailing PE remained below the 3-year average level



Nifty Smallcap 250 trailing PE remained above the 3-year average level

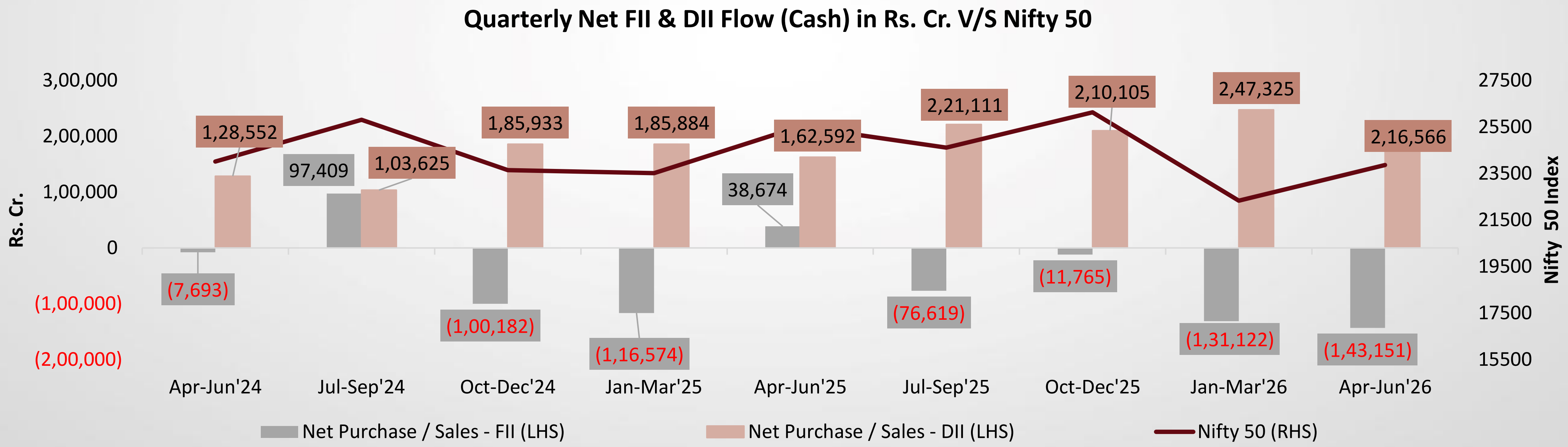


- Large cap & Midcap are trading below their 3-year average level, while Small cap is trading above their 3-year average level.

EQUITY FLOWS

Quarterly FII & DII Flows

DOMESTIC



- FIIs were net sellers in equity segment in Jun 2026 for the fourth consecutive month, with an outflow of Rs. 49,340 crore.
- Mutual funds have been net buyers in equity segment in the last 64 months till Jun 2026, except Apr 2023 and Aug 2022.

Data as on 30th Jun 2026. Source: NSE, FPI NSDL

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GLOBAL EQUITY MARKET DASHBOARD

June 2026

GLOBAL

Emerging Markets	Index	Absolute (%)					CAGR(%)		
		1 Month	3 Months	YTD	6 Months	1 Year	2 Years	3 Years	5 Years
Taiwan	Taiwan TAIEX	3.11	45.40	59.25	59.25	107.25	41.38	39.66	21.03
India	**Nifty 50**	**1.35**	**6.87**	**-8.66**	**-8.66**	**-6.47**	**-0.30**	**7.53**	**8.70**
China	Shanghai Composite	0.63	5.20	3.16	3.16	18.87	17.41	8.53	2.66
South Korea	Kospi	0.00	67.77	101.14	101.14	175.95	73.80	48.91	20.78
Brazil	Brazil Ibovespa	-1.01	-8.24	6.76	6.76	23.89	17.77	13.35	6.29
Indonesia	Jakarta Composite	-7.90	-19.93	-34.74	-34.74	-18.54	-10.59	-5.36	-1.17
Developed Markets									
Japan	Nikkei 225	5.63	37.21	39.18	39.18	73.05	32.94	28.25	19.45
Europe	Euro Stoxx 50 Pr	4.59	13.62	9.27	9.27	19.32	13.67	12.87	9.25
France	CAC 40	2.70	7.51	3.12	3.12	9.63	5.98	4.33	5.24
UK	FTSE 100	0.84	3.15	5.70	5.70	19.82	13.35	11.69	8.32
Germany	DAX	-0.43	10.21	2.06	2.06	4.54	17.03	15.66	9.98
US	Russell 3000	-2.72	16.89	5.59	5.59	17.60	16.82	21.45	12.32

- Asian equity markets closed mixed as easing Middle East tensions improved risk appetite. However, gains were limited by weakness in semiconductor and AI-related stocks, along with concerns that strong U.S. economic data could lead to further Federal Reserve rate hikes.
- U.S. markets declined as investors assessed emerging risks in artificial intelligence pricing dynamics and shifting industry strategies, while broader uncertainty kept risk appetite subdued

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Data as on June 2026 end. Source: Refinitiv

GLOBAL MARKET INDICES PERFORMANCE

Calendar Year wise

GLOBAL

2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	2025 (%)	CYTD (%)
Hong Kong 36.0	India 3.2	U.S 34.2	U.S 36.9	U.S 25.0	India 4.3	U.S 40.0	U.S 31.6	Hong Kong 27.8	Japan 39.2
India 28.7	U.S -3.3	Germany 25.5	Japan 16.0	India 24.1	U.K. 0.9	Japan 28.2	Japan 19.2	Japan 26.2	U.K. 5.7
U.S 27.8	Japan -12.1	China 22.3	India 14.9	Germany 15.8	Japan -9.4	Germany 20.3	Germany 18.9	Germany 23.0	U.S 5.6
Japan 19.1	U.K. -12.5	Japan 18.2	China 13.9	U.K. 14.3	Germany -12.4	India 20.0	Hong Kong 17.7	U.K. 21.5	China 3.2
Germany 12.5	Hong Kong -13.6	U.K. 12.1	Germany 3.6	Japan 4.9	China -15.1	U.K. 3.8	China 12.7	China 18.4	Germany 2.1
U.K. 7.6	Germany -18.3	India 12.0	Hong Kong -3.4	China 4.8	Hong Kong -15.5	China -3.7	India 8.8	U.S 17.5	India -8.7
China 6.6	China -24.6	Hong Kong 9.1	U.K. -14.3	Hong Kong -14.1	U.S -29.6	Hong Kong -13.8	U.K. 5.7	India 10.5	Hong Kong -10.7

- On a CYTD basis, Japan has been the top gainer, followed by U.K., while Hong Kong followed by India remained the lowest performers.
- Out of the past nine full calendar years, U.S. markets have been the top performer in five years.

CYTD Performance as on June 2026 end. Source: Refinitiv, NSE

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Index used for each of the Equity Markets: U.S. – Russell 3000, China – SSE Composite, Germany - DAX, Hong Kong – Hang Seng, India Nifty 50, U.K. – FTSE 100, Japan – Nikkei 225

TATA CAPITAL WEALTH

ASSET CLASS PERFORMANCE

Calendar Year wise

ASSET CLASS

2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	2025 (%)	CYTD (%)
Indian Equity 37.7	Gold 7.9	Intl 34.2	Intl 36.9	Indian Equity 31.6	Gold 13.9	Intl 40.0	Intl 31.6	Gold 74.7	Gold 6.2
Intl 27.8	Cash 6.9	Gold 23.8	Gold 28.0	Intl 25.0	Cash 4.8	Indian Equity 26.9	Gold 20.6	Intl 17.5	Intl 5.6
Real Estate 7.2	G-Sec 6.2	G-Sec 10.6	Indian Equity 17.9	Cash 3.2	Real Estate 4.5	Gold 15.4	Indian Equity 16.2	Indian Equity 7.8	Cash 3.2
Cash 6.6	Real Estate 5.1	Indian Equity 9.0	G-Sec 11.2	Real Estate 3.1	Indian Equity 4.2	Cash 6.9	G-Sec 8.8	Cash 6.4	G-Sec 2.8
Gold 5.1	Indian Equity -2.1	Cash 6.5	Cash 4.0	G-Sec 2.3	G-Sec 2.3	G-Sec 6.8	Cash 7.2	G-Sec 4.2	Real Estate 0.2
G-Sec 2.3	Intl -3.3	Real Estate 3.0	Real Estate 2.2	Gold -4.2	Intl -29.6	Real Estate 3.0	Real Estate 6.9	Real Estate 3.6	Indian Equity -3.2

- On CYTD basis, Gold remained at the top followed by International Equity, while Indian Equity followed by Real Estate remained the lowest performers.
- Out of the past nine full calendar years, Indian equities and Gold has been among the top three gainers.

CYTD Performance as on June 2026 end. Source: RBI, NSE, Refinitiv, MCX

Index used for each of the Asset Class: Gold: Domestic Prices of Gold, Real Estate: House Price Index (Data updated upto March 2026), Intl: Russell 3000 Index, Indian Equity: Nifty 500, Cash: Category average of Liquid funds of Regular Plan Growth Option, G-Sec: Category average of Gilt funds of Regular Plan Growth Option

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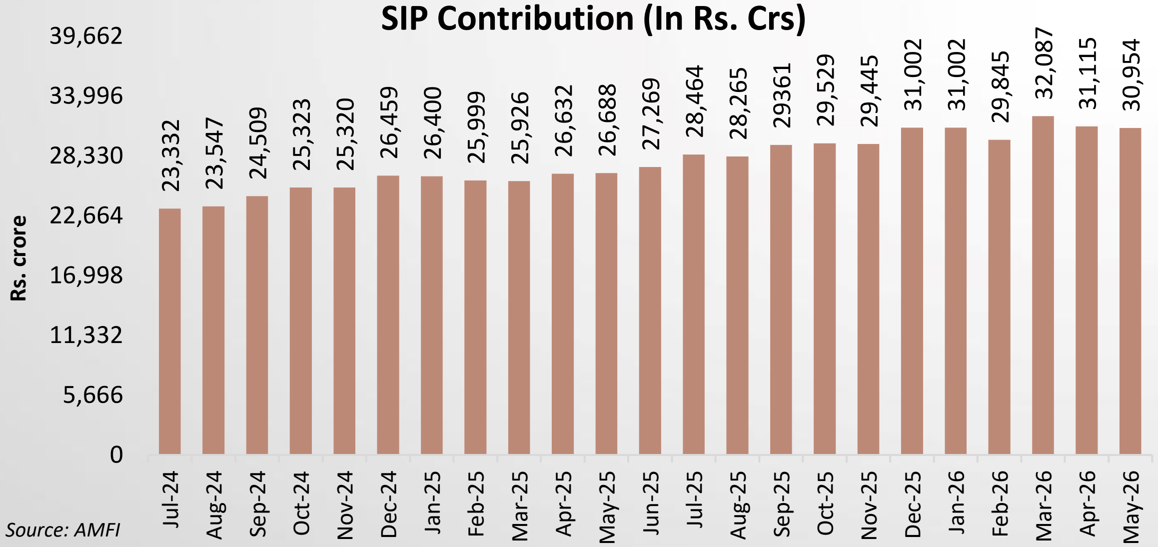
MUTUAL FUNDS

SIP Flows and SIP Returns Data

DOMESTIC



Source: AMFI

- According to AMFI, monthly SIP inflows stood at Rs. 30,954 crore in May 2026. SIP AUM increased to Rs. 17.12 lakh crore, compared with Rs. 16.85 lakh crore in Apr 2026, while the number of outstanding SIP accounts stood at 1,046.72 lakh.

Equity Broad MF category	Category average SIP returns (%)		
	3-year	5-year	10-year
Large cap	4.6	8.5	11.5
Large & Mid cap	8.8	12.8	14.5
Flexi cap	6.8	10.8	13.5
Multi cap	9.5	13.2	15.6
Mid cap	**11.9**	15.7	17.3
Small cap	11.5	**15.8**	**18.4**
Focused	7.1	10.7	13.2
Value	7.7	12.7	14.6

- Mid cap category remained top performer in 3- year period, while Small cap category remained top performer in 5- & 10- year periods.

Performance is of regular plan growth option for SIP returns.
SIP performance as on 30th Jun 2026. Source: AMFI India, MFI 360 Explorer
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TATA CAPITAL WEALTH

CATEGORY PERFORMANCE

Equity Mutual Funds

CATEGORY PERFORMANCE

Category	Absolute Returns (%)			CAGR (%)			
	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Large Cap	1.94	9.60	-4.35	-3.65	10.65	10.22	11.73
Large & Mid Cap	2.44	14.39	0.63	0.15	15.25	13.89	14.17
Flexi Cap	2.78	13.85	-0.18	-0.61	13.11	11.94	13.46
Multi Cap	2.98	16.70	2.72	1.85	16.15	14.50	14.88
Mid Cap	2.46	17.86	5.02	4.16	18.86	16.39	16.01
Small Cap	5.16	24.25	10.57	6.05	17.68	17.06	16.94
Focused	2.80	14.23	-0.27	-0.19	12.96	11.95	13.19
Value	2.03	13.04	0.09	1.16	15.41	14.28	13.99
Index:							
Nifty 100	1.52	9.39	-6.10	-3.64	10.46	10.53	12.78
Nifty 500	1.71	12.40	-3.20	-1.71	12.92	12.40	13.89
Nifty Midcap 150	0.98	17.36	2.53	4.22	20.03	18.28	18.23
Nifty Smallcap 250	4.34	24.14	6.41	0.15	19.60	16.80	15.42

- In the last one-month, Small Cap followed by Multi Cap categories rose the most, while Large Cap category witnessed the least gain.
- It is to be worth noted that all the equity categories witnessed positive returns for 3 year and above periods.

Performance is of regular plan growth option. MF Category average performance as on 30th Jun 2026. Performance shown is for Total Return Index. Source: NSE, MFI 360 Explorer. https://www.icraanalytics.com/terms-of-use/disclaimer

EQUITY MARKET ROUNDUP

Key Takeaways & Outlook

DOMESTIC

Domestic & Global factors that played out for the Indian markets:

- Domestic equity markets advanced, supported by a **decline in crude oil prices after the U.S. president announced a tentative peace agreement with Iran, easing inflation concerns and improving overall investor sentiment.** Market gains were further reinforced by optimism surrounding a potential U.S. - India bilateral trade agreement. Additionally, the RBI Governor's indication that discussions on interest rate hikes were premature, strengthened expectations of a supportive domestic monetary policy environment.
- However, the upside remained limited as stronger-than-expected U.S. labour market data and stable inflation readings for May 2026 heightened expectations that the U.S. Federal Reserve could maintain a restrictive monetary policy stance for longer, tempering risk appetite across global markets.

Outlook:

- The domestic equity market outlook remains cautiously positive, supported by easing geopolitical tensions, lower crude oil prices, and expectations of a gradual recovery in corporate earnings. Additional crude supply from countries such as Iran, Venezuela, and the UAE could further improve global energy availability, benefiting both the global economy and India. Market participants will closely monitor Q1FY27 earnings, southwest monsoon progress, inflation trends, central bank actions, earnings recovery, and AI-led investments. While June-quarter earnings may remain subdued, growth is expected to improve through FY27, aided by lower input costs and resilient domestic demand.
- **Diversified equity categories such as Flexi cap and Multi cap strategies provide exposure across market segments and could help investors navigate changing market conditions. Staggered investment approach through SIP/STP can be implemented to capture current volatility. Hybrid categories, such as Balanced Advantage, Multi Asset Allocation and Aggressive Hybrid participates in equities while aiming to manage near-term volatility.**

DOMESTIC & GLOBAL

Debt Market Update

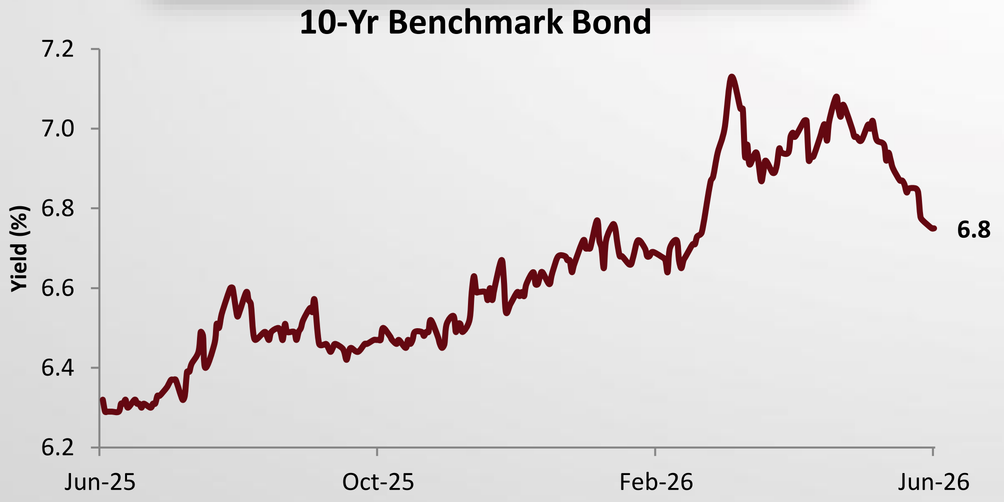
Monthly Market Review

DEBT MARKET

Indian Government Bond and Policy Rate Trend

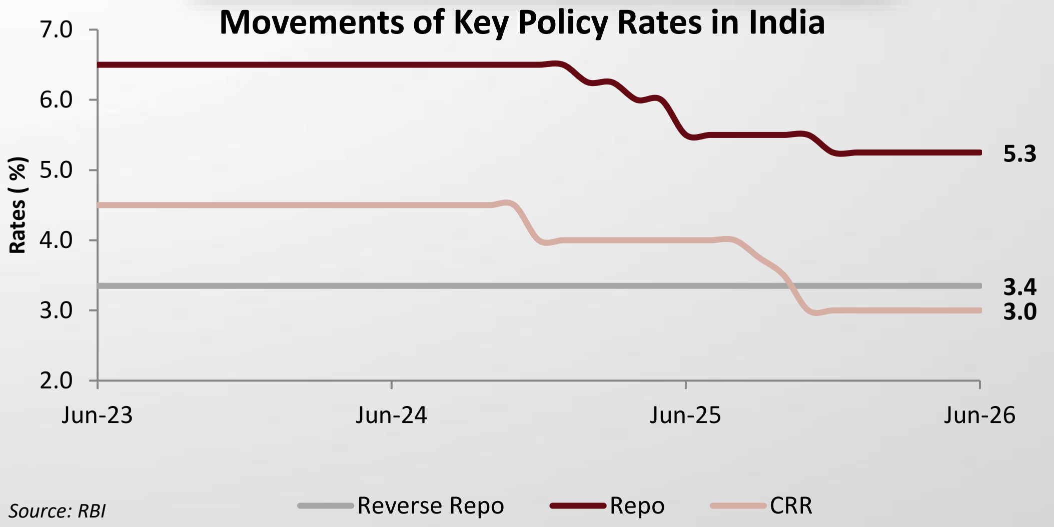
INDIAN DEBT

10-year benchmark G-sec yield fell MoM in Jun 2026



Source: Refinitiv

RBI kept the repo rate unchanged in Jun 2026 monetary policy meeting



Source: RBI

Bond yields declined on RBI measures to boost foreign inflows, aided by potential tax incentives and lower crude oil prices following a preliminary U.S.-Iran peace agreement.

The Monetary Policy Committee, in its second bi-monthly monetary policy review for FY27, decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 5.25%.

10-Yr Benchmark Bond and Key policy rates data as on 30th Jun 2026

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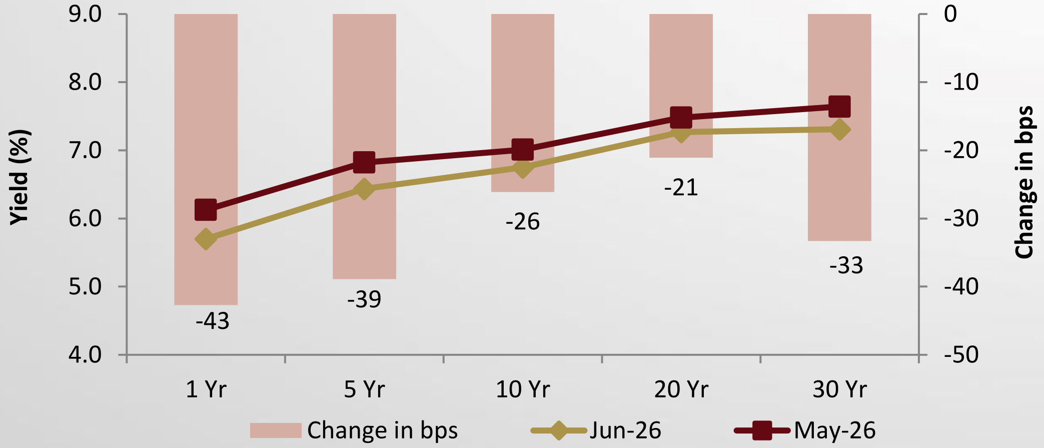
DEBT MARKET

Government Bond & Corporate Bond Yield Trend

INDIAN DEBT

G-sec yields fell during the month

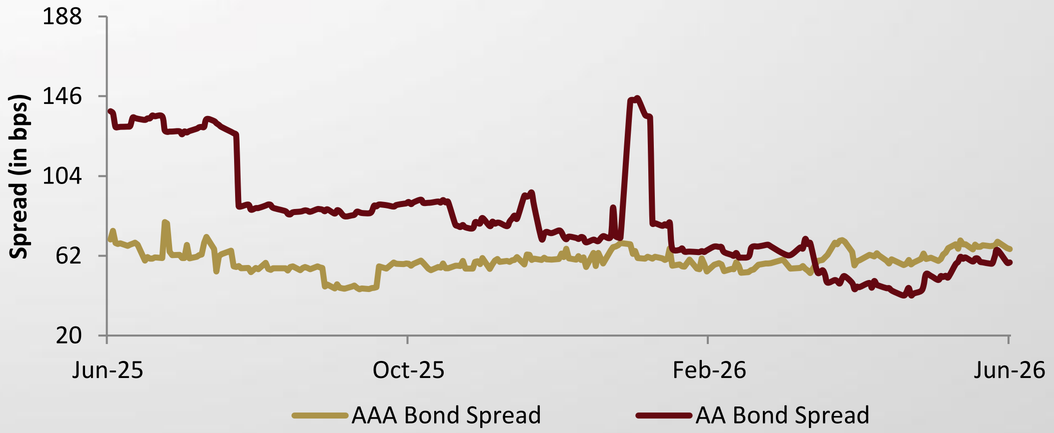
India Yield Curve Shift (Month-on-Month)



Source: Refinitiv

Corporate bond yields fell during the month

10 Year Corporate Bond Spread (for AAA & AA bonds)



Source: Refinitiv; Spread= 10 year Corporate bond yield minus 10- year Gsec yield

Yield on gilt securities fell between 21 to 48 bps across the maturities.

Yield on corporate bonds fell between 5 to 46 bps across the curve.

Data as on 30th Jun 2026

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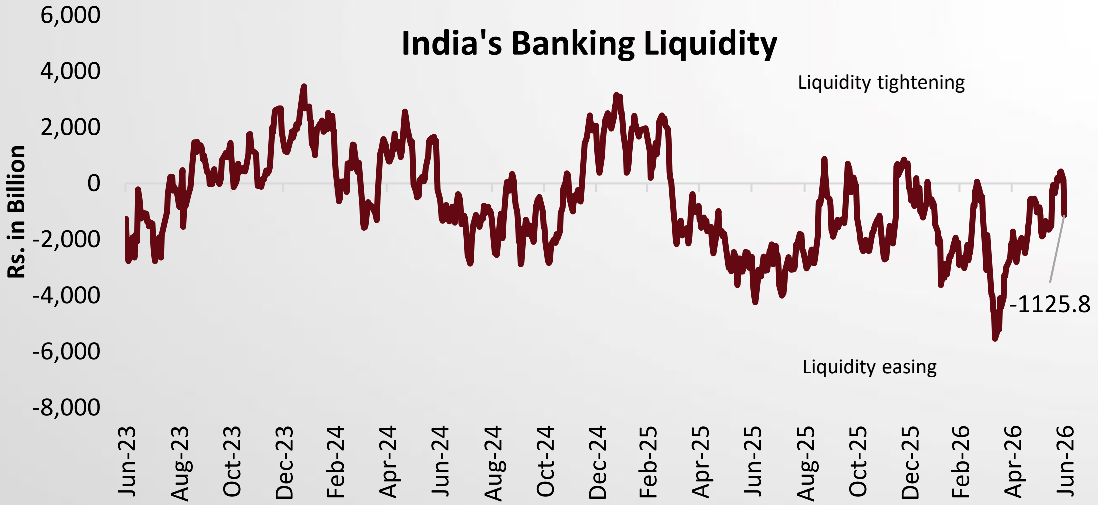
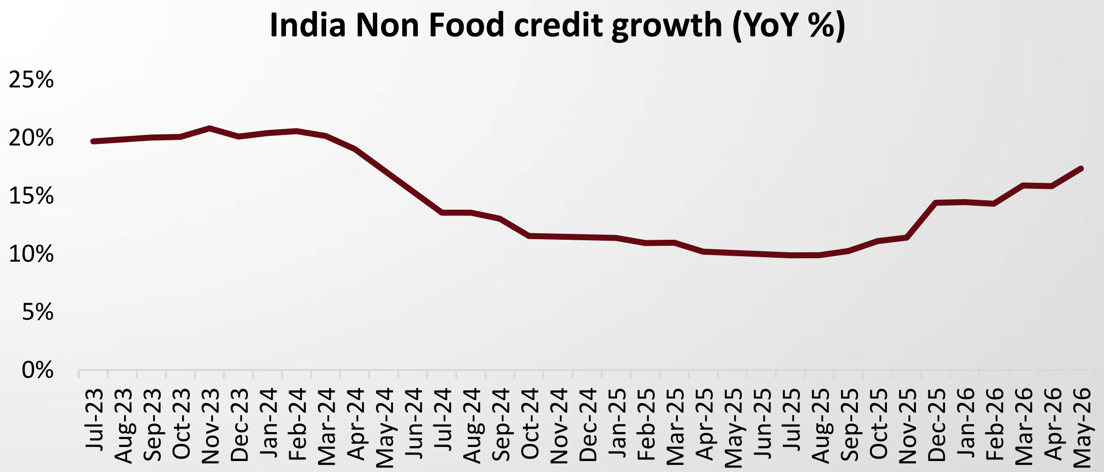
DEBT MARKET
System Liquidity

INDIAN DEBT





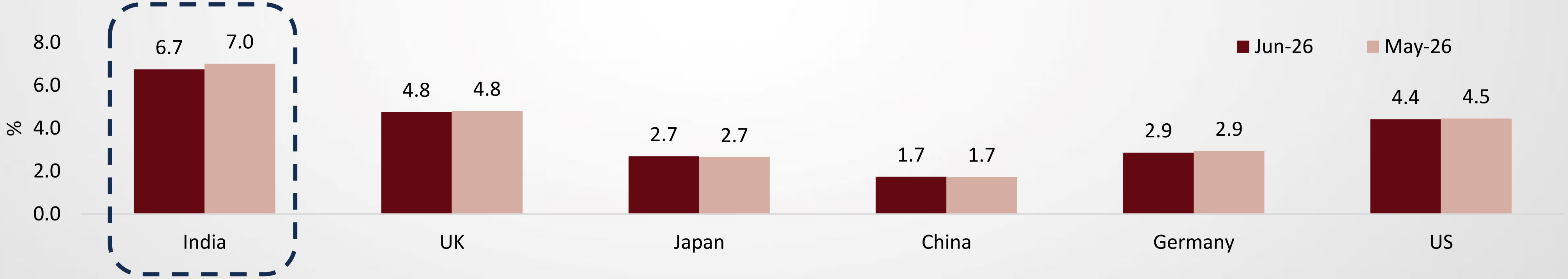
- The banking system's liquidity remained in surplus for most of the month, although average liquidity levels moderated compared with the previous month. The surplus was supported by the RBI’s special dispensation for FCNR(B) deposits, which allows banks to mobilize deposits with maturities ranging from 3 to 5 years until Sep 30, 2026, while the central bank bears the associated hedging costs.
- However, liquidity briefly slipped into deficit on Jun 22, 2026, marking the first such occurrence in three months, largely due to significant advance tax outflows. To alleviate the resulting liquidity tightness, the RBI undertook variable rate repo operations, helping ease temporary pressures in the money market and restoring liquidity to a comfortable surplus by the end of the month.

Banking liquidity data as on 30th Jun 2026; Non Food credit growth data as on 31st May 2026. Source: RBI

DEBT MARKET
Global

GLOBAL DEBT

Yield of 10 Year Government Bonds across countries (%)



	India	UK	Japan	China	Germany	US
Current Yield (%)	6.7	4.8	2.7	1.7	2.9	4.4
Inflation (%)	3.9	2.8	1.5	1.2	2.6	4.2
Real Yields (%): Jun-26	2.8	2.0	1.2	0.5	0.3	0.2

- Globally, 10-year Sovereign yields remained mixed during the month. All above economies witnessed positive inflation adjusted returns/yields with India being the highest followed by U.K. and Japan.

Real yields- Current yields minus latest inflation; Latest available inflation data;
Source: Refinitiv

CATEGORY PERFORMANCE

Debt Mutual Funds

CATEGORY PERFORMANCE

Category	Absolute Returns (%)			CAGR (%)		
	1 month	3 months	6 months	1 year	3 years	5 years
Overnight Fund	0.43	1.28	2.52	5.23	6.07	5.53
Liquid Fund	0.64	1.77	3.25	6.18	6.82	6.06
Ultra Short Term Fund	0.95	1.80	3.10	5.97	6.70	5.92
Low Duration Fund	1.15	1.87	2.95	5.88	6.94	6.09
Money Market Fund	1.09	1.88	3.15	6.15	7.05	6.25
Arbitrage Fund	0.84	1.25	2.85	5.68	6.63	5.77
NIFTY Ultra Short Duration Debt Index	**0.90**	**2.08**	**3.57**	**6.86**	**7.56**	**6.76**
Short Term Bond Fund	1.67	2.33	2.79	5.30	6.98	6.18
Medium Duration Fund	1.93	2.83	3.29	6.05	7.41	6.87
Banking and PSU Fund	1.78	2.44	2.79	5.25	6.99	6.04
Corporate Bond Fund	1.80	2.50	2.80	5.29	7.15	6.08
Credit Risk Fund	1.61	3.14	4.27	7.54	9.00	8.01
NIFTY Corporate Bond Index	**1.70**	**2.10**	**2.47**	**5.15**	**7.02**	**6.17**
NIFTY Medium Duration Debt Index	**2.01**	**2.40**	**2.15**	**4.42**	**6.88**	**5.97**
Nifty Short Duration Debt Index	**1.38**	**2.05**	**2.64**	**5.45**	**7.11**	**6.20**
Dynamic Bond Fund	2.15	3.13	2.81	4.05	6.54	5.78
Medium to Long Duration Fund	2.38	3.46	2.93	4.04	6.37	5.62
Gilt Fund	2.96	4.53	2.87	3.24	6.25	5.47

- Credit Risk Fund, Liquid Fund and Money Market Fund were the top performing categories over the past year, generating between 6% to 8% return.

Performance is of regular plan growth option. MF Category average performance as on 30th Jun 2026.
Source: MFI 360 Explorer https://www.icraanalytics.com/terms-of-use/disclaimer

DEBT MARKET

Sensitivity Analysis

INDIAN DEBT

Sensitivity Analysis				Interest Rate Scenario's					
				Increases			Decreases		
Category	Avg YTM (%)	Avg Maturity (Years)	Avg Mod duration (Years)	0.25%	0.50%	1.00%	0.25%	0.50%	1.00%
Overnight Fund	5.30	0.00 Years	0.00 Years	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%
Liquid Fund	6.39	0.03 Years	0.11 Years	6.37%	6.34%	6.28%	6.42%	6.45%	6.50%
Ultra Short Term Fund	7.27	0.22 Years	0.40 Years	7.17%	7.07%	6.87%	7.37%	7.47%	7.67%
Money Market Fund	7.19	0.19 Years	0.53 Years	7.06%	6.93%	6.66%	7.33%	7.46%	7.72%
Low Duration Fund	7.42	0.63 Years	0.83 Years	7.21%	7.00%	6.59%	7.63%	7.83%	8.25%
Short Term Bond Fund	7.47	2.81 Years	2.10 Years	6.95%	6.42%	5.37%	8.00%	8.52%	9.57%
Corporate Bond Fund	7.46	3.63 Years	2.50 Years	6.84%	6.21%	4.96%	8.09%	8.71%	9.96%
Banking and PSU Fund	7.37	3.25 Years	2.27 Years	6.80%	6.23%	5.10%	7.93%	8.50%	9.64%
Credit Risk Fund	8.31	2.74 Years	2.02 Years	7.80%	7.30%	6.29%	8.81%	9.32%	10.33%
Medium Duration Fund	7.89	4.32 Years	3.04 Years	7.13%	6.37%	4.85%	8.65%	9.41%	10.93%
Dynamic Bond Fund	7.24	9.45 Years	4.37 Years	6.15%	5.06%	2.87%	8.34%	9.43%	11.61%
Medium to Long Duration Fund	7.45	10.47 Years	5.11 Years	6.17%	4.90%	2.34%	8.73%	10.01%	12.56%
Gilt Fund	7.14	19.30 Years	8.00 Years	5.14%	3.14%	-0.86%	9.14%	11.14%	15.14%

- Credit Risk Fund, Medium Duration Fund and Short Term Bond Fund offer higher YTMs.

Note: Modified Duration indicates the sensitivity of a fund/bond with a change in interest rate scenario. It helps help investors predict how the bond's price will be affected by the fluctuations in interest rates.
For eg: If a fund with a modified duration of 8 years and YTM of 8% sees a 50-bps interest rate fall in a year, then the estimated return will be 12% [Average YTM - (Modified Duration × Change in Interest Rate)].

Source: MFI 360 Explorer. https://www.icraanalytics.com/terms-of-use/disclaimer

Interest rate scenario indicates that if rate moves by 0.25%, 0.50% or 1%, then the respective column shows expected increase/decrease in Yield to Maturity (YTM). Data as on 30th Jun 2026

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DEBT MARKET ROUNDUP

Key Takeaways & Outlook

INDIAN DEBT

Domestic & Global factors that played out for the Indian markets:

- **Bond yields declined amid reports that the central government is considering removing the 12.5% capital gains tax for overseas investors and the 20% withholding tax applied to interest income from government securities**. Gains extended after the RBI kept the repo rate unchanged at 5.25% in its June 2026 monetary policy meeting, while sentiment was further supported by cheaper currency swaps for public-sector companies raising overseas loans and support for banks to cover hedging costs on 3–5-year non-resident deposits.
- Yields declined further following a preliminary peace agreement between the U.S. and Iran, which led to a sharp drop in crude oil prices. However, gains were capped as the U.S. Federal Reserve kept interest rates unchanged in its Jun 2026 meeting while adopting a hawkish outlook.

Outlook:

- The domestic debt market outlook remains positive, supported by easing crude oil prices, comfortable liquidity conditions, and strong foreign investor interest. Market participants will closely monitor monsoon progress, inflation trends, crude oil prices, foreign portfolio flows, and RBI policy signals. While bond yields are expected to remain broadly range-bound, the possibility of India's inclusion in the Bloomberg Global Aggregate Bond Index could provide additional support to the market. The RBI is likely to remain focused on liquidity management rather than policy rate changes in the near term, keeping the overall outlook favorable for fixed-income investors.
- **Given the current macro backdrop, we suggest to focus on accrual strategy. Expectation of range-bound yields offer favorable accrual opportunities with relatively low duration risk.**
- **For more than 12 months, investors may consider Low Duration Funds. For more than 2 years, investors can consider investing in Short Term, Corporate Bond, Banking & PSU or through Income Plus Arbitrage FOFs for tax efficiency. Along with MFs, AAA oriented quality Corporate FDs and Bonds can be looked at allocation in the debt portfolio.**

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ECONOMIC CALENDAR

Upcoming Key Events for the Month

DOMESTIC

Events for July 2026	
Event	**Date**
CPI Inflation YoY Jun 2026	13-Jul-26
WPI Inflation YoY Jun 2026	14-Jul-26
Unemployment Rate Jun 2026	15-Jul-26
Balance of Trade Jun 2026	15-Jul-26
Passenger Vehicles Sales Jun 2026	15-Jul-26
Infrastructure Output YoY Jun 2026	20-Jul-26
Industrial Production YoY Jun 2026	28-Jul-26
Fiscal deficit (as a % of budget estimates)	31-Jul-26

GLOBAL

Events for July 2026	
Event	**Date**
China CPI YoY Jun 2026	09-Jul-26
Germany HICP Final YoY Jun 2026	10-Jul-26
U.S. CPI YoY, NSA Jun 2026	14-Jul-26
Euro Zone HICP Final YoY Jun 2026	17-Jul-26
U.K. ILO Unemployment Rate May 2026	21-Jul-26
U.K. CPI YoY Jun 2026	22-Jul-26
Euro Zone ECB Refinancing Rate Jul 2026	23-Jul-26
Japan CPI, Overall Nationwide Jun 2026	23-Jul-26

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Source: Refinitiv

MUTUAL FUND DASHBOARD

Category Performance

MUTUAL FUND DASHBOARD

Category Performance

CATEGORY PERFORMANCE

Equity Category:	1 Yr	3 Yr	5 Yr	10 Yr
Large Cap	-3.65	10.65	10.22	11.73
Large & Mid Cap	0.15	15.25	13.89	14.17
Multi Cap	1.85	16.15	14.50	14.88
Flexi Cap	-0.61	13.11	11.94	13.46
Mid Cap	4.16	18.86	16.39	16.01
Small Cap	6.05	17.68	17.06	16.94
Focused	-0.19	12.96	11.95	13.19
Value	1.16	15.41	14.28	13.99
Hybrid Category:				
Conservative Hybrid	2.71	7.74	7.48	7.36
Balanced Hybrid	1.99	--	--	--
Balanced Advantage	0.09	9.60	8.71	9.66
Multi Asset Allocation	9.29	14.94	13.78	12.77
Aggressive Hybrid	-0.45	11.44	10.60	11.29

Debt Category	3 Mths	6 Mths	1 Yr	3 Yr
Money Market:				
Overnight	1.28	2.52	5.23	6.07
Liquid	1.77	3.25	6.18	6.82
Ultra Short Duration	1.80	3.10	5.97	6.70
Low Duration	1.87	2.95	5.88	6.94
Money Market	1.88	3.15	6.15	7.05
Accrual:				
Short Duration	2.33	2.79	5.30	6.98
Medium Duration	2.83	3.29	6.05	7.41
Banking & PSU Debt	2.44	2.79	5.25	6.99
Corporate Bond	2.50	2.80	5.29	7.15
Floating Rate	2.30	3.27	6.07	7.55
Credit Risk	3.14	4.27	7.54	9.00
Duration:				
Medium to Long Duration	3.46	2.93	4.04	6.37
Long Duration	5.40	2.90	3.15	6.47
Dynamic Bond	3.13	2.81	4.05	6.54
Gilt	4.53	2.87	3.24	6.25
Gilt Fund with 10 year constant duration	3.88	2.76	4.03	7.21

Note:<1 year return are absolute and ≥ 1 year returns are CAGR. Performance is of regular plan growth option for MF category performance. MF Category average performance as on 30th Jun 2026. Source: MFI 360 Explorer
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ATLAS
Monthly Market Review

TATA CAPITAL WEALTH

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