



**SUNDARAM ALTERNATES**  
— Sundaram Finance Group —

## OVERVIEW

RBI policy - Calibrating to  
new realities



# Executive summary

- ❑ RBI policy set in a context of increased uncertainty with the prospects of near term resolution to the West Asia conflict having faded. Global environment facing increased risks of supply shock with the strongest El Nino on record, tightening financial conditions with rising cost of capital & AI led demand for capital marking the end of the era of easy money & cheap capital
  - ❑ Financial markets exhibited two way volatility across the globe – global yields continued to move higher, Indian equities corrected sharply despite stronger than expected economic growth numbers reflecting near term concerns of elevated crude prices and its potential impact on BoP & consequently the INR
  - ❑ India's macro narrative faces incremental risks in the event of crude prices remaining elevated above USD 90-100 per barrel for an extended period driven by the prolonged West Asia crisis – potentially expanded current account / BoP gap adding to downward pressure on currency
  - ❑ Repo rate increased by 25 bps to 5.50% (unanimous MPC vote) and the stance changed from “neutral” to “calibrated tightening”(MPC vote of 4-2)
-



# Executive summary

- ❑ Overnight and money market rates had moved in a wide range as RBI undertook liquidity operations to manage the huge surplus in the system post the FCNR(B) & related inflows
  - ❑ Sovereign & corporate bond yields had hardened from its previous policy levels as global bond yields rose to multi decade high levels
  - ❑ Money market rates to be driven by liquidity conditions as envisaged appropriate by RBI to remain congruent with their stance – Incremental loan to deposit ratio & FX flows to remain key drivers of incremental change in banking system liquidity, central bank expected to respond based on evolving dynamics
  - ❑ Currency to remain the key variable from a macro stability perspective for RBI to respond in its policy framework – Sustained high crude prices (above USD 90-100 per barrel for over a quarter) would result in expansion in current account / BoP deficit, that could prompt RBI to adopt stricter measures in the INR front / other tightening as seen appropriate
-

# Our understanding & implications from RBI policy



- ❑ Global capital landscape experiencing a significant shift with AI firm's debt financing trend turning one of the key drivers of cost of capital – no longer to be determined from the prism of fiscal & monetary policy alone
  - ❑ Trade organized around security & geostrategic concerns, rather than comparative advantage leads to less efficient movement of goods & capital with deficits & surpluses becoming sources of friction adding to cost of capital
  - ❑ Global dollar cycle turning more hostile for current account deficit running emerging market economies, especially for India as yield differentials compressed sharply to sub 2%
  - ❑ RBI policy decision to hike rates + shift in stance (read as reasonably hawkish hike) was largely along expected lines as global developments warranted tightening in financial conditions
-

# What does this mean for asset allocators?

- ❑ Equities – FY27 / FY28 earnings growth trajectory to drive equity returns & less by multiple expansion. Prospective portfolio outperformance requires an approach beyond the benchmarks
  - ❑ Fixed income – Rates in short to mid tenors (2-4 years) have moved higher providing attractive accrual opportunities. Long end rates have been hardening steadily, also driven by global yields moving higher sharply
  - ❑ Credit – Any widening of credit spreads owing to expanding liquidity premium could offer attractive opportunities for deployment in businesses with strong balance sheets & healthy cash flows
  - ❑ Markets continue to exhibit two way volatility in the very recent past but also provide potentially attractive opportunities for building long term portfolios for asset allocators with patient capital. Focusing on appropriate asset allocation & a strong valuation driven framework to build portfolios / deploy additional capital is imperative for above average performance in the medium term in an environment where regime shifts are underway
-

# Summary of key measures announced by RBI

- ❑ Repo rate increased to 5.50%, Special Deposit Facility (SDF) rate stands at 5.25% and Marginal Standing Facility (MSF) rate stands at 5.75%
  - ❑ CRR left unchanged at 3.00%
  - ❑ Stance – Changed from ‘neutral’ to ‘calibrated tightening’. (Calibrated tightening means no possibility of rate cuts & future actions could be rate hikes or a pause)
  - ❑ The MPC committee voted unanimously for increase in rates & 4-2 vote for a shift in stance
-



# Likely impact of monetary policy

| Parameter                      | Likely impact / drivers                                                                                                                                                                    |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Price channel (Interest rates) | The new pivot in the growth-inflation dynamic / evolving global environment has warranted the RBI to tighten rates & shift its stance                                                      |
| Quantum channel (Liquidity)    | Incremental credit-deposit trends & FX flows to shape extent of surplus / deficit in banking system liquidity / RBI's operational strategy on liquidity management                         |
| Exchange rate channel (USDINR) | Crude prices sustaining above USD 90-100 per barrel to pose challenges for macro stability & INR, Sharp FPI flows could add to very near term volatility in INR                            |
| Asset price channel            |                                                                                                                                                                                            |
| <i>Money market</i>            | Anchored to policy rates with a tail risk of a spike in the event of any further prolonged war / slide in INR prompting extraordinary measures from RBI                                    |
| <i>Short end of the curve</i>  | Liquidity and incremental credit demand (bank + capital market) to drive short rates / Largely range bound post the current adjustment in yields in the recent past                        |
| <i>Long end of the curve</i>   | Bond market supply continues to remain at the long end by both central & state governments resulting in curve steepening + OMO to manage liquidity adding pressure to the yields hardening |

# Outlook for rates & currency

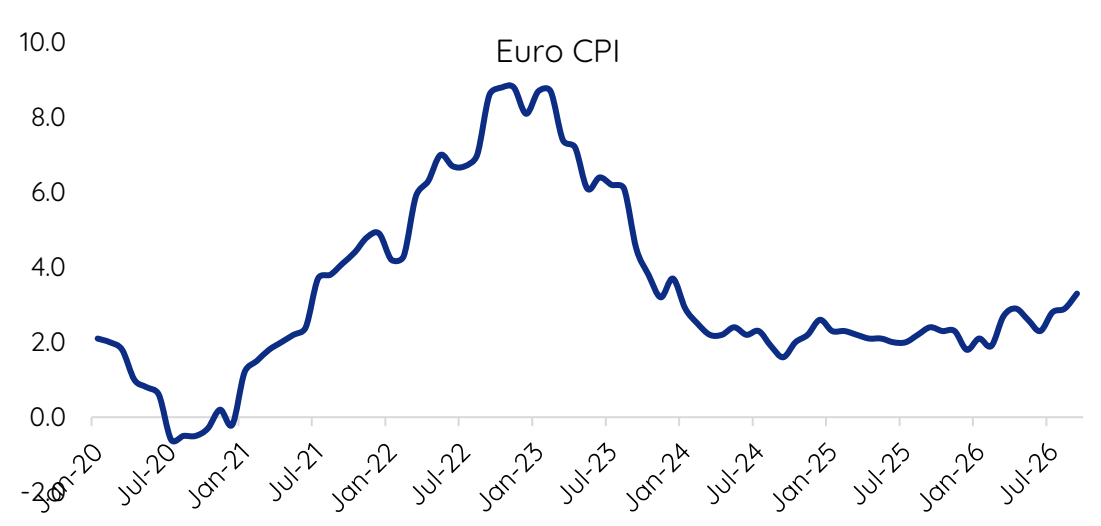
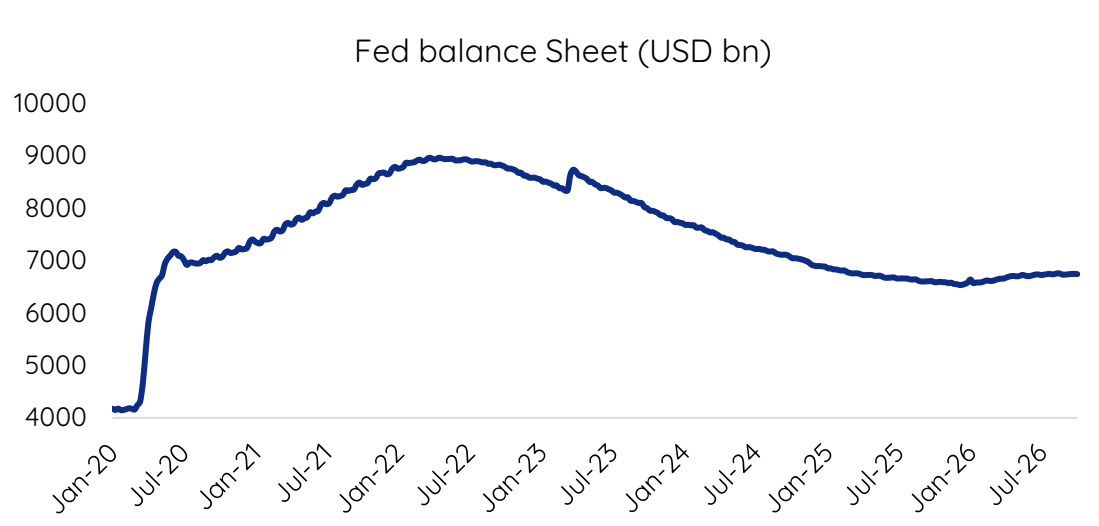
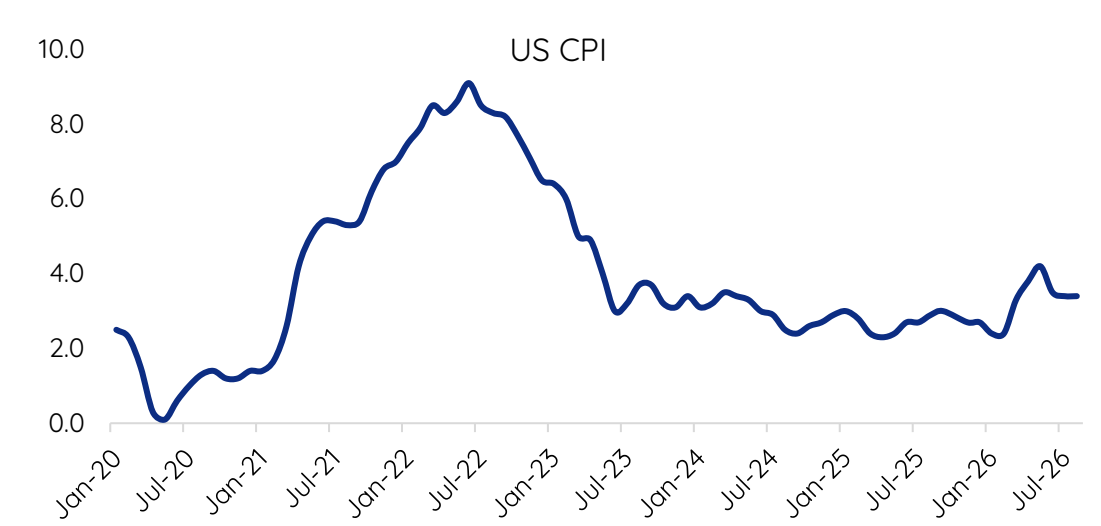
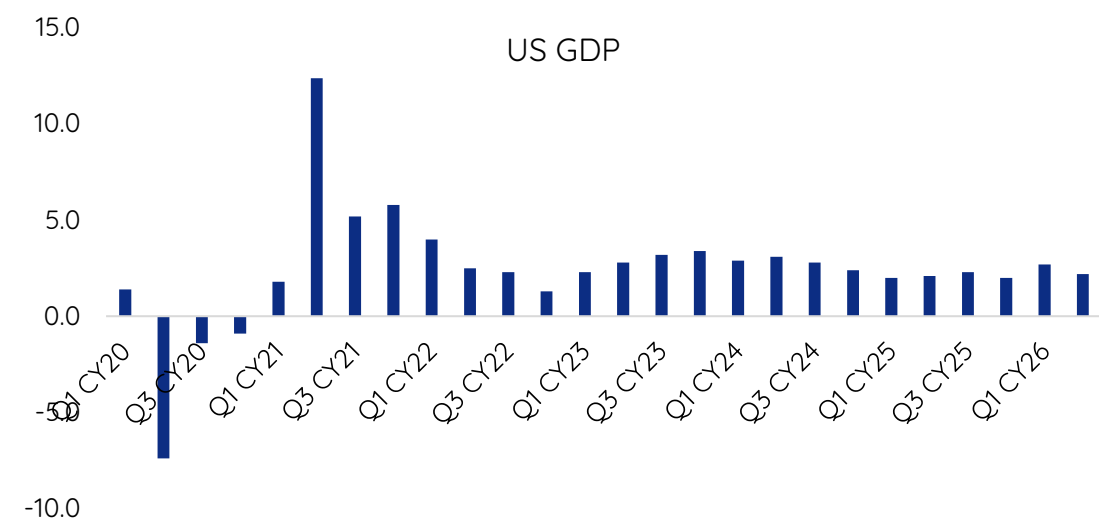
- ❑ Liquidity expected to move towards neutral / mild deficit (read as preferred RBI strategy) to keep the effective overnight rate closer to repo rate – for effective transmission of rates
  - ❑ Shifting liquidity conditions to keep money market rates anchored above the repo rate
  - ❑ Trends in deposit & credit growth in banks, crude prices, RBI OMOs to drive longer tenor yields
  - ❑ Credit spreads expected to remain relatively stable given the healthy balance sheet of corporates
  - ❑ INR expected to have a weakening bias as elevated trade / risks of BoP deficit & FPI related outflows add pressure amidst the macro adjustments
  - ❑ Key risks remain inflation, pressure on INR, widening current account & BoP deficit and tough policy choices for the central bank amidst challenging global developments
-



## Global environment

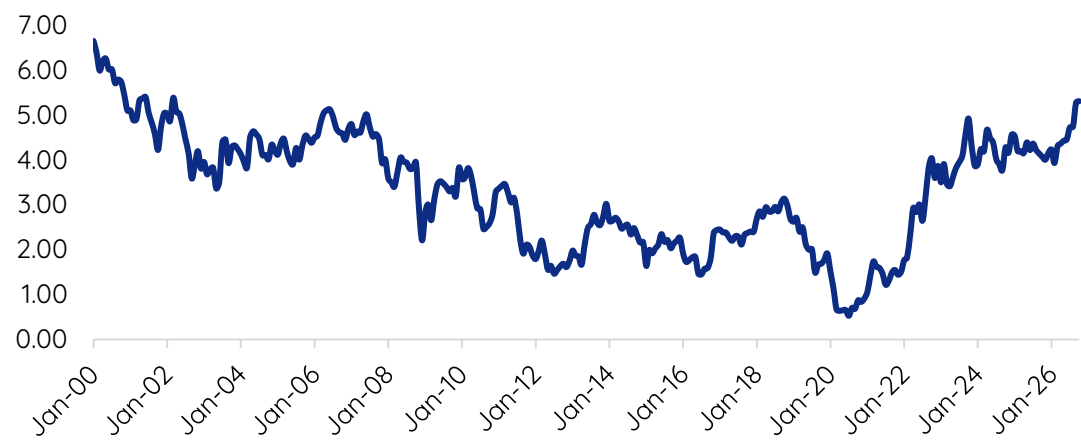


# US growth continues to be driven by AI led investments, CPI posing challenges

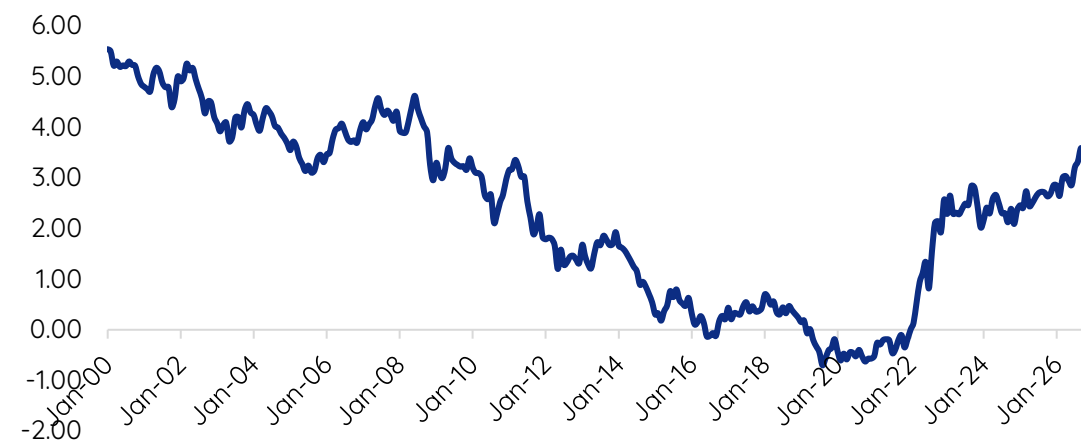


# Global sovereign yields rose sharply to highest level in over two decades

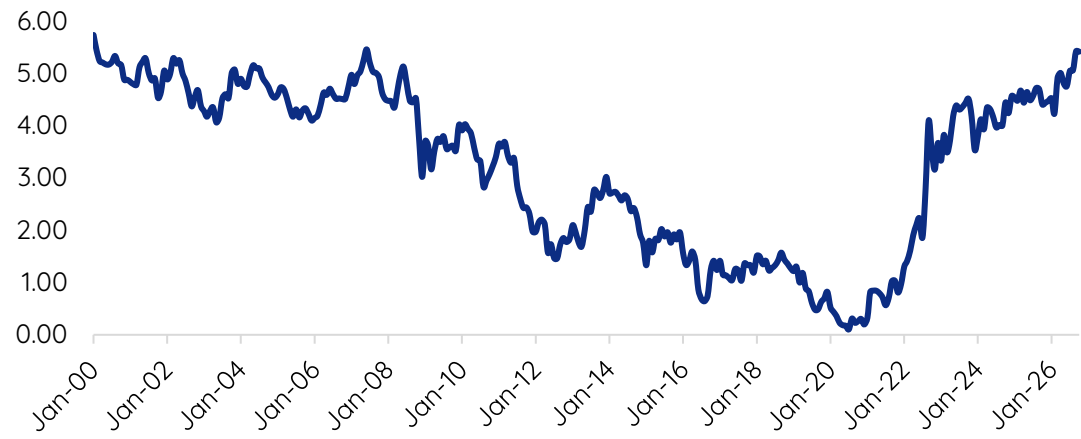
US 10Y g-sec



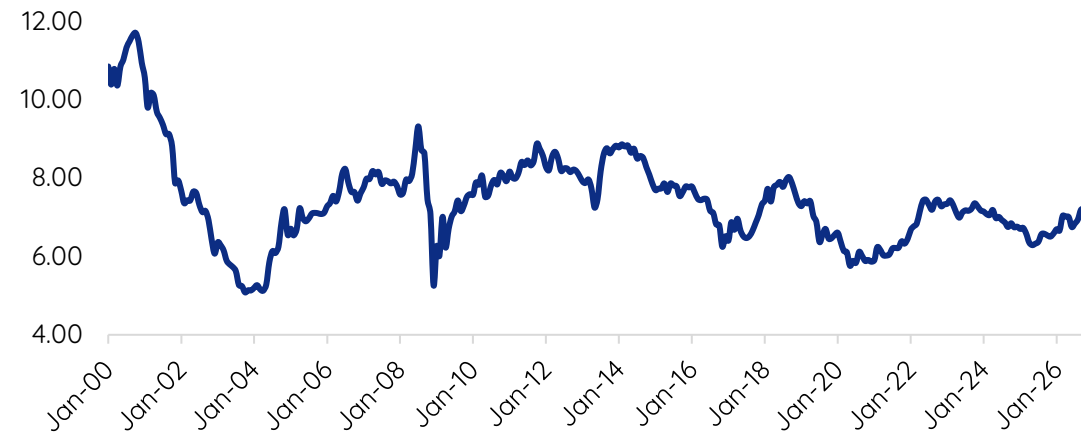
Germany 10Y g-sec



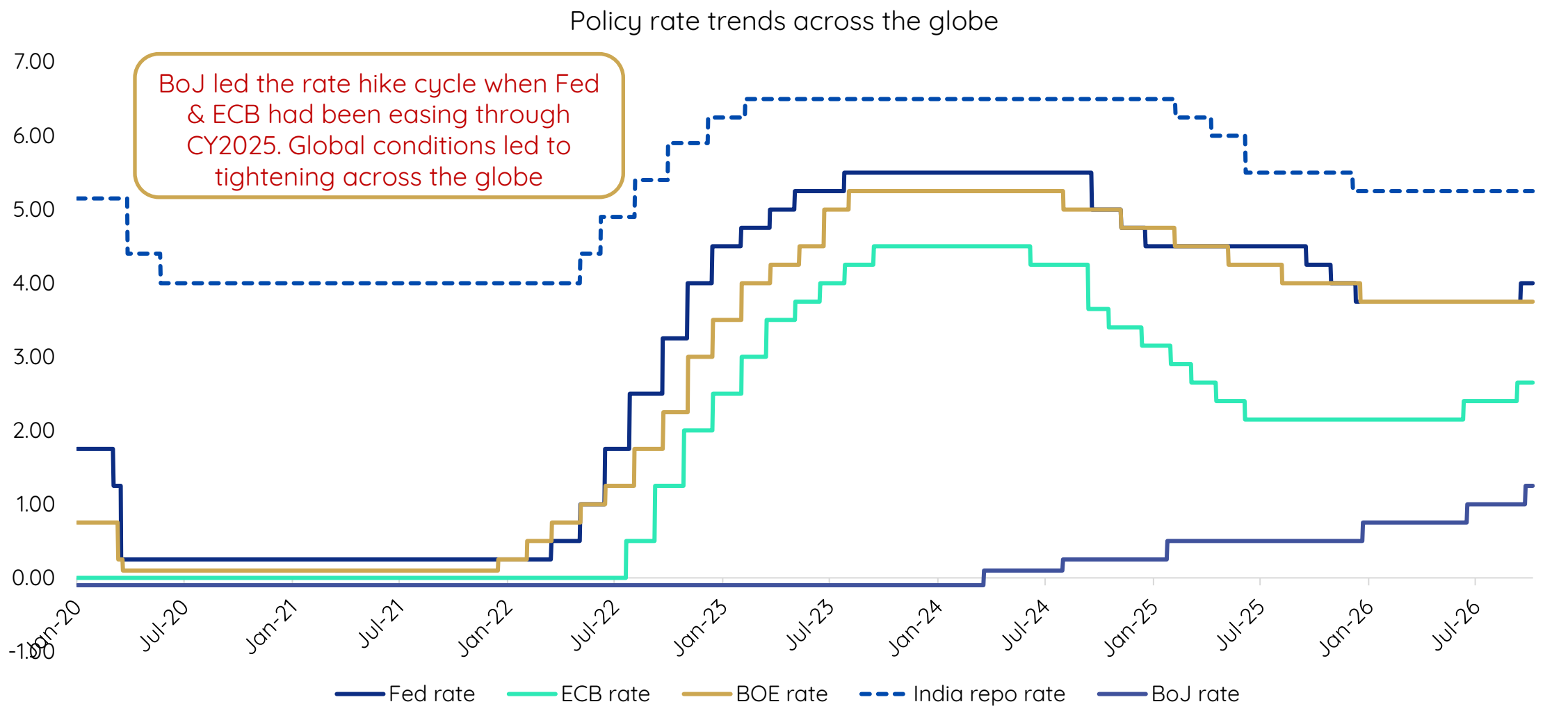
UK 10Y g-sec



India 10Y g-sec



# Key central banks on tightening mode - RBI joined in driven by external conditions

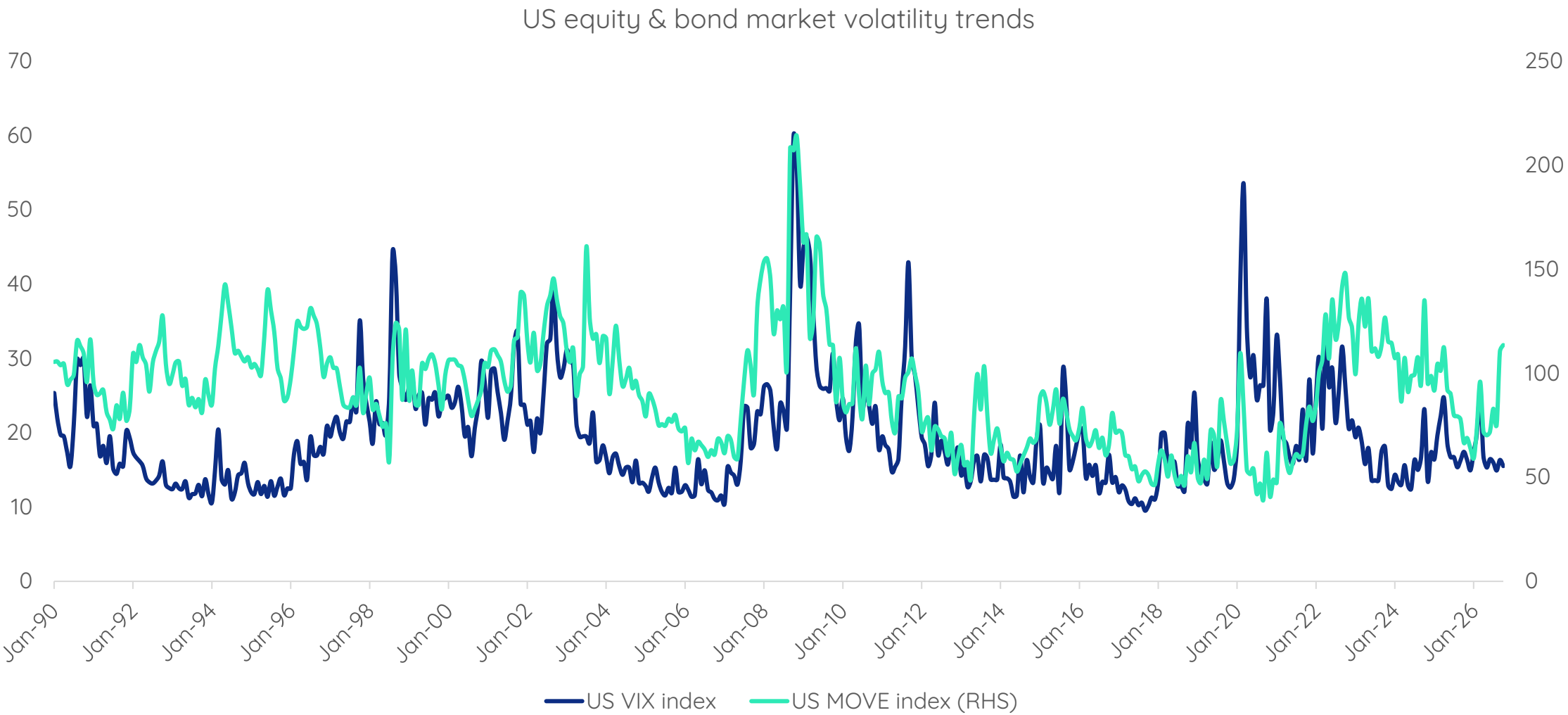


# Central banks exhibiting multi polar approach to policy in the post COVID era

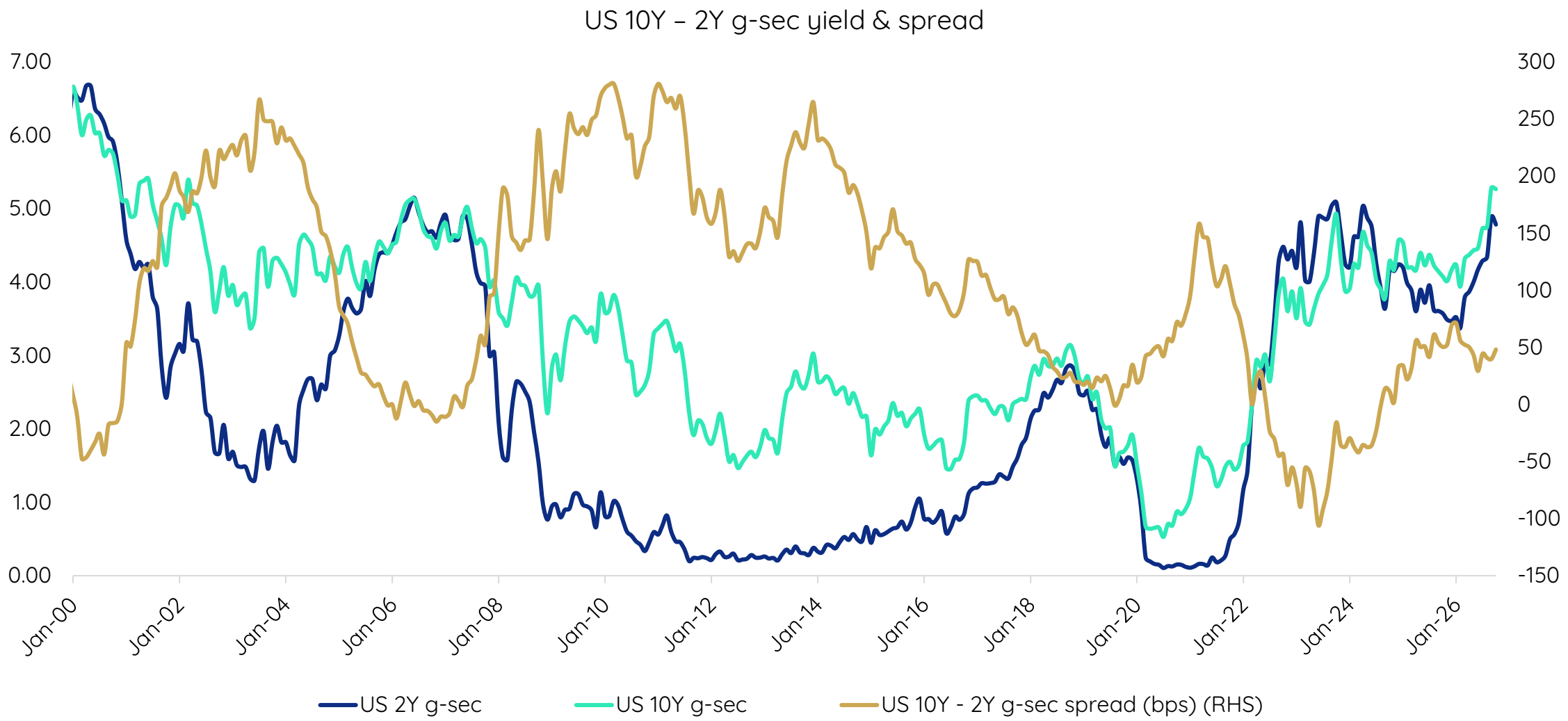


| Country        | FY21  | FY22  | FY23  | FY24  | FY25  | FY26 - Q1 | FY26 - Q2 | FY26 - Q3 | FY26 - Q4 | FY27 - Q1 | FY27 - Q2 | Current |
|----------------|-------|-------|-------|-------|-------|-----------|-----------|-----------|-----------|-----------|-----------|---------|
| Canada         | 0.25  | 0.50  | 4.50  | 5.00  | 2.75  | 2.75      | 2.50      | 2.25      | 2.25      | 2.25      | 2.25      | 2.25    |
| United States  | 0.25  | 0.50  | 5.00  | 5.50  | 4.50  | 4.50      | 4.25      | 3.75      | 3.75      | 3.75      | 4.00      | 4.00    |
| Eurozone       | 0.00  | 0.00  | 3.50  | 4.50  | 2.65  | 2.15      | 2.15      | 2.15      | 2.15      | 2.40      | 2.65      | 2.65    |
| United Kingdom | 0.10  | 0.75  | 4.25  | 5.25  | 4.50  | 4.25      | 4.00      | 3.75      | 3.75      | 3.75      | 3.75      | 3.75    |
| Switzerland    | -0.75 | -0.75 | 1.50  | 1.50  | 0.25  | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00    |
| Brazil         | 2.75  | 11.75 | 13.75 | 10.75 | 14.25 | 15.00     | 15.00     | 15.00     | 14.75     | 14.25     | 14.00     | 13.75   |
| South Africa   | 3.50  | 4.25  | 7.75  | 8.25  | 7.50  | 7.25      | 7.00      | 6.75      | 6.75      | 7.00      | 7.25      | 7.25    |
| India          | 4.00  | 4.00  | 6.50  | 6.50  | 6.25  | 5.50      | 5.50      | 5.25      | 5.25      | 5.25      | 5.25      | 5.25    |
| China          | 3.85  | 3.70  | 3.65  | 3.45  | 3.10  | 3.00      | 3.00      | 3.00      | 3.00      | 3.00      | 3.00      | 3.00    |
| Indonesia      | 3.50  | 3.50  | 5.75  | 6.00  | 5.75  | 5.50      | 4.75      | 4.75      | 4.75      | 5.75      | 5.75      | 5.75    |
| Malaysia       | 1.75  | 1.75  | 2.75  | 3.00  | 3.00  | 3.00      | 2.75      | 2.75      | 2.75      | 2.75      | 2.75      | 2.75    |
| South Korea    | 0.50  | 1.25  | 3.50  | 3.50  | 2.75  | 2.50      | 2.50      | 2.50      | 2.50      | 2.75      | 3.00      | 3.00    |
| Thailand       | 0.50  | 0.50  | 1.75  | 2.50  | 2.00  | 1.75      | 1.50      | 1.25      | 1.00      | 1.00      | 1.00      | 1.00    |
| Australia      | 0.10  | 0.10  | 3.60  | 4.35  | 4.10  | 3.85      | 3.60      | 3.60      | 4.10      | 4.35      | 4.60      | 4.60    |
| Japan          | -0.10 | -0.10 | -0.10 | 0.10  | 0.50  | 0.50      | 0.50      | 0.75      | 0.75      | 1.00      | 1.25      | 1.25    |

# US bond & equity market views one of the most divergent in recent times



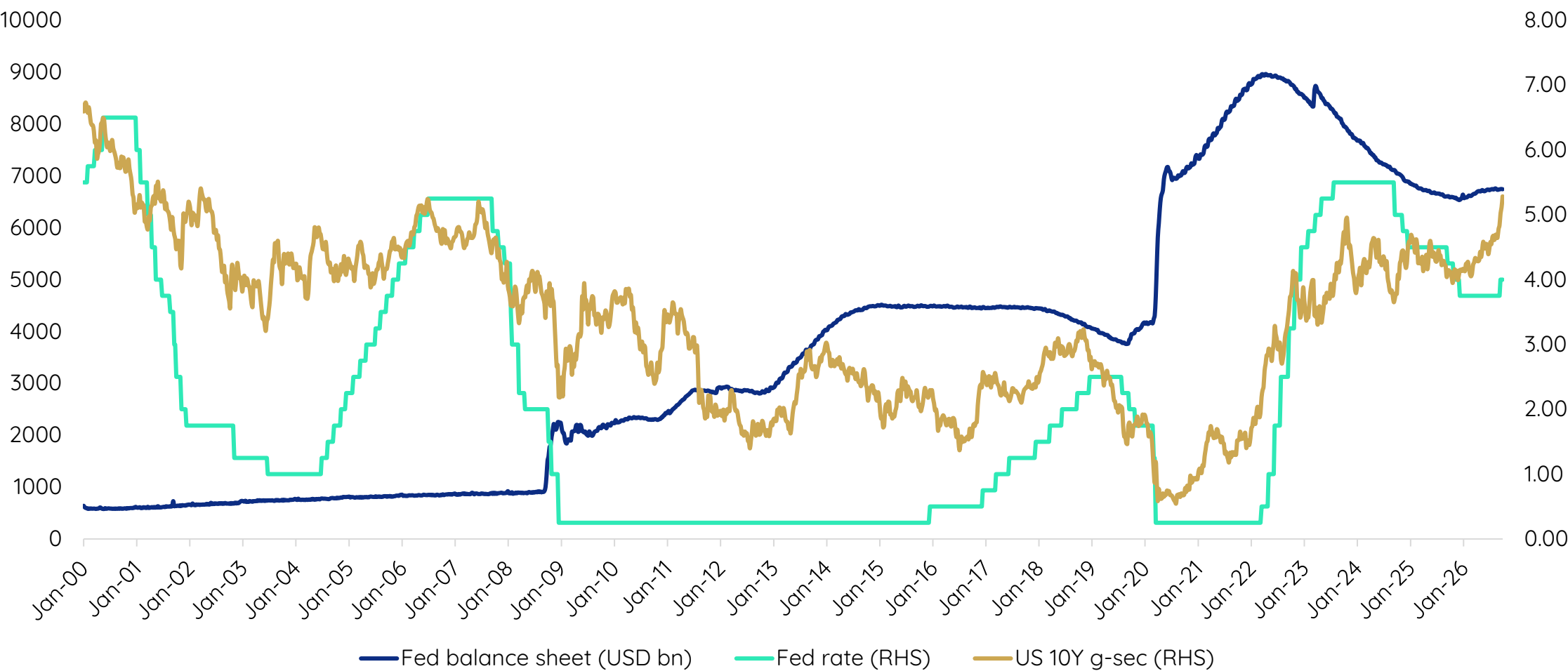
# Fed under Kevin Warsh committed to discipline, not policy decisions / forward guidance



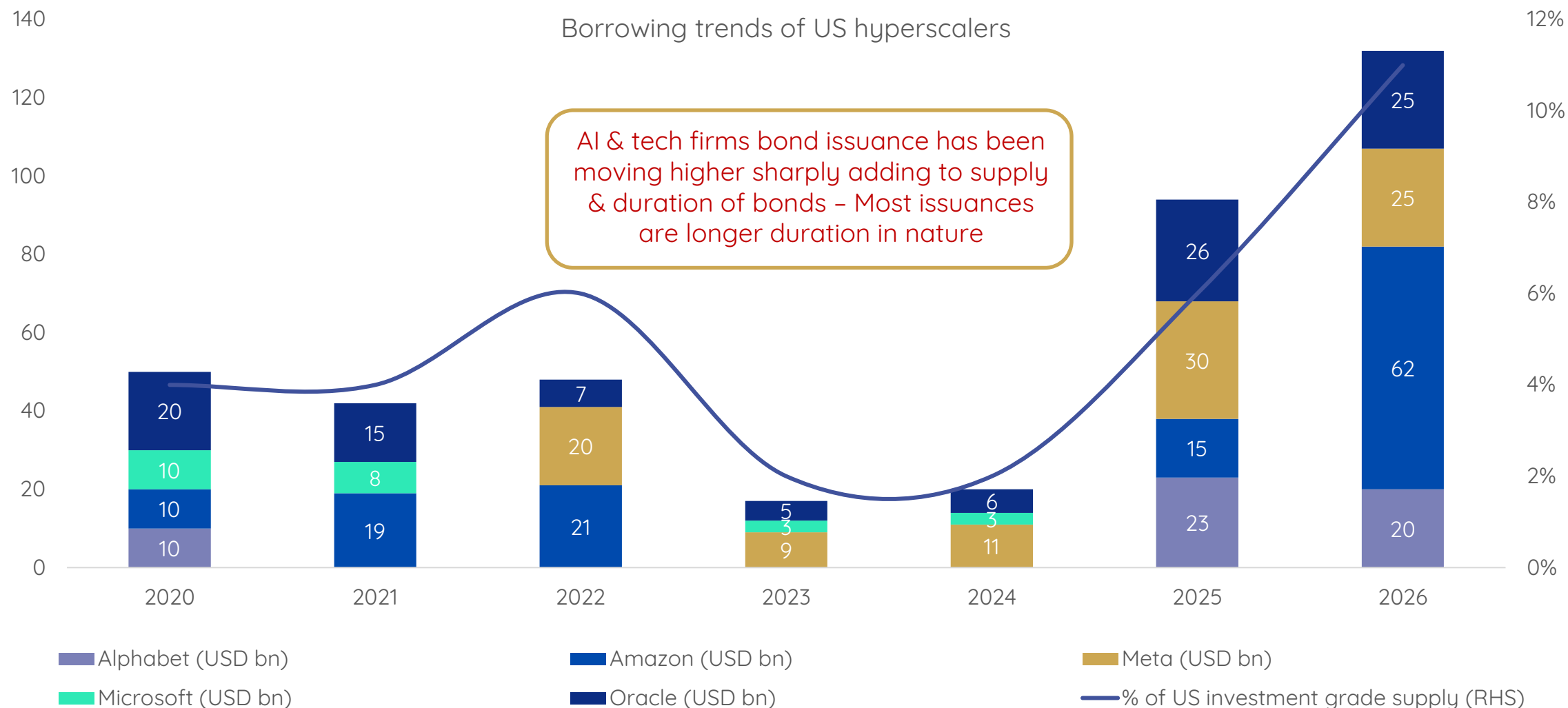
# Markets repricing rate expectations sharply as West Asia crisis resolve fades



Fed balance sheet vs. Fed rate & 10Y g-sec

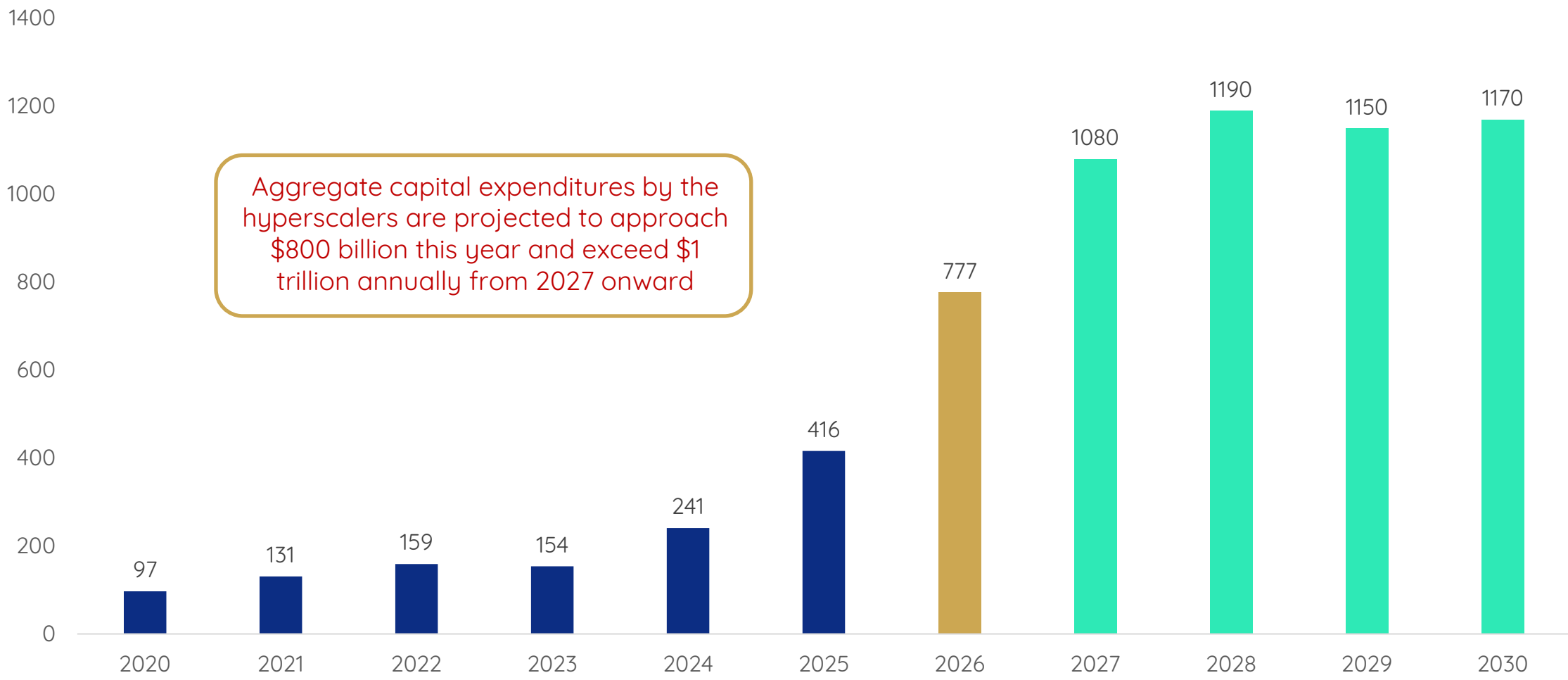


# Hyperscaler borrowing has gone from rounding error to market driver of rates



# AI infrastructure buildout is expected to continue for years to come

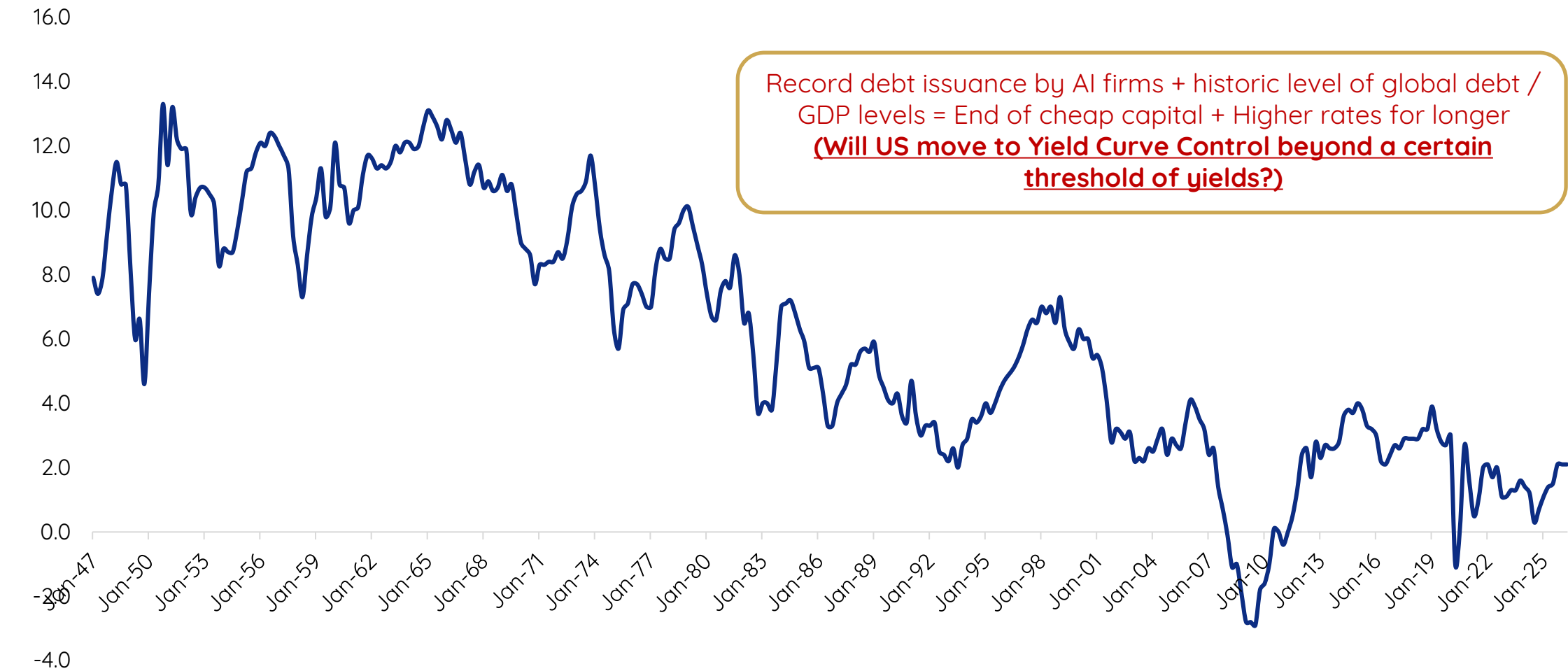
Hyperscaler capital expenditure trends (USD bn)



Source : Vanguard calculations / Bloomberg | Data as of 31<sup>st</sup> July 2026 | Data for 2026 onwards is based on firm estimates

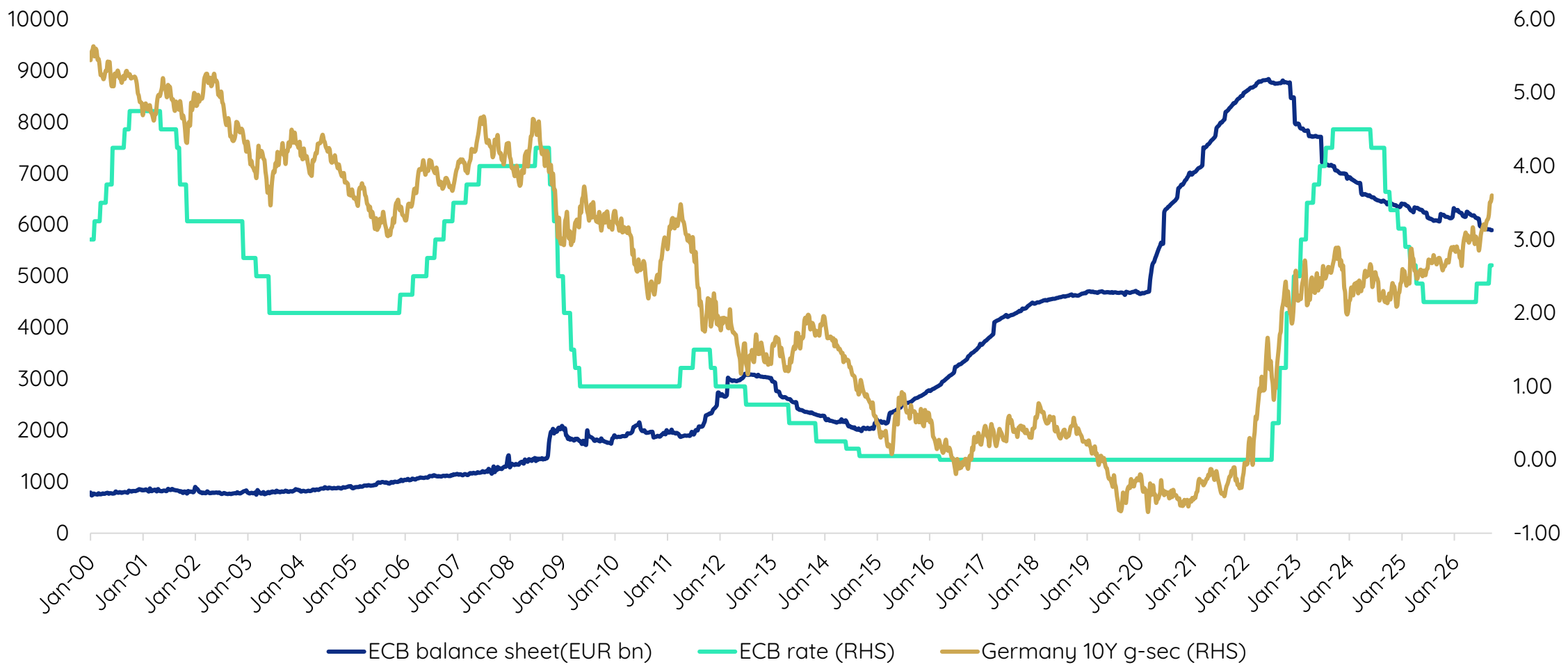
# Net saving as a percentage of gross national income at one of the lowest levels

Chart Title

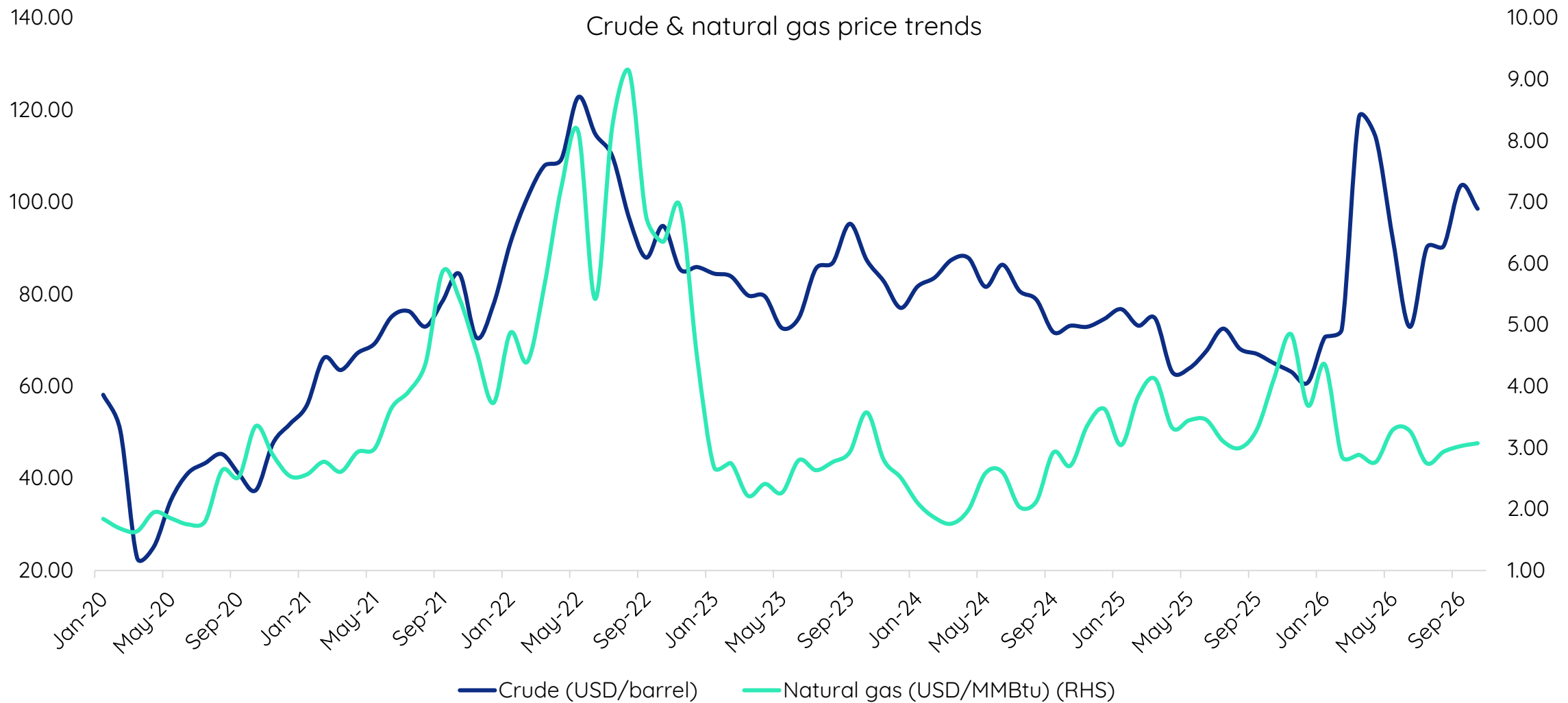


# ECB yields surged despite the very modest growth driven by global tightening

ECB balance sheet vs. ECB rate & 10Y g-sec



# Prolonged West Asia crisis could add to energy shock & entrenched inflation pressures



# Major economies deflating debt through high inflation while India limits its fiscal room

| Year | Monthly CPI |      |      |       |       | 3Y average CPI |      |      |       |       | 5Y average CPI |      |      |       |       |
|------|-------------|------|------|-------|-------|----------------|------|------|-------|-------|----------------|------|------|-------|-------|
|      | US          | Euro | UK   | Japan | India | US             | Euro | UK   | Japan | India | US             | Euro | UK   | Japan | India |
| CY16 | 1.27        | 0.45 | 0.68 | -0.13 | 6.21  | 1.01           | 0.65 | 0.73 | 1.13  | 6.43  | 1.32           | 1.09 | 1.52 | 0.74  |       |
| CY17 | 2.12        | 1.53 | 2.68 | 0.48  | 5.98  | 1.17           | 0.84 | 1.13 | 0.38  | 6.20  | 1.33           | 1.00 | 1.49 | 0.85  |       |
| CY18 | 2.45        | 1.79 | 2.48 | 0.99  | 5.69  | 1.94           | 1.26 | 1.95 | 0.44  | 5.96  | 1.52           | 1.05 | 1.47 | 0.97  | 6.19  |
| CY19 | 1.82        | 1.39 | 1.79 | 0.48  | 5.40  | 2.13           | 1.57 | 2.32 | 0.65  | 5.69  | 1.56           | 1.14 | 1.54 | 0.52  | 5.94  |
| CY20 | 1.23        | 0.53 | 0.85 | -0.02 | 5.28  | 1.83           | 1.24 | 1.71 | 0.48  | 5.46  | 1.78           | 1.14 | 1.70 | 0.36  | 5.71  |
| CY21 | 4.70        | 3.07 | 2.58 | -0.25 | 4.98  | 2.58           | 1.66 | 1.74 | 0.07  | 5.22  | 2.46           | 1.66 | 2.08 | 0.34  | 5.47  |
| CY22 | 8.02        | 6.87 | 9.05 | 2.51  | 4.69  | 4.65           | 3.49 | 4.16 | 0.75  | 4.98  | 3.64           | 2.73 | 3.35 | 0.74  | 5.21  |
| CY23 | 4.13        | 6.00 | 7.38 | 3.25  | 4.57  | 5.62           | 5.31 | 6.34 | 1.84  | 4.75  | 3.98           | 3.57 | 4.33 | 1.19  | 4.98  |
| CY24 | 2.96        | 2.25 | 2.53 | 2.74  | 4.59  | 5.04           | 5.04 | 6.32 | 2.83  | 4.62  | 4.21           | 3.74 | 4.48 | 1.65  | 4.82  |
| CY25 | 2.72        | 2.17 | 3.38 | 3.20  | 4.77  | 3.27           | 3.47 | 4.43 | 3.06  | 4.64  | 4.51           | 4.07 | 4.98 | 2.29  | 4.72  |
| CY26 | 3.30        | 2.53 | 2.94 | 1.58  | 4.87  | 2.99           | 2.31 | 2.95 | 2.51  | 4.75  | 4.23           | 3.96 | 5.06 | 2.66  | 4.70  |

# Divergent trends in inflation & cost of capital to have macro implications



| Year | 1Y average 10Y g-sec |       |      |       |       | 3Y average 10Y g-sec |       |      |       |       | 5Y average 10Y g-sec |       |      |       |       |
|------|----------------------|-------|------|-------|-------|----------------------|-------|------|-------|-------|----------------------|-------|------|-------|-------|
|      | US                   | Euro  | UK   | Japan | India | US                   | Euro  | UK   | Japan | India | US                   | Euro  | UK   | Japan | India |
| CY16 | 1.84                 | 0.14  | 1.22 | -0.04 | 7.22  | 2.16                 | 0.64  | 1.85 | 0.29  | 7.85  | 2.12                 | 1.02  | 1.95 | 0.49  |       |
| CY17 | 2.33                 | 0.37  | 1.20 | 0.06  | 6.72  | 2.10                 | 0.35  | 1.42 | 0.12  | 7.23  | 2.23                 | 0.78  | 1.82 | 0.33  |       |
| CY18 | 2.91                 | 0.46  | 1.41 | 0.08  | 7.71  | 2.36                 | 0.32  | 1.28 | 0.03  | 7.21  | 2.35                 | 0.55  | 1.63 | 0.20  | 7.59  |
| CY19 | 2.14                 | -0.21 | 0.88 | -0.09 | 6.92  | 2.46                 | 0.21  | 1.16 | 0.01  | 7.12  | 2.27                 | 0.26  | 1.31 | 0.07  | 7.26  |
| CY20 | 0.89                 | -0.47 | 0.31 | 0.01  | 6.06  | 1.98                 | -0.07 | 0.87 | 0.00  | 6.90  | 2.02                 | 0.06  | 1.01 | 0.00  | 6.93  |
| CY21 | 1.43                 | -0.31 | 0.74 | 0.07  | 6.16  | 1.49                 | -0.33 | 0.64 | -0.01 | 6.38  | 1.94                 | -0.03 | 0.91 | 0.02  | 6.71  |
| CY22 | 2.94                 | 1.19  | 2.38 | 0.23  | 7.17  | 1.75                 | 0.14  | 1.14 | 0.10  | 6.46  | 2.06                 | 0.13  | 1.14 | 0.06  | 6.81  |
| CY23 | 3.95                 | 2.46  | 4.01 | 0.56  | 7.22  | 2.78                 | 1.11  | 2.38 | 0.29  | 6.85  | 2.27                 | 0.53  | 1.67 | 0.15  | 6.71  |
| CY24 | 4.21                 | 2.34  | 4.12 | 0.90  | 6.97  | 3.70                 | 2.00  | 3.50 | 0.56  | 7.12  | 2.68                 | 1.04  | 2.31 | 0.35  | 6.72  |
| CY25 | 4.29                 | 2.64  | 4.59 | 1.53  | 6.50  | 4.15                 | 2.48  | 4.24 | 1.00  | 6.89  | 3.36                 | 1.66  | 3.17 | 0.66  | 6.80  |
| CY26 | 4.47                 | 3.05  | 4.85 | 2.57  | 6.86  | 4.32                 | 2.68  | 4.52 | 1.67  | 6.77  | 3.97                 | 2.34  | 3.99 | 1.16  | 6.94  |



## Domestic environment

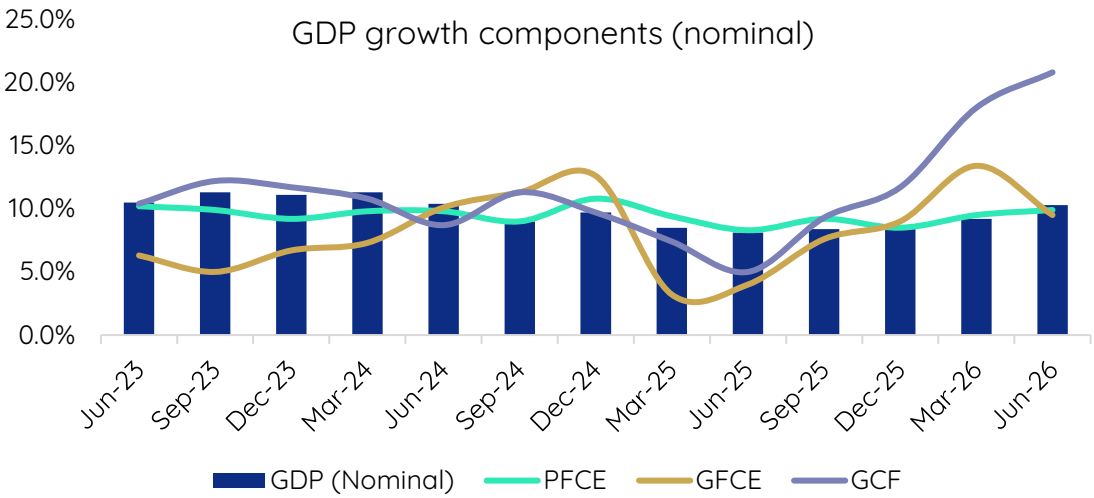
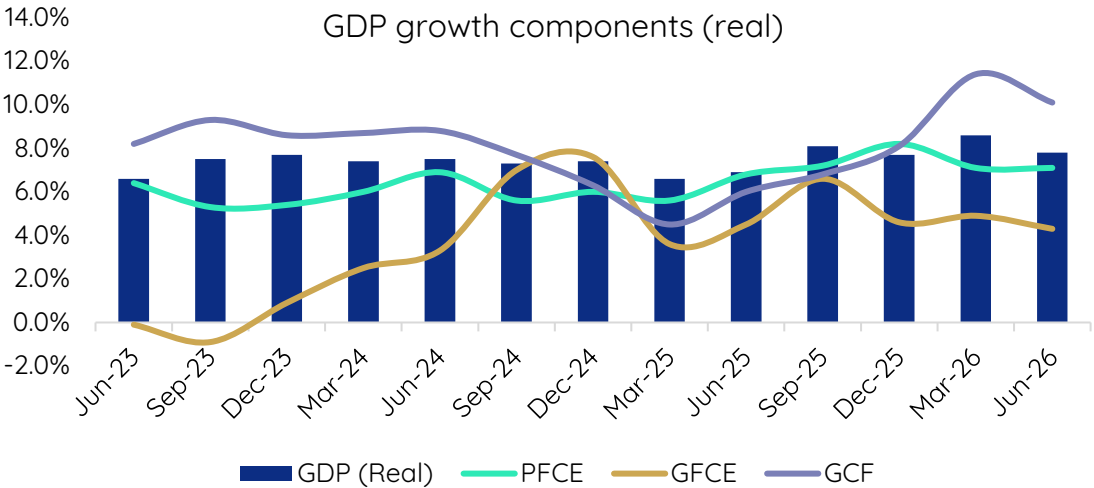


# India economic growth momentum surprised on the upside but faces headwinds

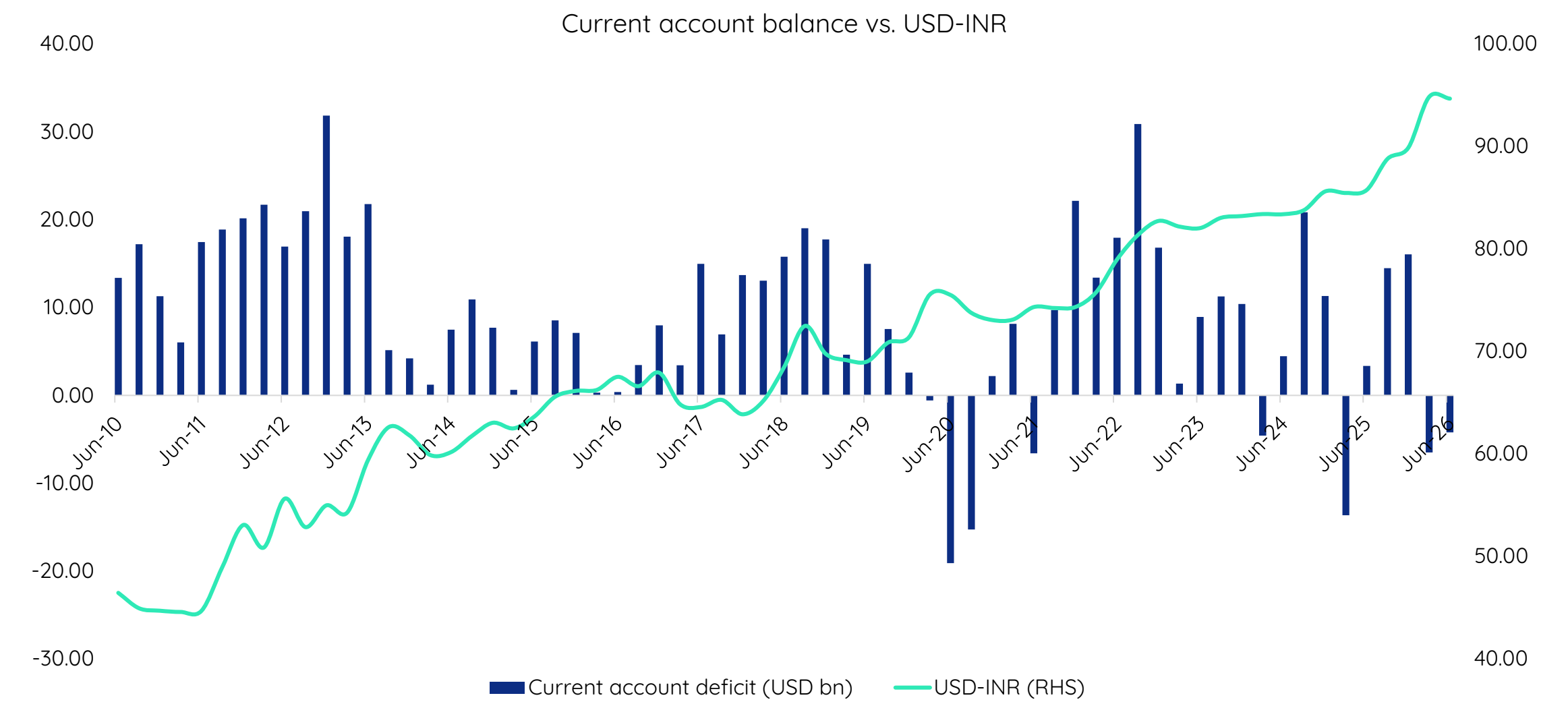


| Component               | Jun-25 | Mar-26 | Jun-26 |
|-------------------------|--------|--------|--------|
| GDP (Real)              | 6.9%   | 8.6%   | 7.8%   |
| Private consumption     | 6.8%   | 7.1%   | 7.1%   |
| Government expenditure  | 4.5%   | 4.9%   | 4.3%   |
| Gross capital formation | 6.0%   | 11.4%  | 10.1%  |
| Exports (INR terms)     | 6.0%   | 3.7%   | 12.0%  |
| Imports (INR terms)     | 5.3%   | 1.9%   | -1.1%  |
| GDP deflator            | 1.1%   | 0.6%   | 2.3%   |

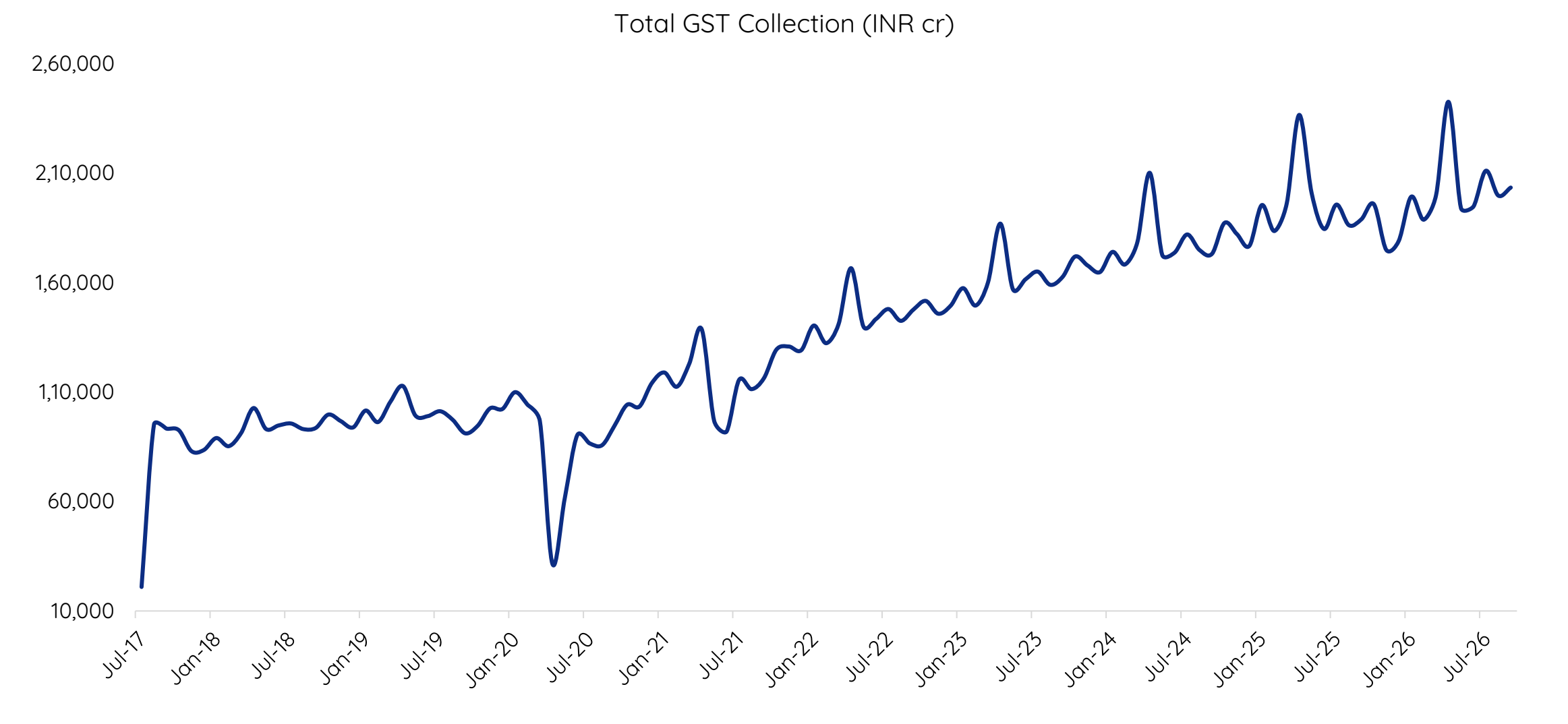
|             |      |      |      |
|-------------|------|------|------|
| Agriculture | 4.4% | 3.6% | 3.6% |
| Industry    | 7.3% | 6.8% | 7.7% |
| Services    | 7.6% | 9.7% | 9.7% |



# Current account deficit continues to remain subdued

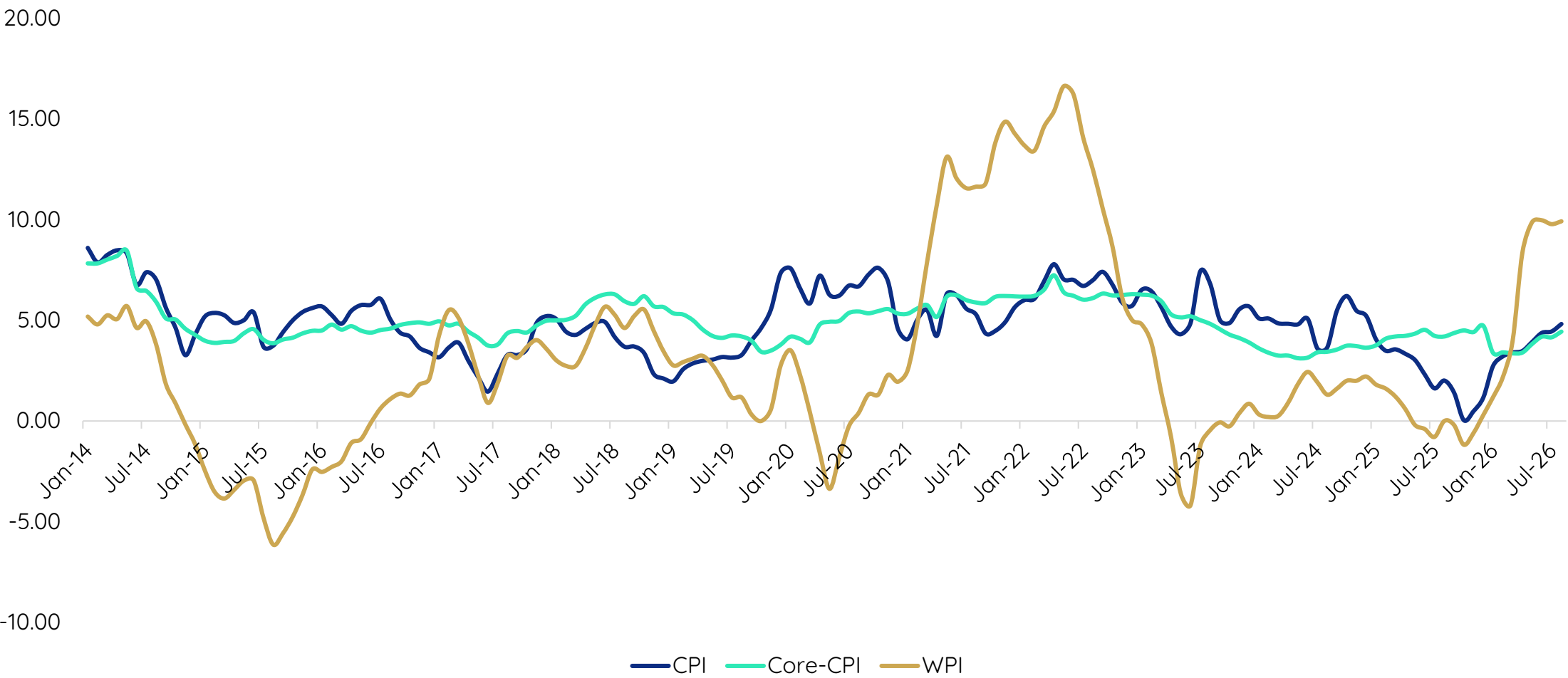


# GST collections remain strong driven by overseas shipments & global pricing



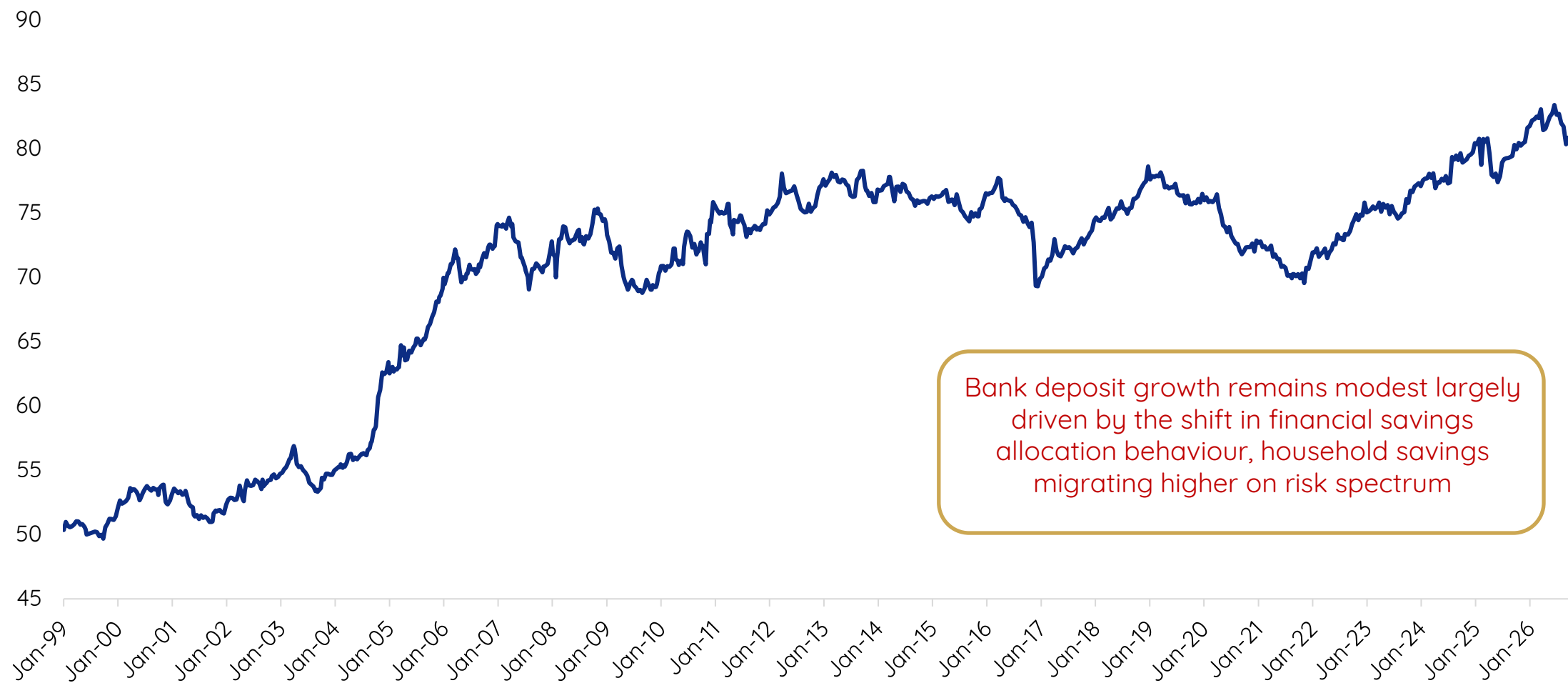
# India CPI prints in new series within RBI's band so far

CPI, core CPI & WPI



# Loan-deposit ratios continue to remain above 80% as loan growth outpaces deposit growth

Banking system loan to deposit ratio

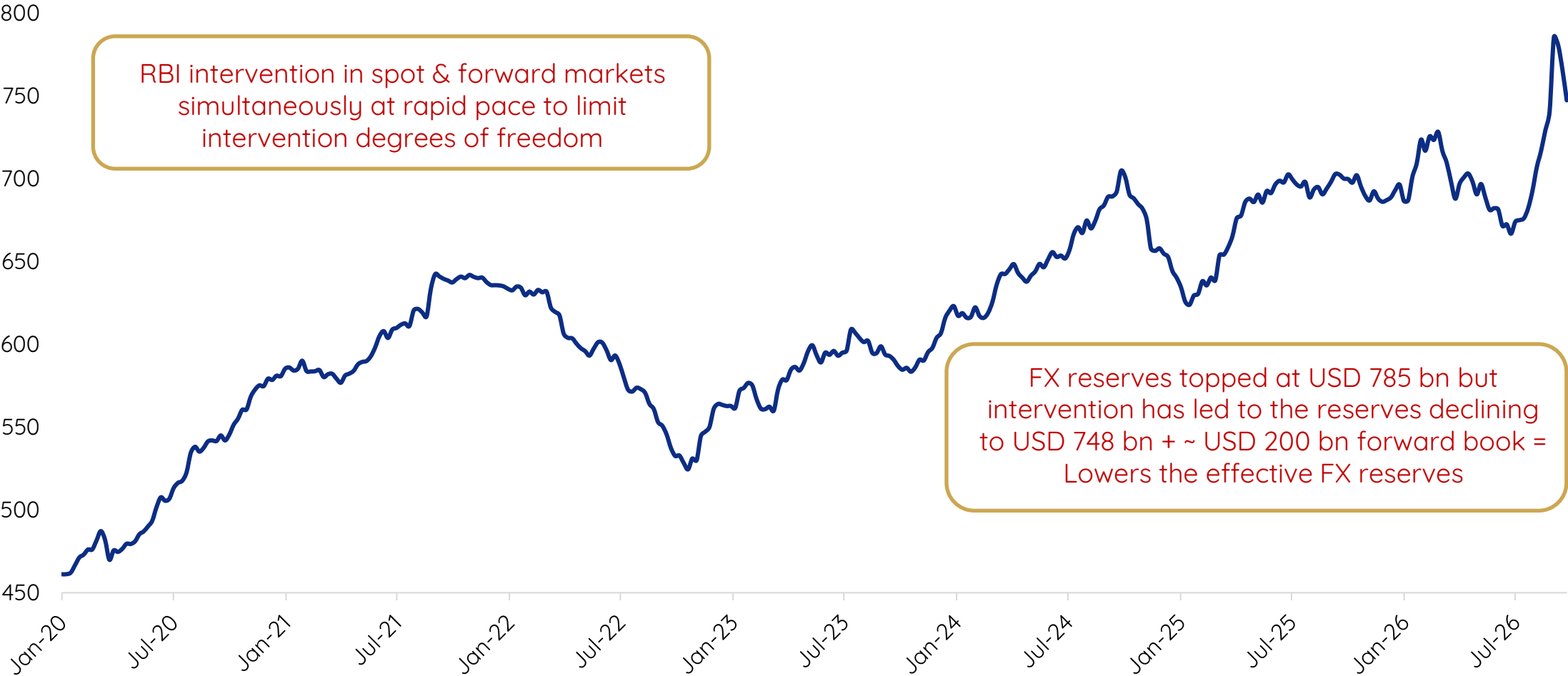


Bank deposit growth remains modest largely driven by the shift in financial savings allocation behaviour, household savings migrating higher on risk spectrum

# FX reserves rose on RBI's special measures but forward book remains elevated



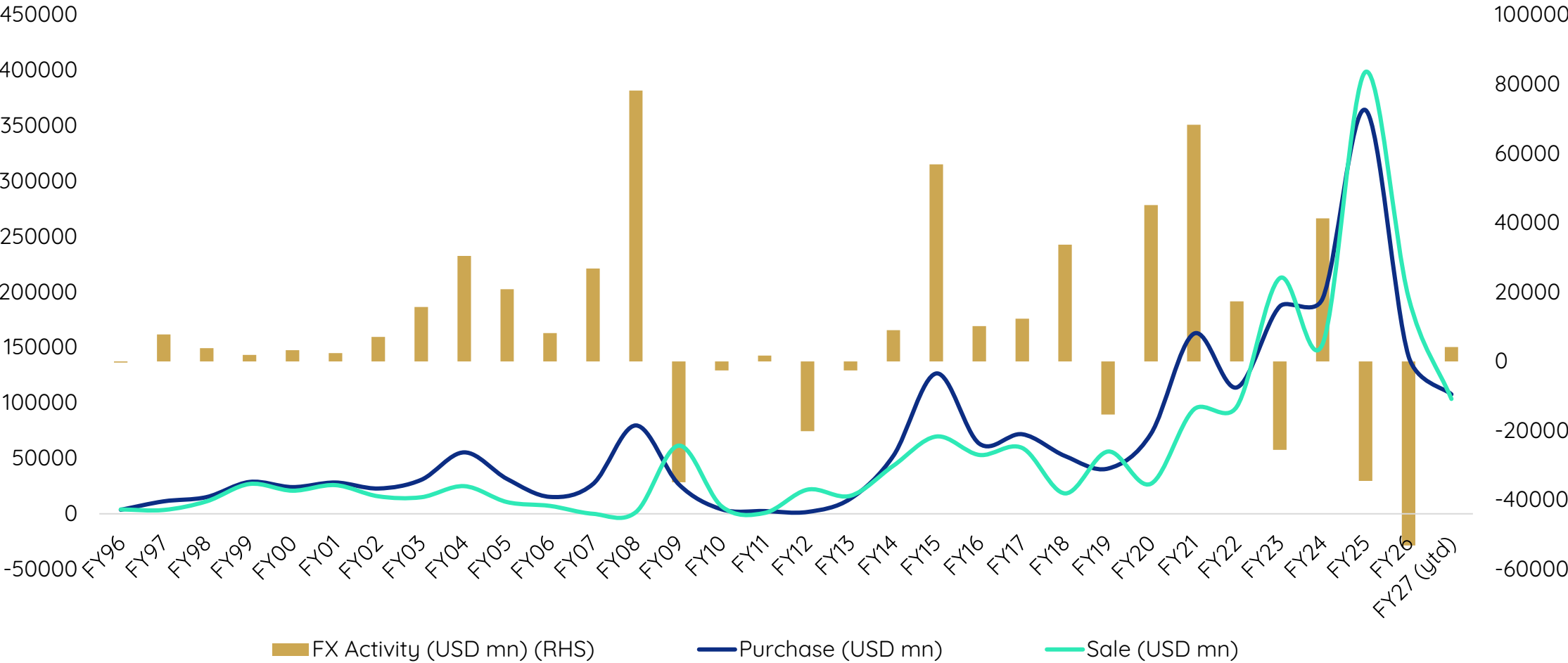
FX reserves (USD bn)



# RBI has been intervening in the FX markets to cap the INR volatility



RBI FX intervention





## Domestic asset markets



# Financial conditions eased in FY26 but could tighten going ahead

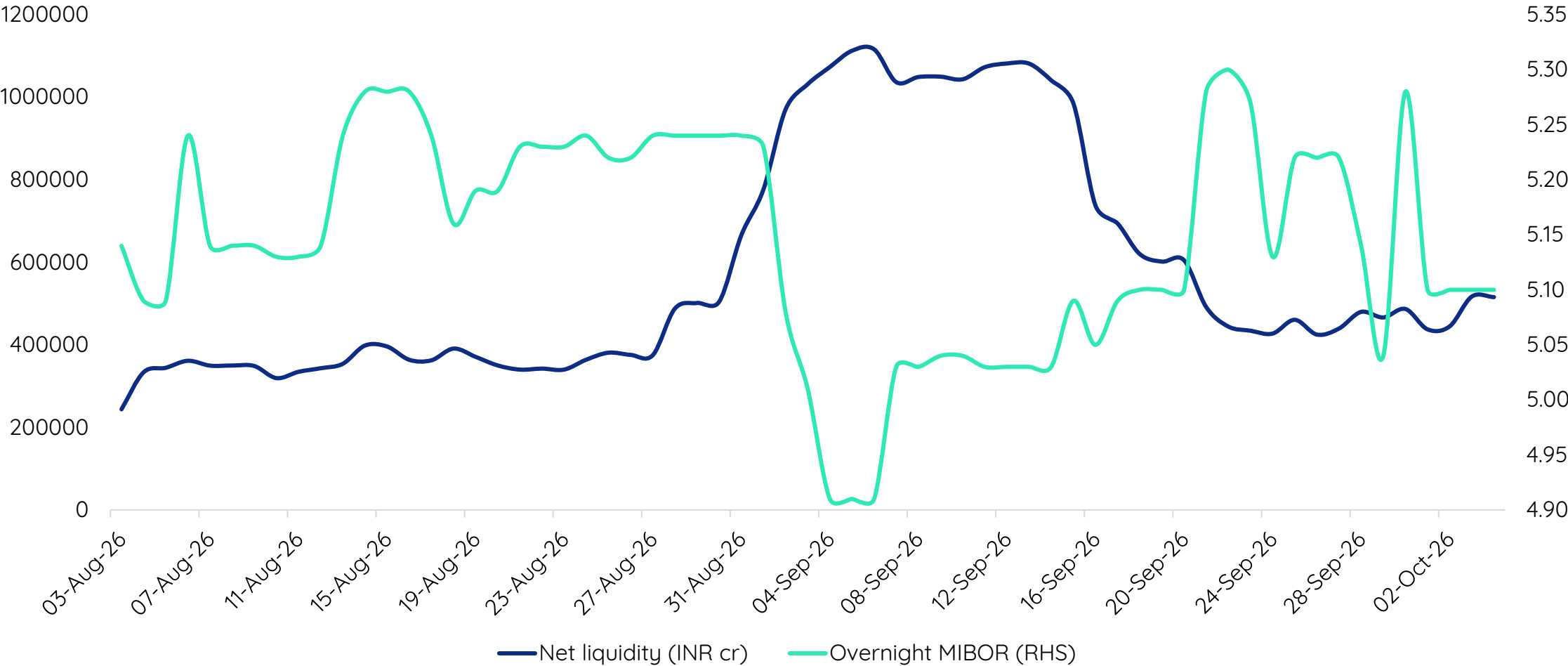
Repo rate vs. M3 growth



# Dollar flows post RBI measures pushed up liquidity surplus to over 10 tn

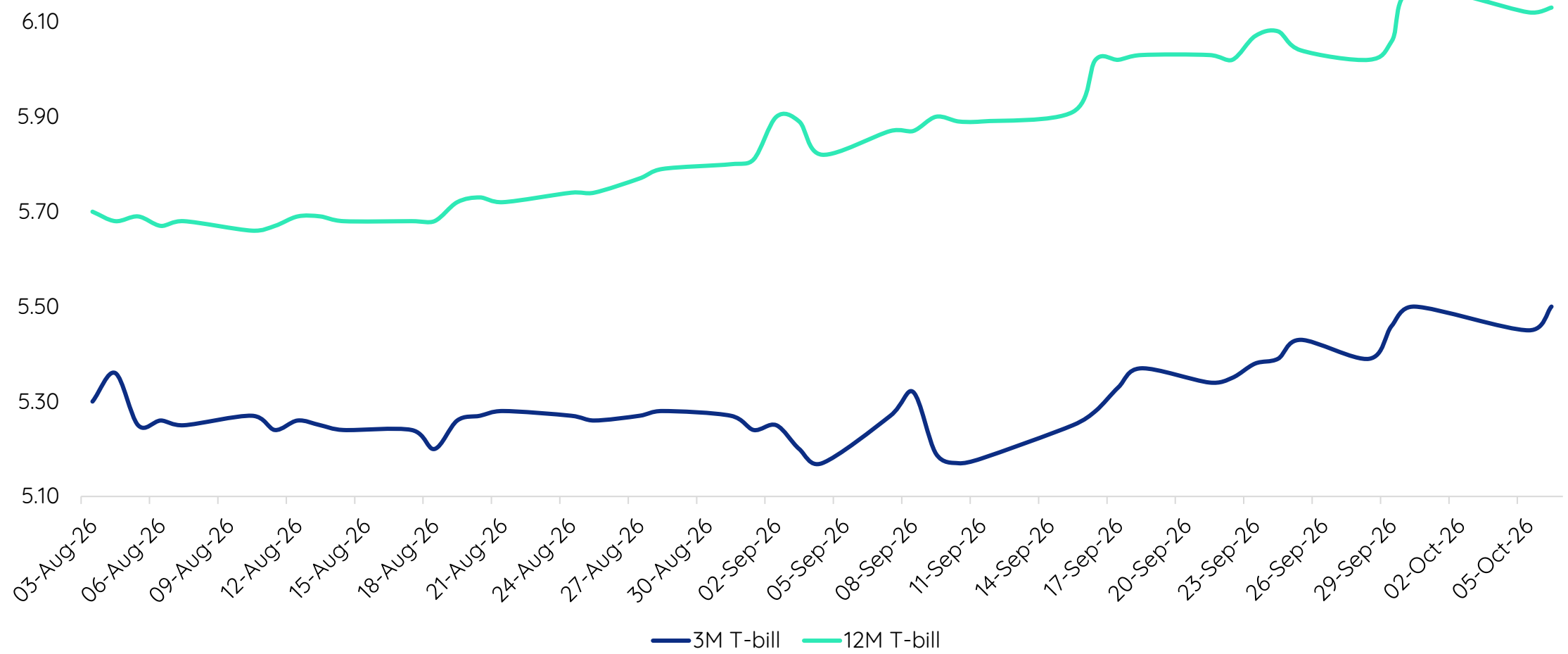


Banking system liquidity vs. Overnight MIBOR rates



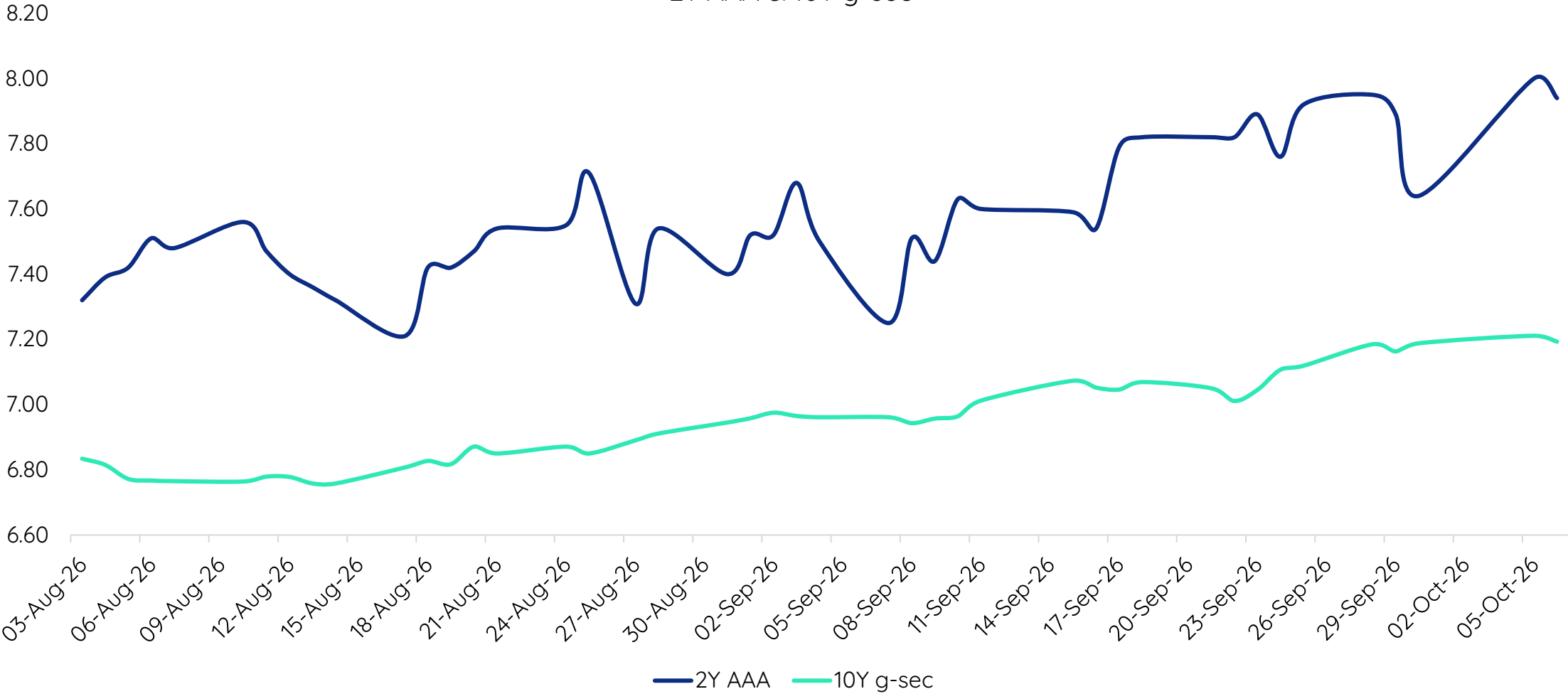
# Short end yields remained relatively anchored on easy liquidity

3M / 12M T-bill rate

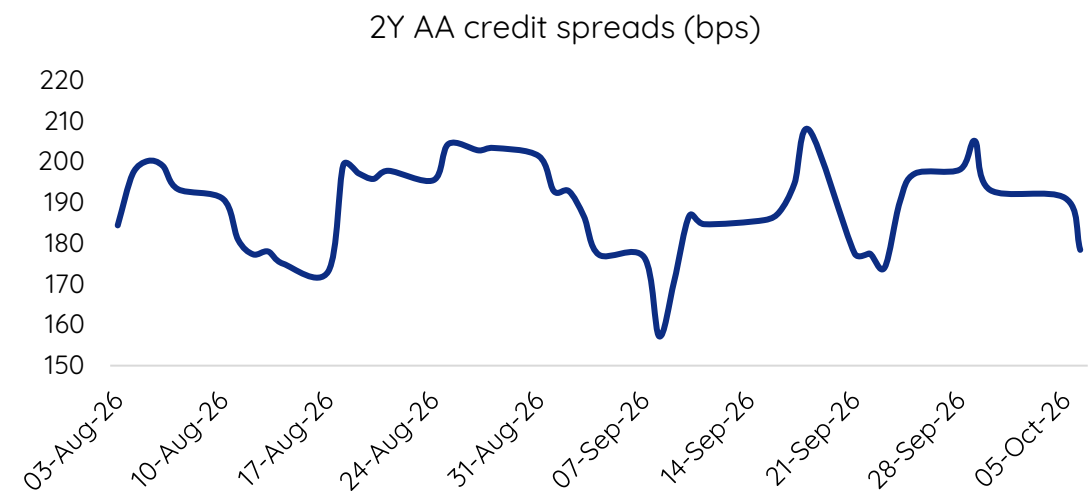
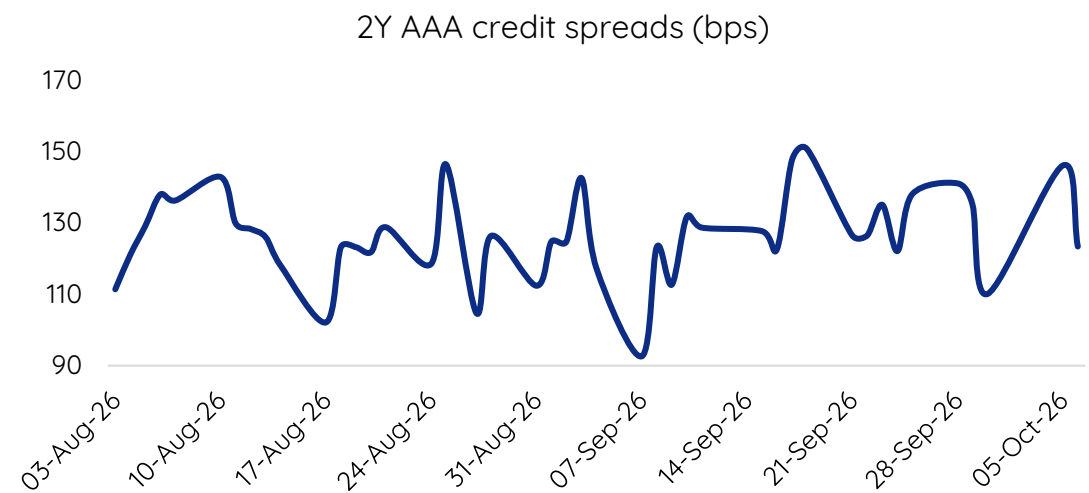
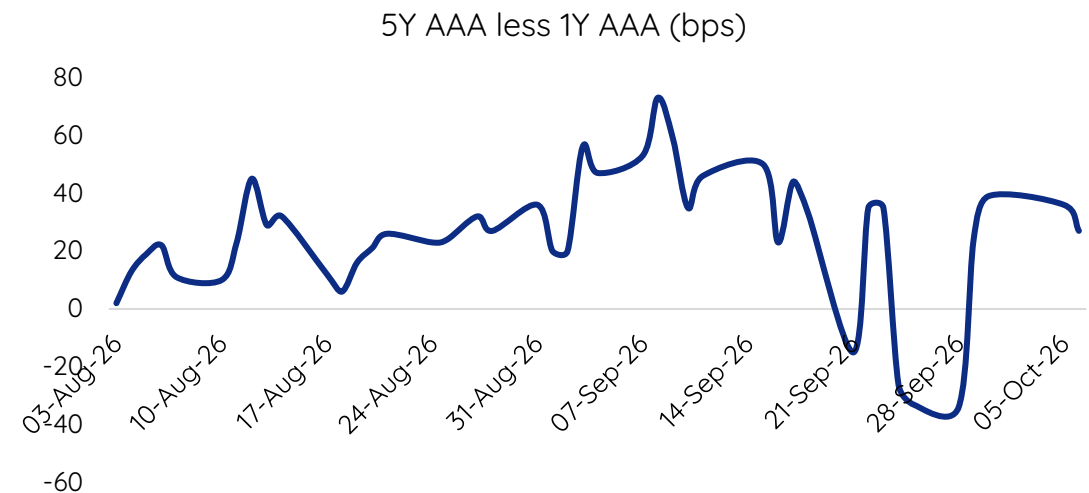
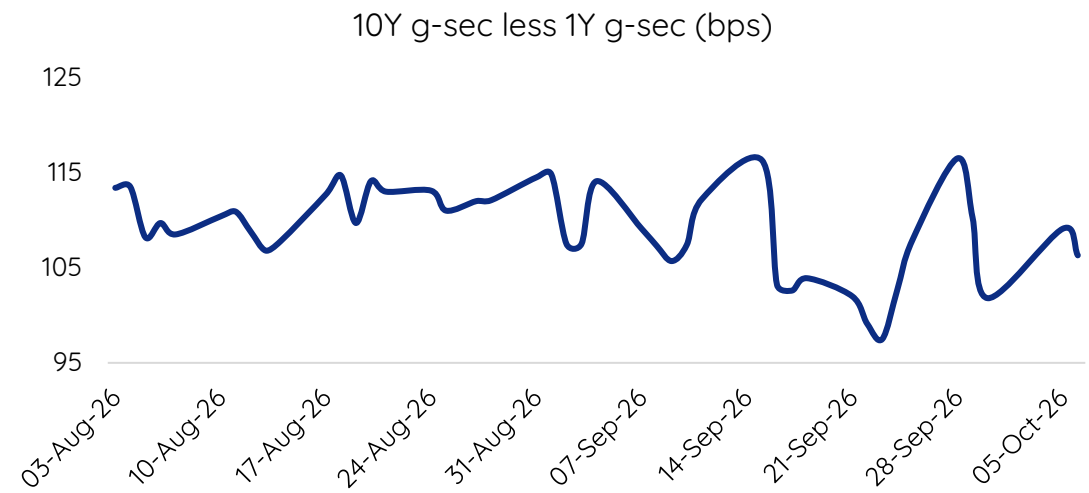


# G-sec & corporate bond yields hardened despite surplus liquidity driven by global cues

2Y AAA & 10Y g-sec

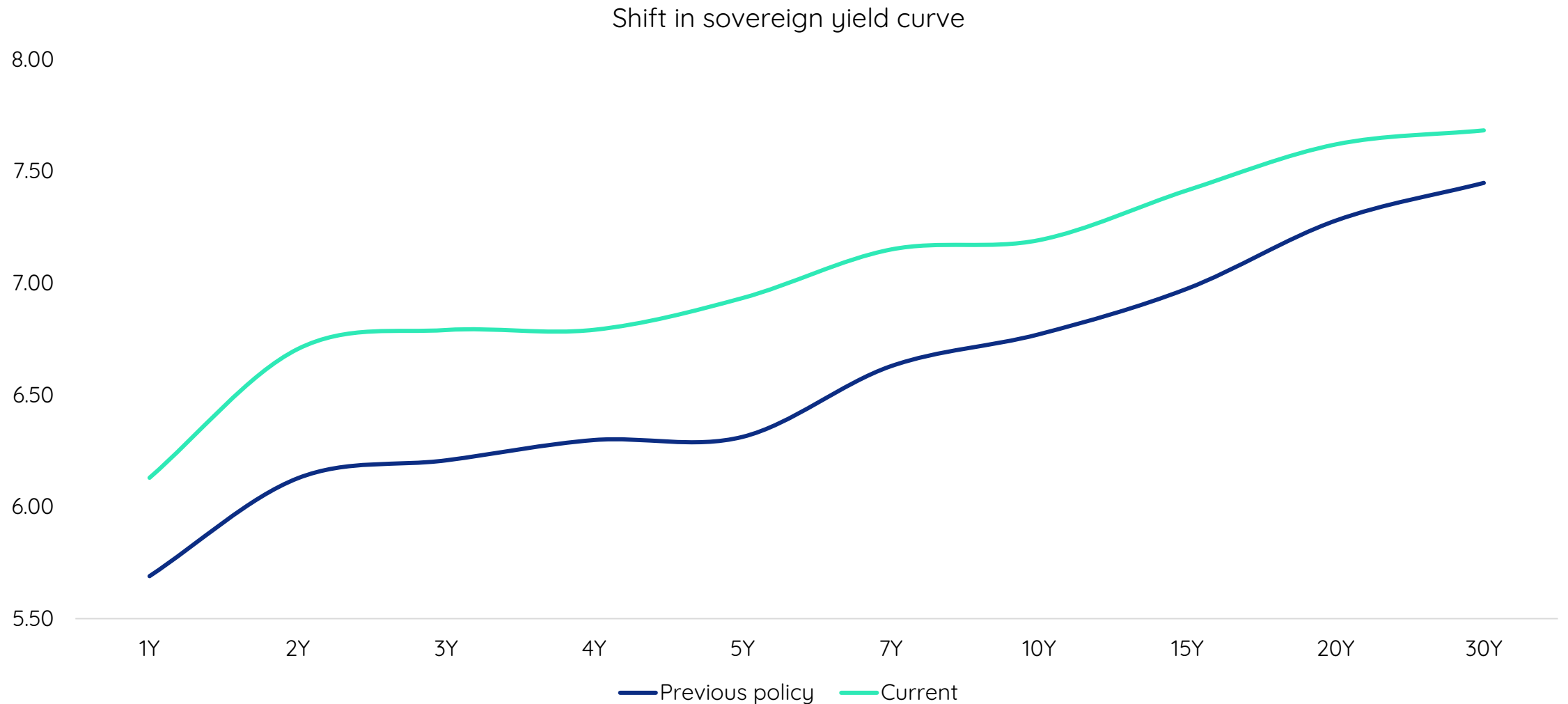


# Corporate term & credit spreads remain relatively stable



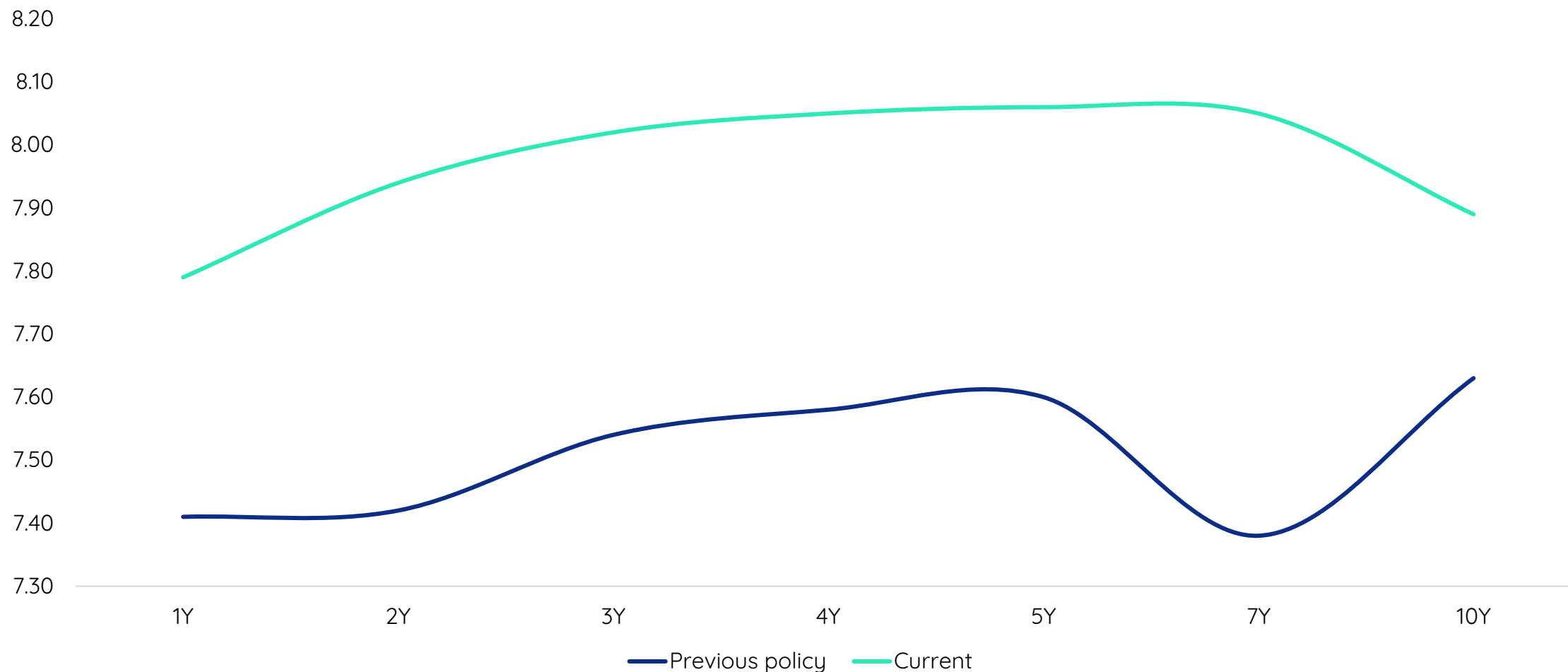


# Sovereign yield curve shifted upward



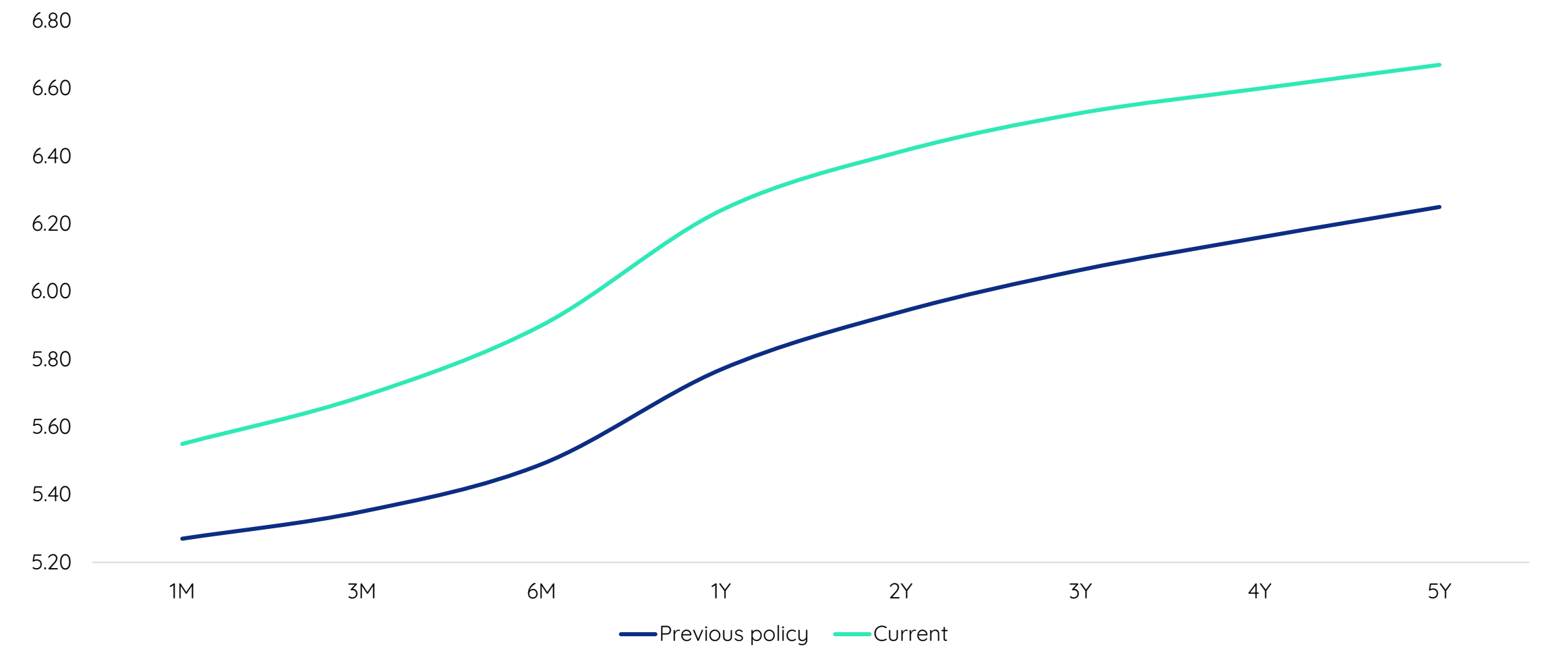
# Corporate yield curve - Bear flattening?

Shift in corporate AAA yield curve



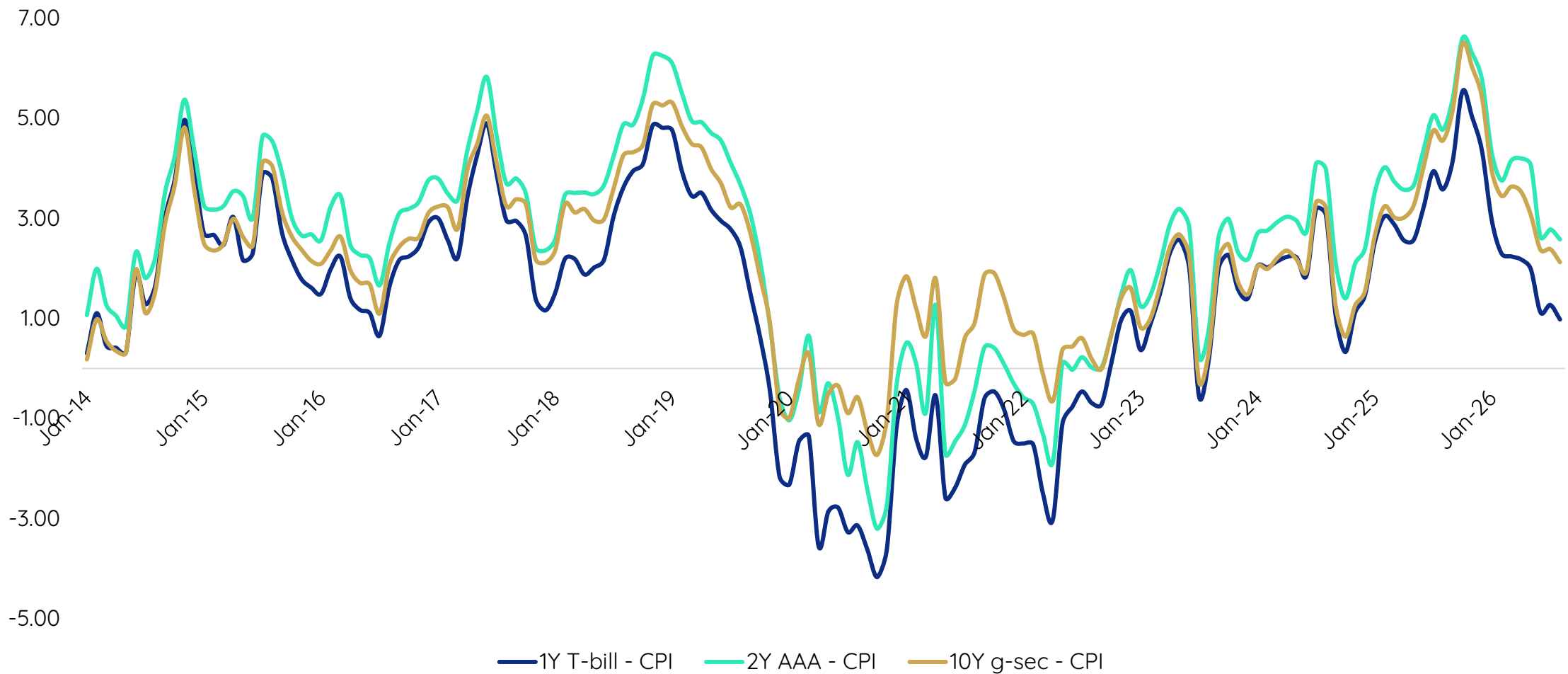
# Swap curve continues to price in rate hikes amidst tightening global liquidity

Shift in swap curve



# Real yields declining on rising inflation but remain +ve

1Y T-bill, 2Y AAA & 10Y g-sec real yield trends



# Indian equity markets corrected sharply in the recent past, extending the corrective phase



| Index              | Current | 2025 End | 1Y back | All time high | 2026 Cytd | 1Y back | % change from all time high |
|--------------------|---------|----------|---------|---------------|-----------|---------|-----------------------------|
| Nifty 50           | 22,776  | 26,130   | 25,078  | 26,329        | -12.8%    | -9.2%   | -13.5%                      |
| Nifty next 50      | 69,974  | 69,365   | 68,590  | 77,813        | 0.9%      | 2.0%    | -10.1%                      |
| Nifty 500          | 22,203  | 23,872   | 23,170  | 24,497        | -7.0%     | -4.2%   | -9.4%                       |
| Nifty midcap 150   | 21,979  | 22,277   | 21,551  | 23,539        | -1.3%     | 2.0%    | -6.6%                       |
| Nifty smallcap 250 | 17,902  | 16,685   | 17,030  | 18,623        | 7.3%      | 5.1%    | -3.9%                       |

| Index              | Absolute |       |       | CAGR  |       |       |       |       |       |
|--------------------|----------|-------|-------|-------|-------|-------|-------|-------|-------|
|                    | 1M       | 3M    | 6M    | 12M   | 2Y    | 3Y    | 5Y    | 7Y    | 10Y   |
| Nifty 50           | -4.7%    | -4.6% | -4.2% | -9.2% | -4.6% | 5.0%  | 5.1%  | 10.8% | 10.1% |
| Nifty next 50      | -4.0%    | -1.3% | 5.6%  | 2.0%  | -3.2% | 15.9% | 10.0% | 15.0% | 11.5% |
| Nifty 500          | -4.5%    | -3.1% | 0.8%  | -4.2% | -2.9% | 8.7%  | 7.7%  | 13.7% | 11.4% |
| Nifty midcap 150   | -5.1%    | -2.5% | 4.8%  | 2.0%  | 0.6%  | 13.4% | 13.4% | 21.1% | 15.3% |
| Nifty smallcap 250 | -3.1%    | 1.7%  | 15.5% | 5.1%  | -0.3% | 13.3% | 13.3% | 21.9% | 13.4% |

# Dispersion within sectors & stocks continue to rise



| Index                    | Current | 2025 End | 1Y back | All time high | 2026 Cytd | 1Y back | % change from all time high |
|--------------------------|---------|----------|---------|---------------|-----------|---------|-----------------------------|
| Nifty auto               | 25,542  | 28,190   | 26,857  | 29,648        | -9.4%     | -4.9%   | -13.8%                      |
| Nifty bank               | 55,128  | 59,582   | 56,105  | 61,551        | -7.5%     | -1.7%   | -10.4%                      |
| Nifty consumer durables  | 36,750  | 36,756   | 37,821  | 44,287        | 0.0%      | -2.8%   | -17.0%                      |
| Nifty financial services | 24,946  | 27,613   | 26,712  | 28,463        | -9.7%     | -6.6%   | -12.4%                      |
| Nifty FMCG               | 45,205  | 55,476   | 55,058  | 66,305        | -18.5%    | -17.9%  | -31.8%                      |
| Nifty IT                 | 28,136  | 37,884   | 34,723  | 45,996        | -25.7%    | -19.0%  | -38.8%                      |
| Nifty metal              | 12,600  | 11,168   | 10,186  | 13,718        | 12.8%     | 23.7%   | -8.2%                       |
| Nifty oil & gas          | 10,677  | 12,231   | 11,460  | 13,487        | -12.7%    | -6.8%   | -20.8%                      |
| Nifty pharma             | 26,550  | 22,724   | 21,780  | 27,186        | 16.8%     | 21.9%   | -2.3%                       |

# FPI holdings / flow & government borrowing monitor

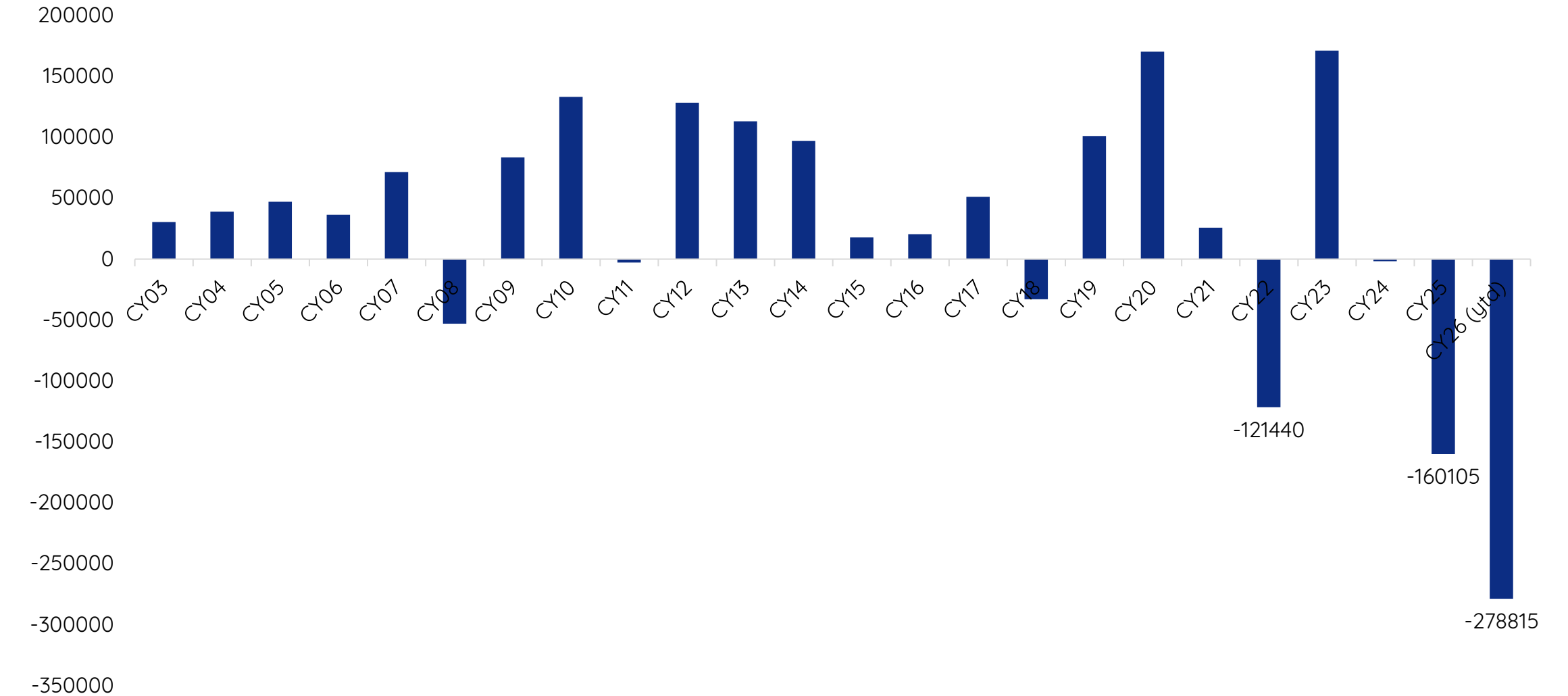


| Instrument type                     | Limit (INR cr)   | Current investment (INR cr) | % utilization |
|-------------------------------------|------------------|-----------------------------|---------------|
| Corporate bonds                     | 9,91,392         | 2,74,459                    | 27.7%         |
| Central government bonds            | 4,77,006         | 71,005                      | 14.9%         |
| State government bonds              | 1,64,242         | 2,613                       | 1.6%          |
| <b>FPI exposure in indian bonds</b> | <b>16,32,640</b> | <b>3,48,076</b>             | <b>21.3%</b>  |

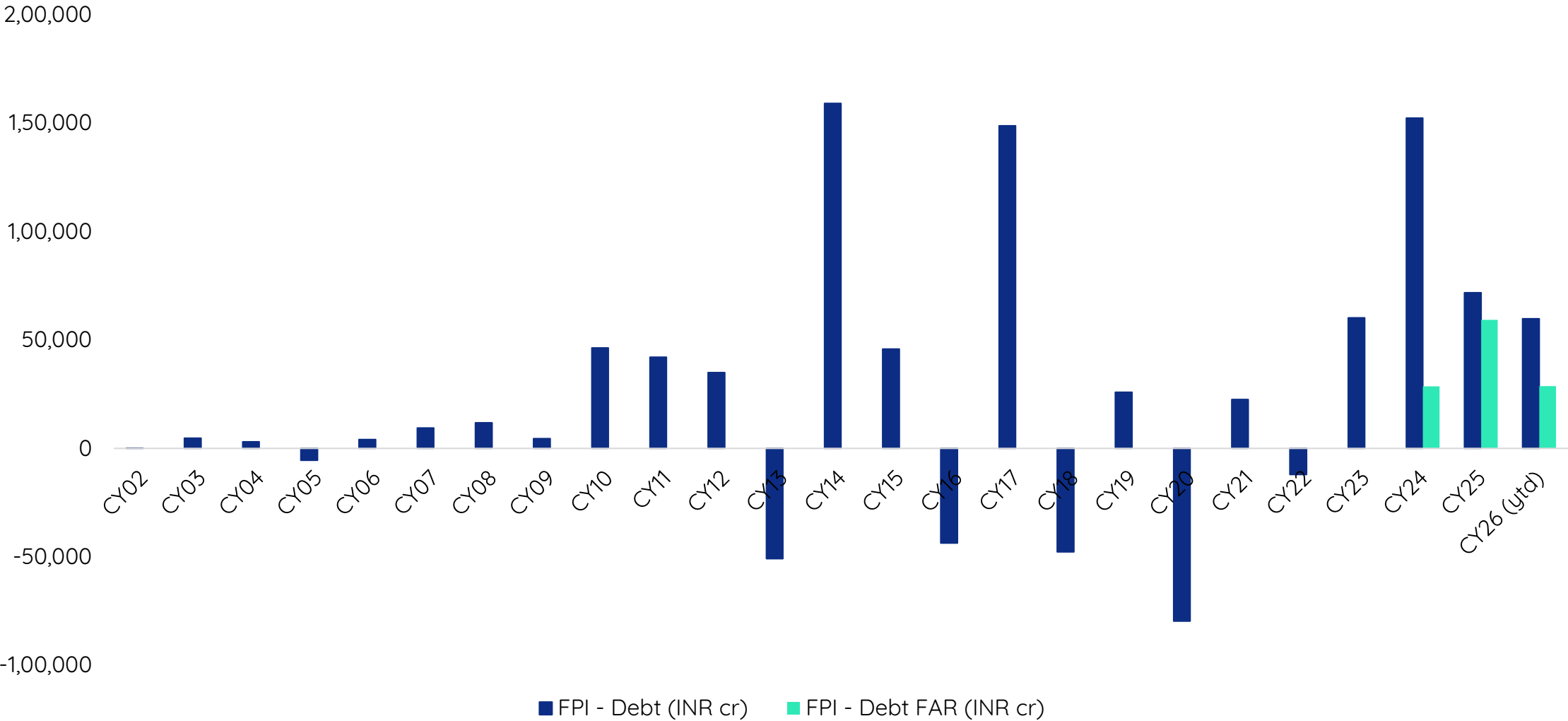
| Category | FY27 (September 25, 2026) |          | FY26 (September 26, 2025) |          | FY26      |           |
|----------|---------------------------|----------|---------------------------|----------|-----------|-----------|
|          | Gross                     | Net      | Gross                     | Net      | Gross     | Net       |
| Central  | 7,79,506                  | 5,07,250 | 7,63,000                  | 5,56,299 | 14,61,000 | 10,65,334 |
| State    | 4,78,739                  | 3,32,873 | 4,66,692                  | 3,21,992 | 12,76,430 | 9,03,887  |

| Category            | Sep-26  | CY26 td   |
|---------------------|---------|-----------|
| FPI Debt (INR cr)   | -20,727 | 59,852    |
| FPI Equity (INR cr) | -35,861 | -2,78,815 |

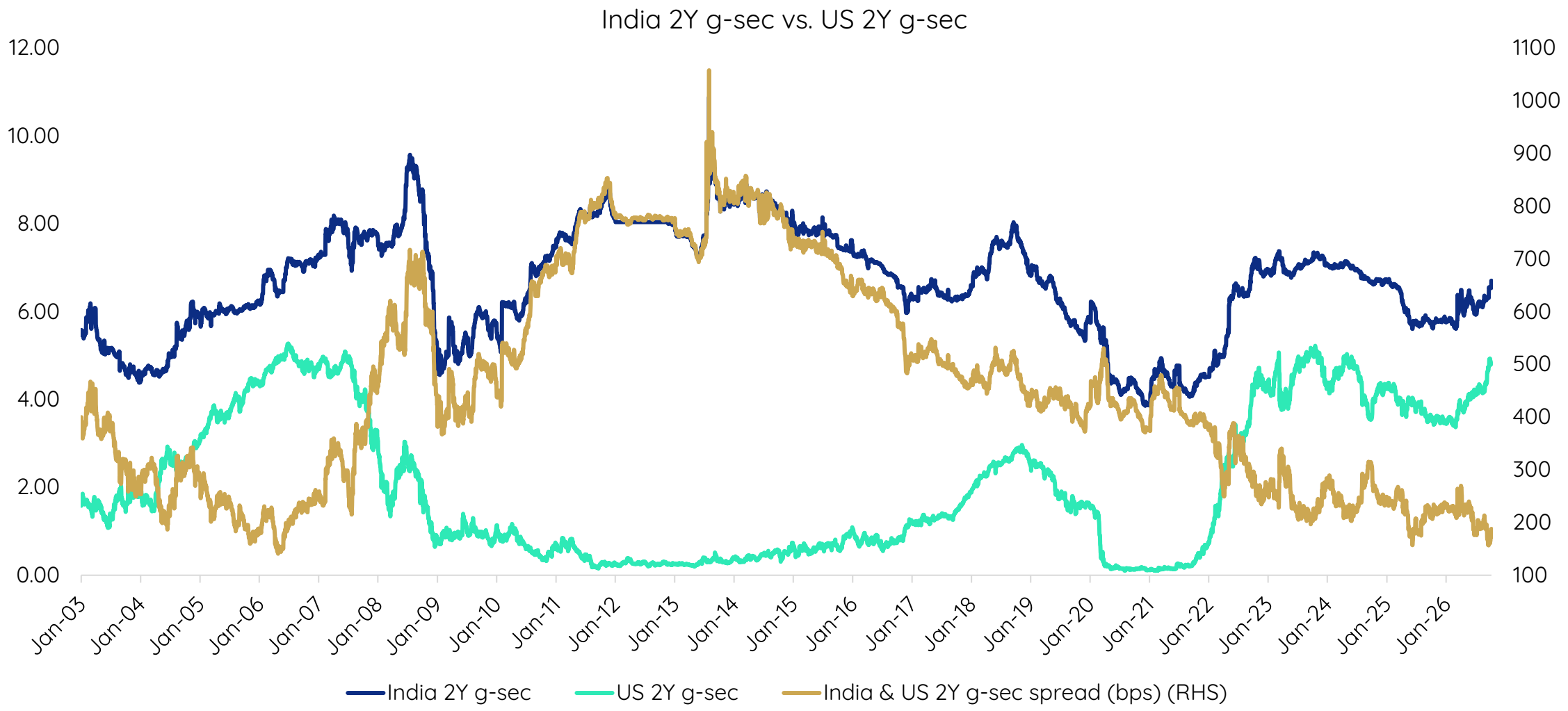
# FPI sale in Indian equities accelerates in Sep as crude prices rose sharply



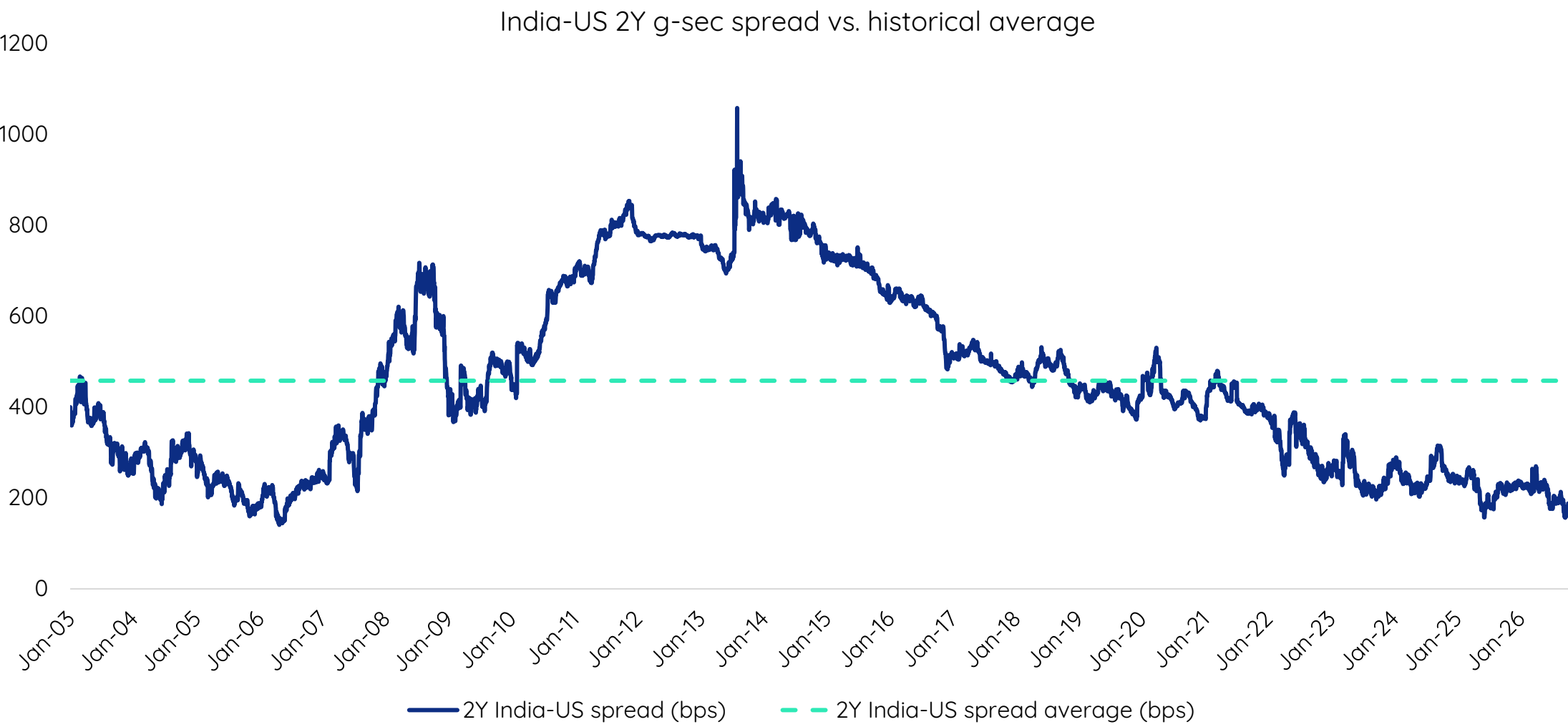
# INR bond flows mildly positive post FPI reforms in Jun



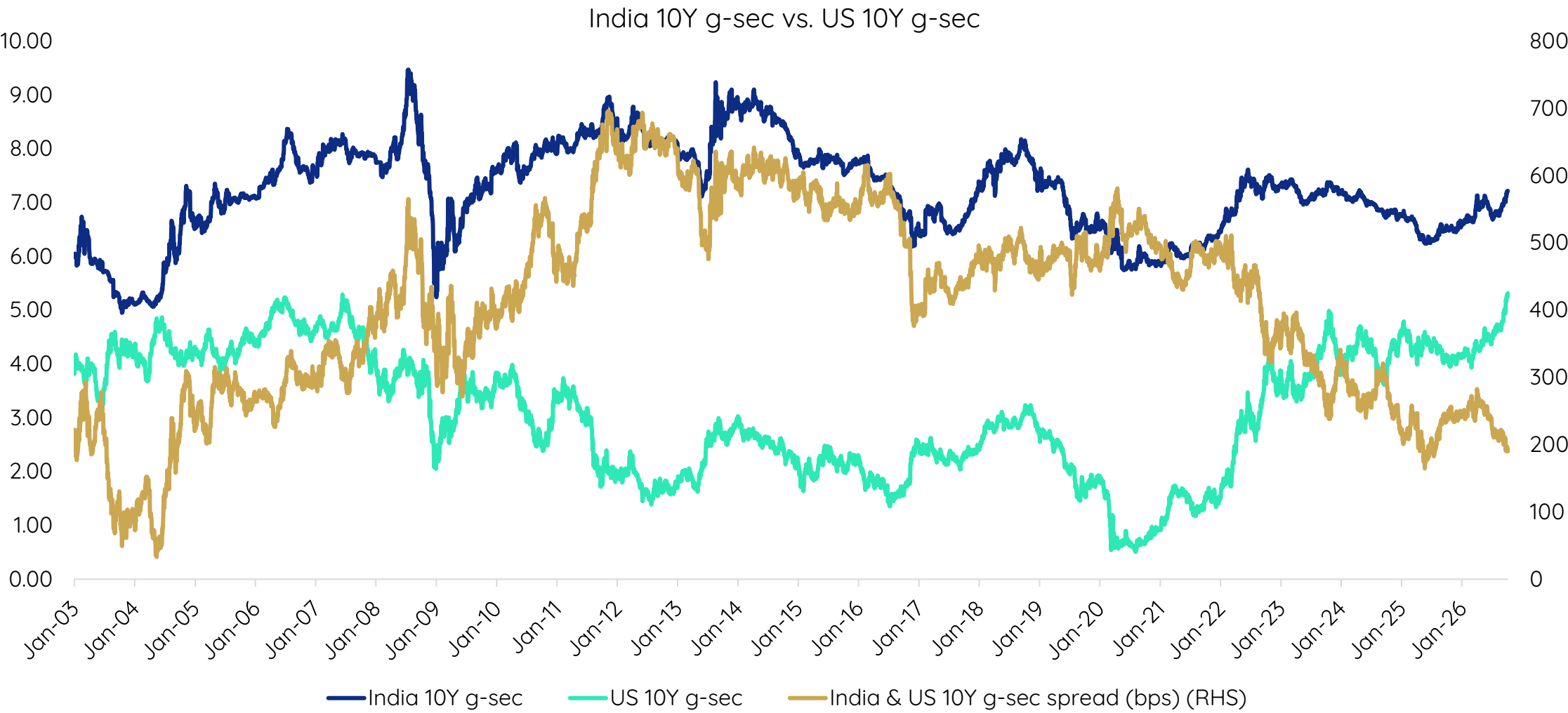
# India-US yield differential continues to narrow well below long-term average



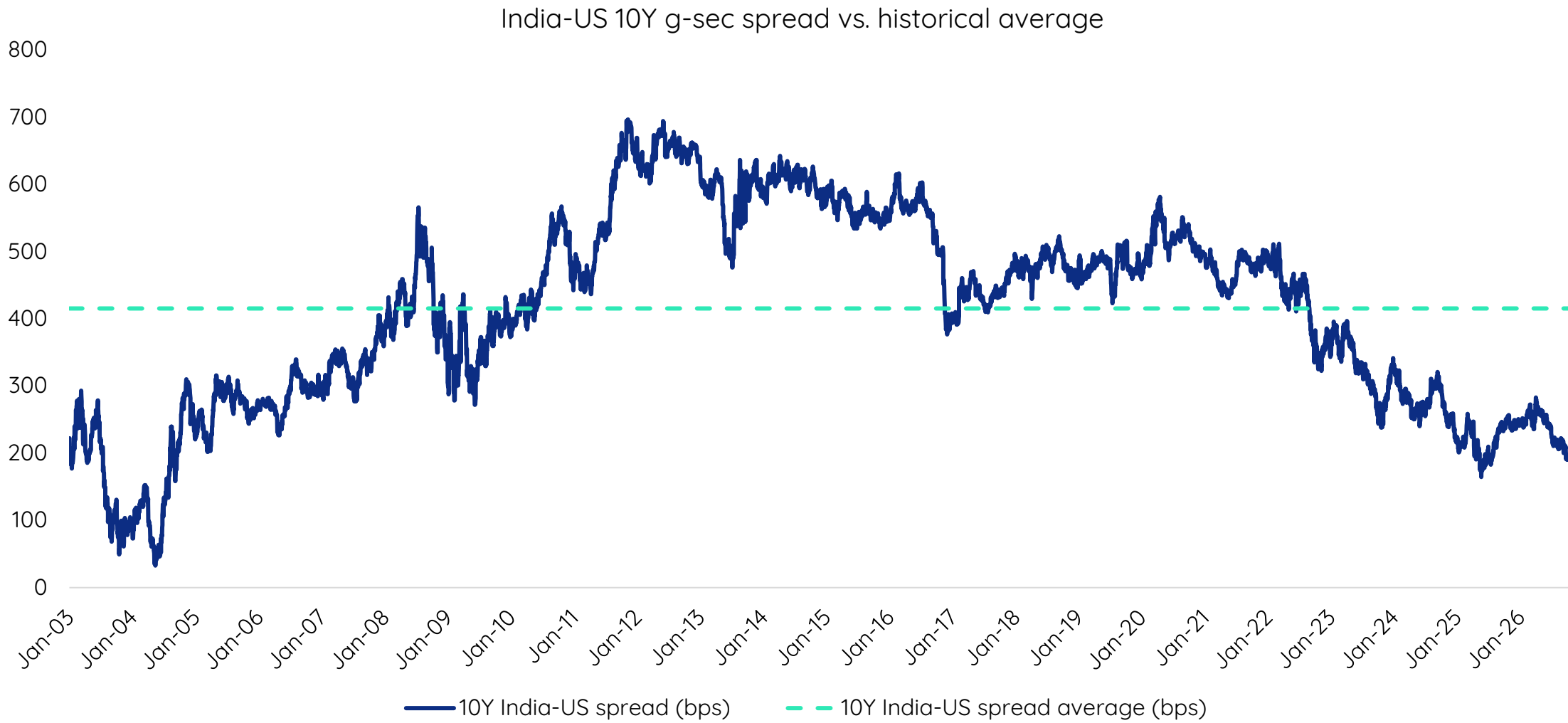
# India - US yield differential well below historic average



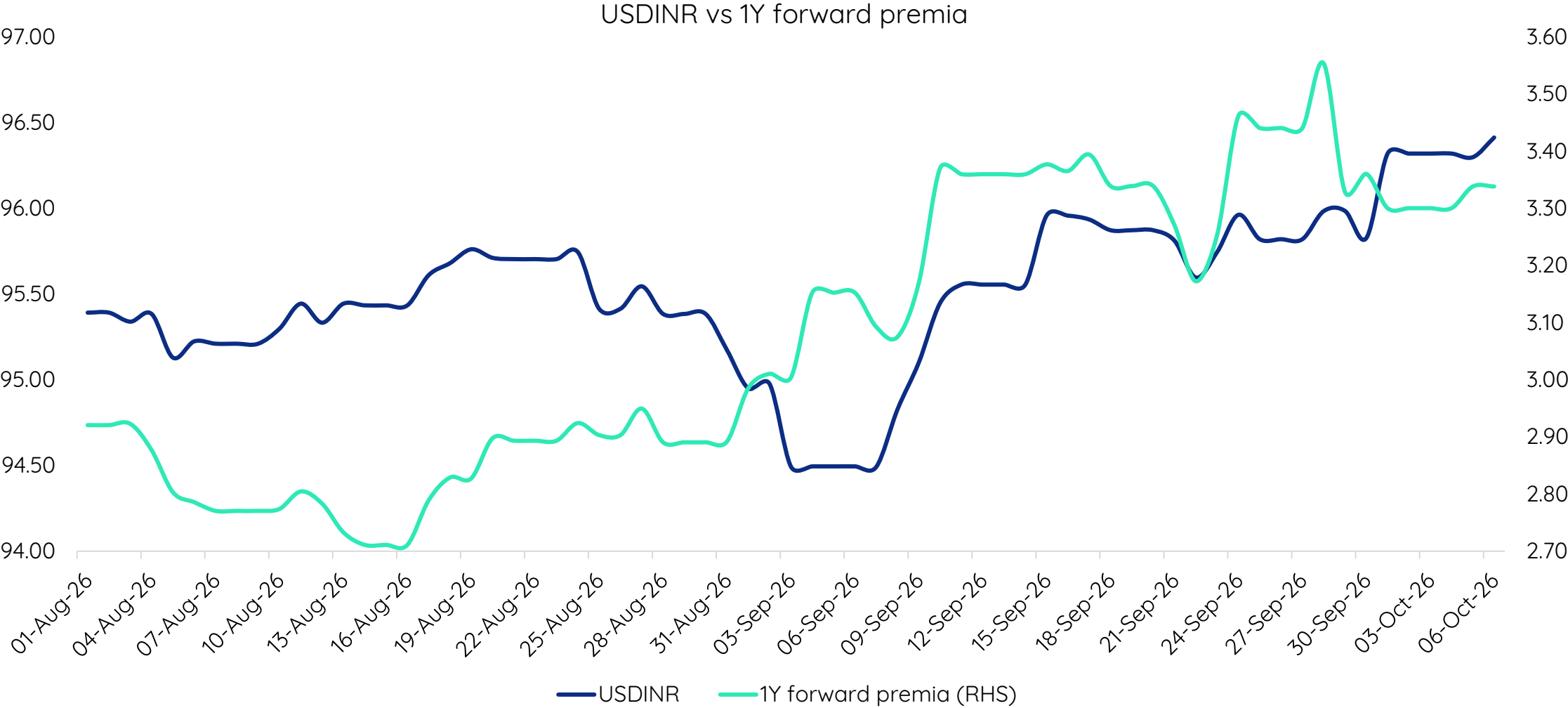
# India-US yield differential continues to narrow well below long-term average



# India - US yield differential well below historic average



# Forward premia rose as market pricing in potential sell/buy swaps by RBI



# Disclaimer



**SUNDARAM ALTERNATES**  
— Sundaram Finance Group —

## **General Disclaimer:**

Security investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved

## **Detailed Disclaimer:**

This document is issued by Sundaram Alternate Assets Limited registered with the Securities and Exchange Board of India. This document is produced for information purposes only. It does not constitute a prospectus or disclosure document or an offer or solicitation to buy any securities or other investment. All opinions, figures, charts/graphs, estimates and data included in this document are subject to change without notice. It should not be construed as investment advice to any party. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Investors shall be fully responsible/ liable for any decision taken on the basis of this document. The material is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. Neither Sundaram Alternate Assets Limited nor any person connected with it, accepts any liability, losses and/ or damages arising from the use of this material. The recipient of this material should rely on their investigations and take their own professional advice. Opinions, if any, expressed are our opinions as of the date of appearing on this material only. While we endeavour to update it on a reasonable basis there may be regulatory, compliance, or other reasons that prevent us from doing so. This document must not be reproduced or redistributed to any other person."

# Contact us

## Address

Sundaram Alternate Assets Limited,  
Alamelu Terrace, 3rd floor, 163 Annasalai, Mount  
Road, Chennai, 600002

## Email Address

support@sundaramalternates.com

## Call us

+91 73055 29179 / +91 73057 44425

## Website

<https://www.sundaramalternates.com>

## Follow us on

