

# THE

**Edition:**  
**March 2026**

# Snazzy

# BRIEF

Monthly Newsletter by **Snazzy Wealth Pvt. Ltd.**



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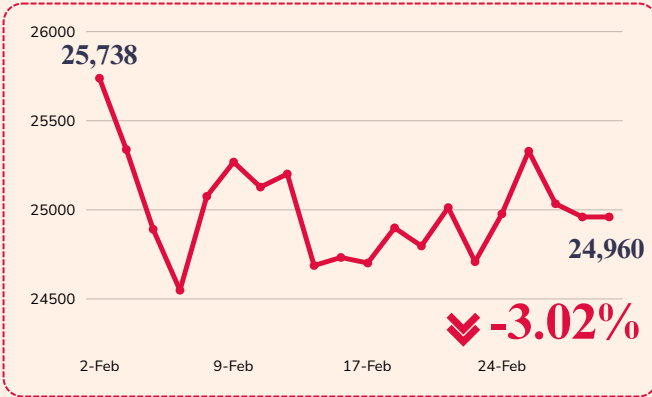
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# MARKET WATCH - GLOBAL

## Nasdaq 100



The Nasdaq 100 saw heightened volatility as geopolitical tensions and rising oil prices pressured high-valuation technology stocks. Concerns around AI disruption, heavy capital expenditure commitments, and sustainability of AI-led earnings weighed on sentiment, keeping broader index momentum subdued despite resilient corporate results.

## FTSE 100



Strong gains were supported by rotation into defensive sectors such as banking, healthcare, and mining amid global technology volatility. Steady interest rates, attractive dividend yields, and resilient earnings strengthened sentiment. Despite geopolitical and trade-related headwinds, sustained foreign interest signaled improving confidence in UK equities.

## DAX



Performance remained mixed, marked by volatility and sensitivity to global macro factors. Strong earnings and selective sector buying supported momentum, but profit-taking, geopolitical tensions, and interest rate uncertainty limited gains. Export exposure and currency pressures added strain, reflecting a balance between corporate resilience and persistent external risks.

Source: investing.com | As of 27th Feb 2026

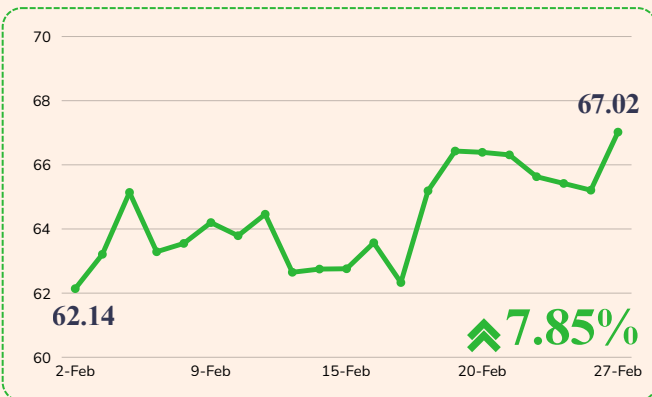
# MARKET WATCH - COMMODITIES

## Gold (in \$)



Gold strengthened from prior consolidation, reaffirming its hedge status amid global uncertainty. Safe-haven demand outweighed dollar firmness and shifting rate expectations, supported by central bank accumulation and portfolio hedging. Despite volatility in real yields and periodic profit-taking, structural demand and macro risks sustained renewed bullish momentum.

## Crude Oil (in \$)



Crude oil traded more on geopolitical risk than fundamentals, rallying as conflict premiums overshadowed rising supply and inventory builds. Tensions in the Middle East amplified disruption fears, outweighing softer demand signals. Although diplomatic engagement prompted profit-taking, prices retained a geopolitical premium amid unresolved uncertainty.

## Silver (in \$)



Silver underwent sharp deleveraging followed by a strong rebound, reflecting its high beta nature. Rate sensitivity and dollar strength created volatility, while risk rotations intensified swings. However, structural demand from solar and electronics provided support. Renewed trade tensions later reignited momentum, underscoring its dual industrial and safe-haven character.

Source: investing.com | As of 27th Feb 2026

# MARKET WATCH - INDIA

## Nifty 50



Volatility intensified amid higher STT on derivatives and increased government borrowing, which weighed on sentiment. While the Indo-US trade deal offered optimism, oil import uncertainty limited impact. Steady policy rates and global technology weakness pressured markets, though gains in metals, infrastructure, and PSUs partially offset cautious institutional flows.

## India VIX



Volatility followed a V-shaped path, easing after fiscal clarity before rising again amid renewed global trade tensions and geopolitical instability. Increased hedging demand and sectoral stress, particularly in information technology, elevated implied volatility. Expiry-related derivative dynamics amplified swings, reflecting caution driven more by external risks than domestic fundamentals.

## Nifty Best & Worst Sector Performance

Nifty Consumer Durables ▲ +9.30%

Nifty IT ▼ -19.54%

## FII-DII Activity

Cash { DIIs - ₹17,324 Cr. ▲ Buy  
FIIs - ₹ 11,002 Cr. ▼ Sell

Mutual Funds { Equity - ₹2,312 Cr. ▲ Buy  
Debt - ₹70,381 Cr. ▼ Sell

Source: NSE & Moneycontrol | As of 27th Feb 2026

# MUTUAL FUND MONITOR

## Monthly Performance per Calendar Month

Categories	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.
Large Cap	0.33	-2.75	-0.13	1.17	4.09	1.09
Large & MidCap	1.14	-2.87	-0.97	1.2	4.07	0.53
Flexi Cap	0.7	-3.06	-0.98	0.85	3.9	0.83
Multi Cap	0.99	-3.62	-1.03	0.2	3.93	0.76
Mid Cap	1.7	-3.47	-1.15	1.15	4.47	0.65
Small Cap	1.13	-4.88	-1.18	-2.23	3.78	0.78
ELSS	0.39	-3.35	-0.77	0.67	3.65	0.82
Sectoral-Banking	1.93	0.14	-0.27	3.11	5.82	3.22
Thematic-PSU	<u>2.2</u>	1.63	1.31	-2	3.19	6.22
Sectoral-Technology	-16.69	-1.23	0.61	3.29	<u>6.17</u>	-3.07
International	-0.13	5.71	1.32	-0.18	2.25	5.76
Debt & Commodities	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.
Long Duration	0.65	-0.18	0.52	-0.15	0.36	1.62
Low Duration	0.59	0.19	0.38	0.49	0.54	0.52
Short Duration	0.7	0.03	0.13	0.49	0.67	0.61
Ultra Short Duration	0.54	0.26	0.45	0.46	0.49	0.49
Gold	-2.76	22.3	6.82	4.56	4.47	12.61
Silver	-17.01	<u>40.08</u>	<u>38.32</u>	<u>9.93</u>	4.49	<u>20.05</u>

Note: Underlined values indicate the top-performing category of the month.

Source: Value Research | Returns are calculated on a monthly calendar basis as of the end of each month for the year 2026.

# STRUCTURED ALLOCATION

## Building a “Second Line of Defense” in Your Portfolio

Most Indian investors are familiar with the playbook: park your long-term wealth in equities and Nifty 50 index funds, top it up with a fixed deposit or two, and call it a portfolio. For the last decade, that approach worked brilliantly. But markets in 2025 have been a sharp reminder that a first line of defence equities can crumble fast. The question worth asking now is: **what's your second line?**

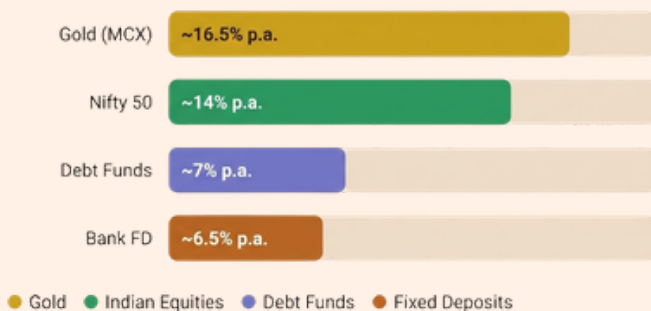
### The Classic 60/40 Is Losing Its Edge

Globally, the traditional 60% equities / 40% bonds portfolio was the gold standard of prudent investing. The logic was simple: when stocks fall, bonds rise, cushioning the blow. But that inverse relationship has been breaking down since 2022. Rising inflation, elevated interest rates, and fiscal stress mean stocks and bonds now often fall together, offering investors no cover when they need it most.

For Indian investors, the parallel is striking. Heavy equity exposure in domestic markets, combined with rate-sensitive debt funds or plain FDs, leaves portfolios exposed when both legs wobble simultaneously as they did during the Sensex correction of late 2024 and early 2025.

5-Year Annualised Returns: Indian Asset Classes vs Gold (INR terms)

Period: 2020–2025 Illustrative based on publicly available benchmark data



Source: MCX, NSE, RBI, AMFI benchmark data. Past performance is not indicative of future results.

### Gold: From Emergency Insurance to Core Holding

Indians have always had a cultural affinity for gold, but it has largely lived outside the formal portfolio, stashed as jewellery or sovereign gold bonds bought "just in case." That perception is overdue for an upgrade.

**"Gold is not just a store of value. It is a statement about the limits of paper promises." The same logic applies in rupees as it does in dollars.**

The 60/40 formula is quietly being replaced. Some strategists now advocate a 60/20/20 framework, swapping half the bond allocation for gold to serve as a resilient inflation hedge. For Indian portfolios, this could mean replacing a portion of debt fund exposure with Sovereign Gold Bonds (SGBs), Gold ETFs, or multi-asset funds with meaningful gold allocation.

### How Much Gold Is Right for You?

There's no one-size-fits-all answer, but research points to a sensible range depending on your risk appetite:



### Beyond Gold: Other Defensive Moves

Gold isn't the only tool. A robust second line of defence for Indian investors also includes a few other elements. Consumer staples and healthcare stocks (sectors like FMCG and pharma) tend to hold up well during downturns because demand stays steady regardless of the economic cycle. Allocation to short-duration debt instruments and floating rate funds reduces interest rate sensitivity. And maintaining a small allocation to international equities (via fund-of-funds or INR-denominated global ETFs) adds geographical diversification that domestic portfolios lack entirely.

### The Bottom Line

Resilience must be engineered before volatility strikes, not assembled during panic. A second line of defence is about function, not fear. Gold ETFs, SGBs, defensive tilts, or short-duration debt provide stability. Review your allocation. If gold is below 5%, your protective buffer may still be missing.

# REBALANCING MATTERS

## Asset Allocation Is Not Static: When Should You Rebalance a Mature Portfolio?

Picture this: you spent years carefully building a portfolio, a mix of Nifty 50 index funds, mid-cap stocks, debt mutual funds, and maybe a little gold. The allocation felt just right. Fast-forward five years, and a roaring equity rally has quietly turned that balanced portfolio into an equity-heavy beast. Your risk profile hasn't changed, but your portfolio has. That's allocation drift, and it's one of the most overlooked risks Indian investors face.

### Why Your Portfolio Drifts Over Time

Markets don't move in lockstep. When equities outperform, as Indian large-caps and mid-caps did significantly through 2023–24, their share of your portfolio balloons relative to debt or gold. What started as a 60:30:10 split (equity:debt:gold) can silently become 75:20:5, exposing you to far more downside risk than you bargained for. Rebalancing is simply the discipline of trimming what has grown too large and topping up what has lagged, to restore your intended split.

How a ₹10 Lakh Portfolio Drifts After a 3-Year Bull Run

Target vs. Actual Allocation (Illustrative Example)



Illustrative drift in a typical Indian retail investor portfolio after sustained equity outperformance. Equity exposure rose from 60% to 75%, while debt and gold shrank. Rebalancing restores the original risk profile.

### Three Ways to Rebalance Pick What Works for You

There's no single "correct" way to rebalance, but there are three strategies worth knowing. The simplest is time-based rebalancing: you review and realign your portfolio at fixed intervals, typically once a year, around tax-filing season. It's easy to automate and keeps emotions out of the equation. The downside? Your portfolio could drift significantly between reviews in a volatile year.

More sophisticated investors often prefer threshold-based rebalancing: you only act when an asset class strays beyond a set band, say,  $\pm 5\%$  from its target. If your equity target is 60%,

You rebalance only when it crosses 65% or dips below 55%. This approach is more responsive but demands regular monitoring.

The sweet spot for most Indian investors is a hybrid approach review annually, but rebalanced only if a threshold has been breached. You avoid unnecessary churn and taxes while keeping risk in check.

### The Indian Tax Angle You Can't Ignore

Rebalancing in India isn't free; every sale is a taxable event. Equity mutual fund gains held over a year attract 12.5% LTCG tax (above ₹1.25 lakh). Debt fund gains are now taxed at slab rates. This is why savvy investors rebalance at the margins: rather than selling existing holdings, they redirect fresh SIP contributions or bonuses toward underweight asset classes, minimising tax liability while nudging the portfolio back on track.

**Quick tip for investors:** Use your annual ₹1.25 lakh LTCG exemption strategically. Harvest gains up to the limit each year, reinvest, and reset your cost basis, all while rebalancing.

### Life Events That Should Trigger a Review

Markets aren't the only reason to rebalance. A job change, marriage, a new home loan, or approaching retirement can all shift your risk tolerance overnight. A 35-year-old aggressively invested in mid-caps might rightly shift gears at 50 as capital preservation becomes more important than growth. Your portfolio should mirror your life, and life rarely stands still.

### The Bottom Line

Rebalancing isn't about predicting markets, it's about staying honest with your own risk appetite. Whether you do it annually, threshold-triggered, or through a hybrid method, the key is having a plan and sticking to it. Your future self will thank you for the discipline your present self exercised today.

# BRAIN TICKLERS



## Guess Who?

I am often mistaken for complete safety, yet my price changes daily. When interest rates rise, I fall in value. I offer fixed income, but my market price is never fixed. I reflect monetary policy and economic expectations. What am I?

## Finance Quiz

- What metric measures volatility of a stock relative to the market?
- What do we call returns earned above inflation?
- Which ratio measures a company's profitability relative to shareholder equity?
- What is the process of realigning portfolio weights back to their original allocation called?

Tap here to send your  
answers to us.



## Answer Bank

*Last month's newsletter*

## Guess Who?

Real Estate Investments  
Trust (REITs)

## Finance Quiz


1. IPO
2. Demat Account
3. Treasury Bonds
4. Over-the-Counter Market

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# THANK YOU

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