

Emkay Investment Managers Ltd. (EIML) is the asset Management arm of Emkay Global Financial Services Ltd. (EGFSL), a SEBI registered Portfolio Manager managing & advising investments for long-term (3-5 years+) investors consisting of Family Offices, HNIs, Corporate & NRIs, in Indian equities.

January 2026 Market Commentary

January 2026 was a volatile and event-heavy month for Indian markets, shaped by a mix of global trade developments, currency movements, foreign flows, and evolving policy expectations. Risk sentiment swung sharply through the month, reflecting how sensitive markets remain to macro signals.

Indian equities began the year on a cautious footing, with **benchmark indices opening January on a negative note amid broad-based weakness**. Persistent foreign portfolio outflows, a strong US dollar, and elevated global uncertainty weighed on risk appetite, particularly in mid- and small-cap segments.

A key macro pressure point during the month was the currency. The Indian rupee slid to a record low, marking its worst monthly decline in over three years. The move was driven by sustained foreign outflows and strong corporate demand for dollars. While the RBI intervened in the foreign exchange market to smooth volatility, it could not fully prevent the depreciation.

The tone improved meaningfully in the latter half of the month as global trade developments turned supportive. On 27 January, **India concluded a long-awaited free-trade agreement with the European Union**, ending nearly two decades of negotiations.

This agreement is seen as a structural positive, with the potential to liberalise trade across goods and services and support earnings growth over the medium term. Markets responded with relief rallies, particularly in export-sensitive sectors such as chemicals, engineering goods, and gems & jewellery.

Adding to the positive momentum, **late-January reports of progress on tariff reduction and trade cooperation between India and the United States further improved sentiment**. Equities and the rupee reacted positively, with investors beginning to price in improved export flows and a more constructive global trade environment. This optimism carried into early February, resulting in a sharp rally following the January consolidation phase.

Meanwhile, attention increasingly turned toward India's Union Budget for FY2026, which was unveiled in early February but actively discussed through late-January policy signals. The budget narrative was positioned as structurally growth-oriented, reinforcing expectations of continued public capex, fiscal discipline, and long-term economic support — factors that helped anchor investor confidence despite short-term volatility.

To explore our detailed analysis of the Union Budget and its implications for India's economic growth, please refer to this link : **"EMKAY BUDGET NOTE"**



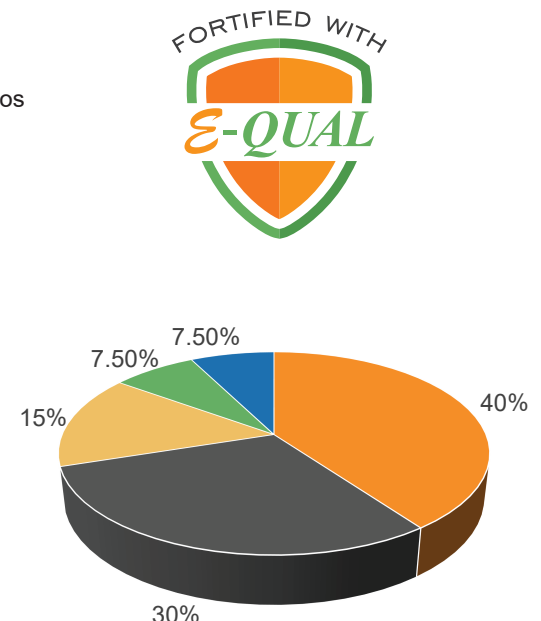
E-Qual Framework

- Arguably, the only framework of its kind in India
- Framework under active implementation for the last 10 years
- Zero exposure to managements with low corporate governance across portfolios

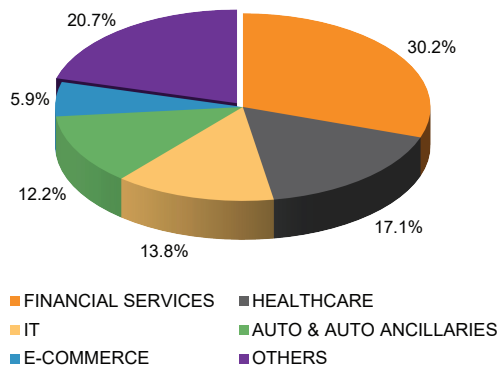
What does the E-Qual framework constitute?

- Calculate Qualitative Parameters – Objectively
- Capture publicly available data points and weigh them to create a ranking
- Sorting of Companies on Relative Ranking of Market Capitalization

Management Integrity	40%
Management Capability	30%
Wealth Distribution	15%
Investor Communication	7.50%
Liquidity	7.50%



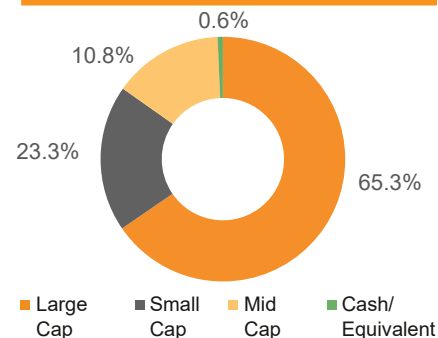
Sectors



Top 5 holdings

HDFC BANK LTD
ICICI BANK LTD
DIVI'S LABORATORIES LTD
FEDERAL BANK LTD
SHRIRAM FINANCE LTD

Market Capitalisation



Performance Update

	1M	3M	6M	1Y	2Y	3Y	5Y	CY-25	FY-25	FYTD	Since April 1, 2013 (12.8 Years)* CAGR	Total Returns
CAPITAL BUILDER -TWRR	-2.2	-0.8	3.4	14.6	16.1	22.1	20.1	10.4	11.5	17.7	16.6	616.7
BSE 500 TRI	-3.3	-2.6	1.0	7.7	8.7	16.4	16.4	7.6	6.0	8.8	15.0	502.9
Nifty 50 TRI	-3.0	-1.5	2.6	9.0	9.3	14.1	14.5	11.9	6.7	8.8	13.7	421.4

Emkay Capital Builder PMS strategy is benchmarked against the S&P BSE 500 TRI.

As on 31.01.2026

The Nifty 50 TRI is presented solely for additional comparative insight and should not be construed as an official benchmark.

Performance related information provided here is not verified by SEBI

*The current Portfolio Manager is managing since April 1, 2013

For period >1 year, CAGR returns are presented

Net of Fees & Expenses



Note : The current portfolio holdings may or may not be a part of the future portfolio holdings.

Investor's Portfolio may vary from the Strategy Level Portfolio shown above in the Top Holdings.

(Above Portfolio details are as on 31.01.2026)

January 2026 Portfolio Commentary

The Capital Builder strategy delivered a return of -2.2% in Jan 2026, outperforming the BSE 500 TRI which declined by -3.3%

Key contributors:

FEDERAL BANK rose 8.0% in January on steady earnings, better NIM visibility and sector strength in private banks.

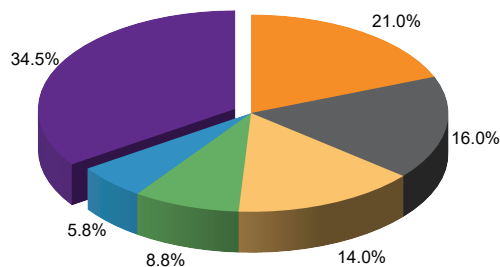
HCL TECHNOLOGIES edged up 4.3% in January on resilient Q3 performance, solid deal wins, and improving global technology sentiment

Key Detractors:

HDFC BANK declined 6.3% in January amid continued concerns over NIM compression, funding costs, and post-merger return ratios.

LAURUS LABS fell 18.9% in January, largely due to profit-booking after a strong run-up, despite guidance pointing to improved FY26 growth and margins

Sectors



FINANCIAL SERVICES IT HEALTHCARE OTHERS
CONSTRUCTION MATERIALS CONSUMER DURABLES

Top 5 holdings

ICICI BANK LTD.

ETERNAL LTD

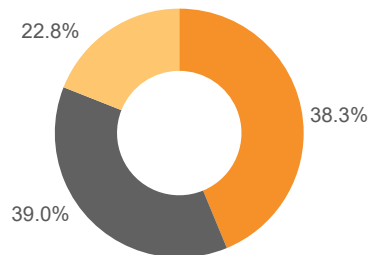
NIPPON LIFE INDIA ASSET
MANAGEMENT LTD

RELIANCE INDUSTRIES LTD

COHANCE LIFESCIENCES LTD

* Model Portfolio

Market Capitalisation



Small Cap Large Cap Mid Cap

Performance Update

	1M	3M	6M	1Y	2Y	CY-25	FY-25	FYTD	Since Inception (CAGR)	Total Returns
GOLDEN DECADE - TWRR	-5.1	-7.6	-7.9	1.7	8.3	-3.1	10.9	5.8	13.2	32.5
BSE 500 TRI	-3.3	-2.6	1.0	7.7	8.7	7.6	6.0	8.8	15.9	39.6

Since Inception Date : 26 Oct 2023

Performance related information provided here is not verified by SEBI

For period >1 year, CAGR returns are presented

Net of Fees & Expenses

As on 31.01.2026

Inception Date **26-Oct-2023**

Benchmark

BSE
500 TRI

Total number of
Stocks **25-35**

MULTI
CAP

Average
Marketcap

INR **1,71,928** Cr

As on 31.01.2026

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(Above Portfolio details are as on 31.01.2026)

December 2025 Portfolio Commentary

The Golden Decade strategy delivered a return of -5.1% in Jan 2026, while the BSE 500 TRI was down by -3.3%

Key contributors:

BILLIONBRAINS GARAGE VENTURES (Groww) shares climbed 13.4% in January on buying interest in financial-services and platform stocks supported by strong price-volume action.

POWER FINANCE CORPORATION gained 6.7% in January, benefiting from optimism around power-sector capex and rising demand for power-focused NBFCs.

Key detractors:

ALLIED BLENTERS AND DISTILLERS declined 20.7% in January amid concerns over margin pressure and rising competition in IMFL, along with profit-booking after its post-listing rally.

GODFREY PHILLIPS INDIA fell 26.3% in January due to profit-booking and heightened regulatory concerns across the tobacco segment.

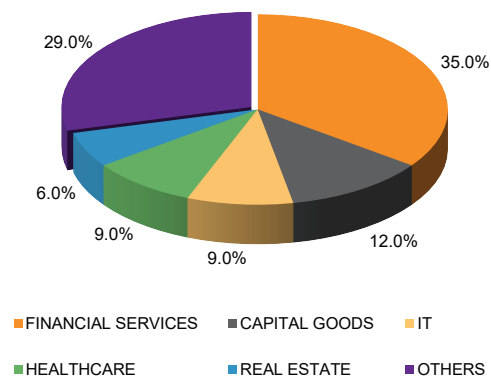
COHANCE LIFESCIENCES dropped 27.9% in January after weak quarterly results triggered earnings downgrades.

FUND MANAGEMENT TEAM

Manish Sonthalia
Kashyap Javeri

Director and CIO
Head of Research and Fund Manager

Sectors



Top 5 holdings

AEGIS VOPAK TERMINALS LTD

BANK OF MAHARASHTRA

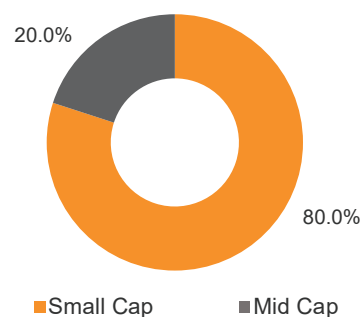
MAX FINANCIAL SERV LTD

STYRENIX PERFORMANCE MATERIALS LTD

LUMAX AUTO TECH LTD

* Model Portfolio

Market Capitalisation



Performance Update

	1M	3M	6M	Since Inception*
SMID CAP GROWTH ENGINE PORTFOLIO - TWRR	-6.4	-10.8	-12.5	-14.6
BSE 500 TRI	-3.3	-2.6	1.0	0.3
BSE 250 SmallCap TRI	-6.1	-9.4	-8.5	-8.7

Since Inception Date : 9th June 2025

As on 31.01.2026

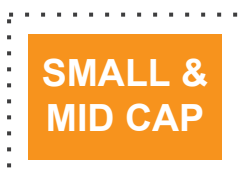
Performance related information provided here is not verified by sebi

Emkay SMID PMS strategy is benchmarked against the S&P BSE 500 TRI.

The BSE 250 SmallCap TRI is presented solely for additional comparative insight and should not be construed as an official benchmark

Net of Fees & Expenses

*Absolute



As on 31.01.2026

Note: The current portfolio holdings may or may not be a part of the future portfolio holdings.

Investors' Portfolio may vary from the Strategy Level Portfolio shown above in the Top Holdings.

(Above Portfolio details are as on 31.01.2026)

December 2025 Portfolio Commentary

Emkay SMIDCap Growth Engine Strategy delivered a return of -6.4% in Jan 2026, compared with a -3.3% decline in the BSE 500 TRI. The broader small-cap universe, however, remained under pressure, with the BSE Smallcap 250 Index declining by -6.1%

Key contributors:

MISHRA DHATU NIGAM moved up 9.2% January, supported by strong defence-capex sentiment that lifted defence PSU stocks.

FEDERAL BANK rose 8.0% in January on steady earnings, better NIM visibility and sector strength in mid-sized private banks.

Key detractors:

CEMINDIA PROJECTS declined 18.6% in January as infra and EPC stocks corrected on profit-taking and the absence of fresh order-flow triggers.

AWFIS SPACE SOLUTIONS fell 21.4% in January due to delays in the profitability ramp-up of new capacity additions.

ADITYA BIRLA REAL ESTATE dropped 24.9% in January amid broader real-estate sector profit-booking and concerns around rich valuations and interest rates.