



Factsheet January 2026

**"All that glitters is not gold -
Often have you heard that told."**

- Shakespeare, The Merchant of Venice

Contents

Letter from the CEO	3
Our Investment Philosophy	7
The Returns You See vs The Returns you Keep.....	8
Silver's Parabolic Run: What's the Right Question? ..	21
Fiscal Consolidation The Diverging Path of State and Central Government	25
Product Labelling and Riskometer	33
Capitalmind Flexi Cap Fund	34
Capitalmind Liquid Fund	35
How to Read a Mutual Fund Factsheet?	36
Capitalmind Asset Management Pvt. Ltd. Disclaimers	37



Letter from the CEO

“ It is in these times of adversity that opportunities reside. In markets, and in life. ”

Making everyone special

There's a movie called the Incredibles. It involves some people having "superpowers" by birth, like flying or body elasticity and what not. They are called 'supers', to distinguish them from other people, who are just normal - the "normies".

The villain invents a piece of technology that when worn, allows even the normies to fly and fight and all that, so that everyone can become a superhero. In what is an amazing dialogue, he says this:

"When everyone's super, no one will be."

Forget that he's a villain. The idea is, in some way, very attractive. Give everyone the ability to have power, and then having that power will not be an advantage.

Businesses often forget that this can happen. They wield a close-to-monopoly position in something for decades, and suddenly an upstart that uses Instagram influencers and YouTube ads is suddenly breaking through.

A broker that has no branches is suddenly the top broker in India. A steel company starts making paints, and the high ROE top player suddenly finds that its position is threatened, because

technology allows anyone to make paints just as well.

There are new players in almost every field, because the opportunity exists, and the internet has ensured that distribution is no longer a superpower held by a few.

In other fields too, we have to assume that certain superpowers will be taken away. Coding was a superpower, and probably still is, but with the use of AI, the ability for way more people to write code has increased dramatically.

For a junior programmer, this has a huge impact, because the senior programmer is now using AI to build that program, not hand it to the juniors; this is not because the junior isn't capable, but because it can be done anytime, without the other person feeling "overworked", or "misunderstood" or what not.

It's a game changer because it changes the supply chain for the software manufacturing industry - it's no longer the human that learns and upskills into a senior programmer, it's just the really good folks not needing as many juniors to get the job done.

Investments aren't a superpower now either. It's no longer the domain of a few super-specialized investment managers, or those who have "khabar" (insider info).

For one, the rules on insider info based trading have tightened substantially. For another, it's become quite easy to get investment research, data and analysis, and the tools available to make trading easier. Add to that a layer of AI that can sift through information remarkably quickly, and the superpower dwindles.

The real superpower, however, is what makes humans the most powerful being of all: we adapt.

When mobile phones came about, the STD/PCO booths - from where you would pay to call someone - went out of business. Did the booth operators die penniless? Most adapted and changed to sell other things - from small shops to mobile repairs to clothes or other things.

When computers came, did the people using typewriters go out of business? They learnt and became computer operators. The typewriter manufacturers were hurt, but they moved on to making keyboards.

The AI world will need supervision, eventually, and a programmer's skills will involve orchestration, effectiveness of prompting and completeness, more than the actual underlying writing of code.

The superpower we have is our ability to adapt, and in that sense, we will evolve and we will grow. In fact, the superpower we currently have will become commonplace, and we'll get new superpowers in the times ahead.

It is in these times of adversity that opportunities reside. In the markets, and in life. Every Trump tweet tells a story: things are not ordinary anymore. In fact, the extraordinary is now the ordinary.

And as we get used to the new phenomenon of not reacting to Trump or the TACO, we will learn to go do the things we've just waited on for too long.

Trade deals with less belligerent countries, better infrastructure, more domestic consumption and manufacturing, and eventually, removing the barriers to growth.

You can see this happening, and at most other times it would seem herculean as a task to do - but in times like these, when everything is herculean, nothing is.

We're bringing to you two more funds soon: A multi-asset allocation fund that invests in more commodities than just gold and silver. An arbitrage fund that will benefit from our focus on data and technology.

There's never been a "best" time to invest in anything, but the best time to start building your long term portfolios, if you haven't already, is now. We would love to help you along in that journey, and help you evolve your next superpower.

To great times,

Deepak Shenoy

CEO , Capitalmind Asset Management Pvt. Ltd.

Dynamic by Design

Capitalmind Multi Asset Allocation Fund

NFO: 23 Feb - 09 Mar 2026



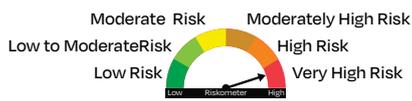
Scheme Name: Capitalmind Multi Asset Allocation Fund

This product is suitable for investors who are seeking^{2*}:

1. Long term capital appreciation by investing in a diversified portfolio.
2. Investing in equity and equity related instruments, debt and money market instruments, Commodities including Exchange Traded Commodity Derivatives.

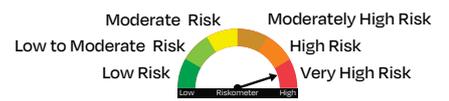
²Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Risk-o-meter[#]



Benchmark Risk-o-meter

(50% NIFTY 500 TRI + 25% NIFTY Composite Debt Index + 25% MCX iCOMDEX Composite Index) (As per AMFI Tier I Benchmark)

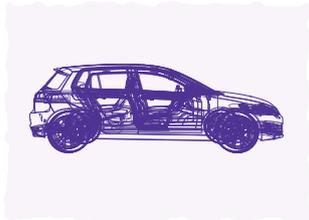


[#]Kindly note that the above product labelling assigned during the New Fund Office ("NFO") is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Our Investment Philosophy

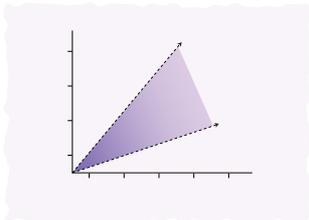
Building Wealth Through Patient Discipline

We believe extraordinary outcomes come from ordinary discipline applied consistently over time. Markets reward patience, punish emotion, and eventually recognise value. Our philosophy blends timeless principles with quantitative rigour, using data to validate what works, then systematically applying those lessons across markets and cycles.



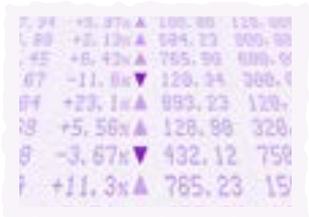
1 Earnings Are the Engine, Sentiment Is the Accelerator

Business performance creates value. Market recognition unlocks it. Decades of data show sustainable returns when cash flows grow and valuations re-rate. We screen for improving fundamentals, test whether sentiment and valuations reflect them, and let evidence guide where this pattern still works.



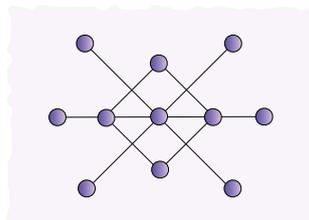
2 Broadly Right beats Precisely Wrong

Ranges and probabilities beat false precision. Markets behave like complex adaptive systems involving millions of participants, not machines. The more precise a forecast, the more wrong it tends to. Instead, we study historical outcome ranges and probability distributions, aiming to be approximately right on direction and magnitude while accepting uncertainty.



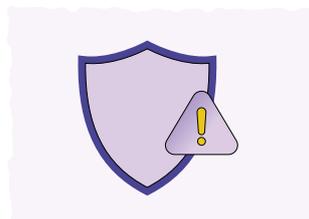
3 The Stock Does not Know You Own It

Objectivity enables clarity. Clarity enables action. Weaving stories about our holdings to defend past decisions is a persistent human trait. We mitigate this with rules: predefined exits, valuation and momentum triggers, and constant re-ranking of opportunities, so the portfolio changes with evidence rather than attachment or narrative.



4 Evolution Through Evidence

Principles endure. Methods must adapt. Markets change their dialect even as human behaviours repeat. Our research assumes every signal decays, so we test, retire what loses edge, build new tools, and treat mistakes as clues that the market's grammar has shifted. The only enduring edge is to learn continuously.



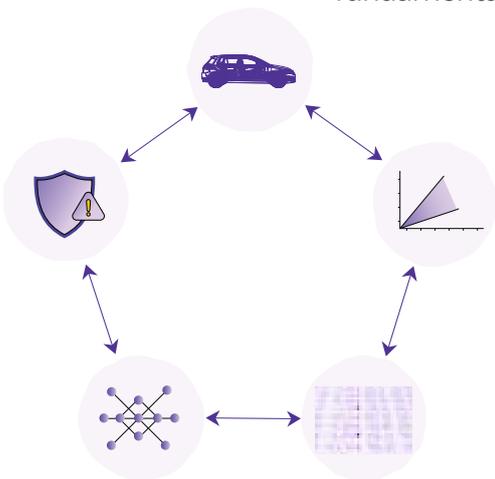
5 Survive to Thrive

Compounding requires continuity. Continuity requires resilience. Losses compound brutally, so we manage risk, not avoid it. Thoughtful position sizing and diversification prevent any holding from dictating outcomes, while dynamic allocation lets us add where odds improve and trim where enthusiasm far outruns fundamentals.

Putting it all together

These five principles synthesise into an approach we call patient opportunism, patient enough to let compound growth work its magic, opportunistic enough to act when markets create openings.

We don't claim clairvoyance; we prepare for many paths. We actively manage positions, updating them as evidence shifts rather than defending past decisions. The focus is steady compounding, not heroics. This will appeal to a certain type of investor who prefers patient cultivation over drama, speculation and noise, and who prize clarity, substance, resilience, and disciplined partnership more than fashionable narratives or short-lived excitement.



The Returns You See vs The Returns you Keep



Mr. Anoop Vijaykumar

Fund Manager, Head of Equity,
Capitalmind Mutual Fund

The Returns You Keep

The advice to "stay invested" is easy to give. It's also suspiciously convenient when it comes from a fund manager who benefits when you don't leave.

So we tested it. Eighteen flexi cap funds. Over a decade of data. A simulated investor who exits when their fund underperforms.

The answer is uncomfortable for different reasons than we anticipated.

Investor returns depend on two decisions. Which fund you pick. And what you do after you pick.

Research suggests most investors get at least one wrong. The DALBAR Quantitative Analysis of Investor Behaviour estimates investors trail the very funds they invest in by nearly 2% annually. Morningstar's Mind the Gap 2025 report found a 1% gap over a decade.

We wanted to see how this holds for Indian Equity Funds. So we analysed 18 flexi cap funds with at least a decade of history, examining both the range of outcomes across funds and what happens when investors react to underperformance by switching.

The findings: fund choice creates enormous variance in outcomes, but after accounting for taxes, reacting to that variance almost never helps.

9% apart: What fund choice costs

First, one obvious and one not-so-obvious insight from the data.

The best-performer in our data set delivered nearly 5% alpha i.e. excess return over the benchmark. The worst performer trailed by 4%.

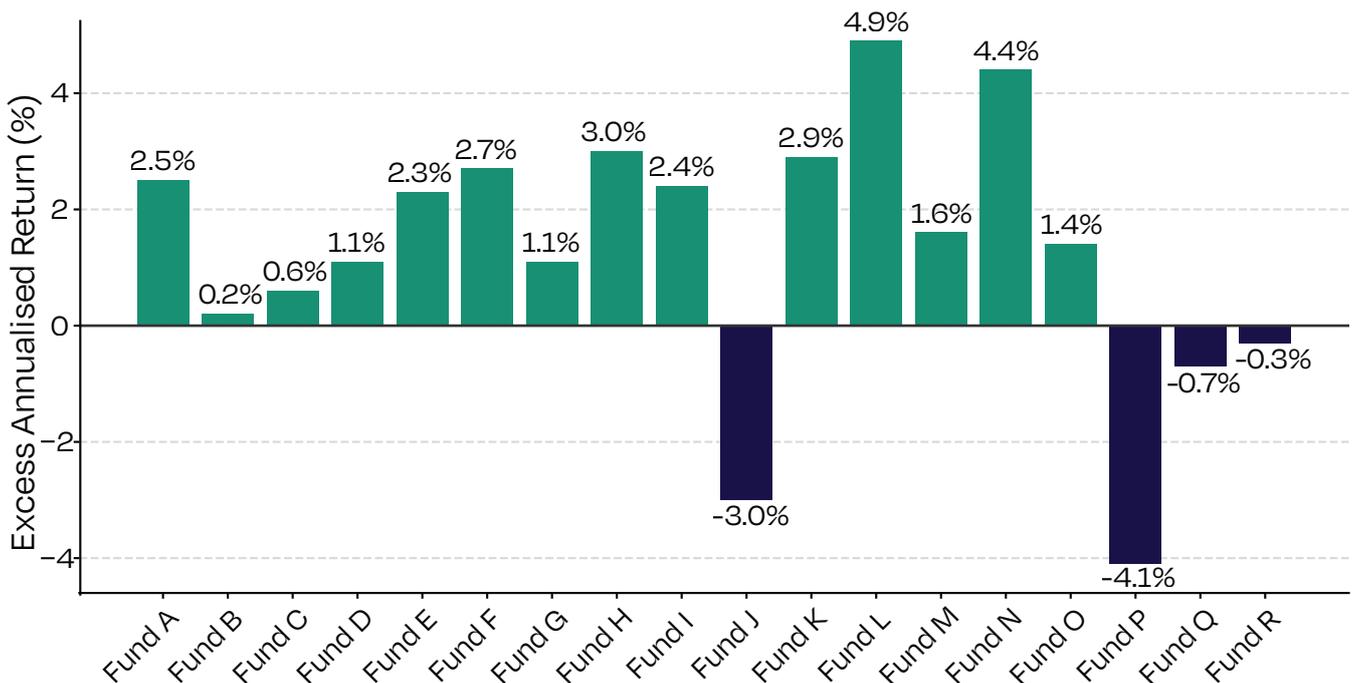
A 9% difference in annual return compounded over more than a decade. That translates to a 3x difference in terminal wealth on the same starting investment.

The obvious truth, picking the right fund clearly matters.

Chart shows the 18 funds' annualised excess returns over the Nifty 500.

Range of +4.9% to -4.1% annualised excess returns

Flexicap Funds vs NIFTY 500 TRI



Source: Capitalmind Analysis. Flexicap Direct Plans with 10+ years history considered. Data: AMFI, NSE

Of the 18 Flexi cap funds with 10+ year track records, 14 beat the benchmark over the full period. Only four did not.

Picking the right fund has been more about avoiding the consistent laggards and not about finding that one superstar.

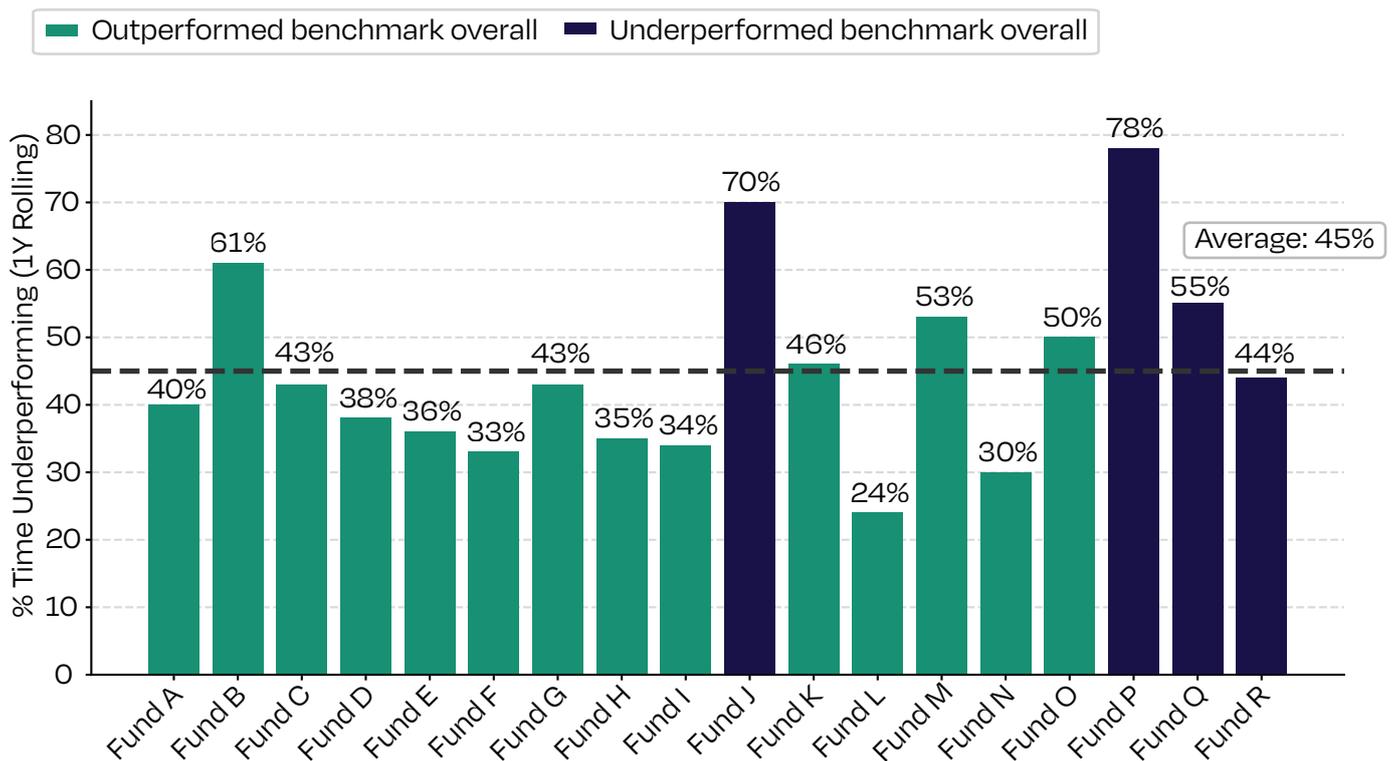
Unless the task you set yourself is to identify the absolute top-performer, which is harder than it looks without the benefit of hindsight.

The price of admission

A finding that applies, regardless of fund quality: periodic underperformance is the norm, not the exception.

We calculated, what percentage of rolling 1-year periods, each fund trailed the benchmark.

Even outperformers spent 2.5 to 6 years out of 10 trailing the benchmark



Source: Capitalmind Analysis. Flexicap Direct Plans with 10+ years history considered. Data: AMFI, NSE

The best-performing fund in terms of excess returns, Fund L, spent a quarter of the period underperforming the benchmark. That means an investor tracking its performance would cringe once in every four periods.

Other solid performers, Fund N, F, H, I; spent a third of their time trailing the benchmark.

At the other end, the worst performers spent 70 to nearly 80% of their time underperforming. But even the outperforming funds on average underperformed (on one-year basis), 40% of the time.

Fund O trailed the benchmark half the time yet outperformed overall. Comparatively, Fund R trailed less often, yet underperformed. Frequency of underperformance didn't predict outcome.

Good fund or Bad fund, underperformance ranging from a quarter to half the time is inevitable. The experience of holding an active fund includes long stretches where it feels like a mistake.

What switching actually costs

Underperformance might be universal, but it's still hard to stomach. Especially when the fund you're in trails the index while your friend mentions her fund outperforming that same index by a distance.

What does acting on that instinct actually cost?

We simulated a reactive investor, one who exits when a fund's rolling 1-year return trails the benchmark by more than 5%, and re-enters when it leads by more than 5%. During exit periods, we assume that instead of sitting in cash, they invest in the index, thus staying fully in equities.

Notice how this is a generous assumption. Real investors who exit a fund on account of its underperformance rarely park rationally in the index. They are more prone to chasing the next "hot" fund. Our reactive investor is more disciplined than most.

The pre-tax picture looks like a coin flip. Before accounting for taxes, the reactive investors beat buying-and-holding in 9 funds, lost in 8, and tied in 1. You could look at this and conclude: "Reactive selling is 50-50, so it's not bad."

But taxes change everything. If we assume each exit triggers a 12.5% long-term capital gains tax on accumulated gains, the picture changes dramatically.

After tax, the buy-and-hold investor does better than the reactive investor in 17 of 18 funds.

The single exception was Fund P, the worst performer in the dataset, trailing the benchmark by 4% annually. Here, the reactive investor still trailed the index, but by a much smaller margin by exiting and re-entering than if they had held on to the laggard.

The table below shows the comparison of the Buy-and-Hold and the Reactive Investor, with and without tax impact. Pre-tax results sort of justify reactive behaviour, post-tax reality undermines it.

Buy & Hold vs Reactive Investor Strategy

Reactive investor exits after fund underperforms 1-year rolling by 5%
& invests in benchmark. Re-enters after fund outperforms by 5%

Fund	Excess Return	Buy & Hold	Reactive (Pre-Tax)	Reactive (Post-Tax)	Reactive Wins
Fund A	2.5%	17.1%	16.3%	14.8%	No
Fund B	0.2%	14.7%	15.3%	13.8%	No
Fund C	0.6%	15.2%	14.7%	13.2%	No
Fund D	1.1%	15.7%	13.5%	12.0%	No
Fund E	2.3%	16.8%	17.1%	16.1%	No
Fund F	2.7%	17.3%	16.2%	15.1%	No
Fund G	1.1%	15.7%	16.3%	14.6%	No
Fund H	3.0%	17.5%	15.8%	14.1%	No
Fund I	2.4%	16.9%	16.3%	14.8%	No
Fund J	-3.0%	11.6%	12.8%	11.4%	No
Fund K	2.9%	18.2%	19.8%	17.8%	No
Fund L	4.9%	20.0%	17.6%	15.9%	No
Fund M	1.6%	14.7%	15.4%	13.8%	No
Fund N	4.4%	19.0%	17.6%	15.6%	No
Fund O	1.4%	16.0%	16.0%	15.3%	No
Fund P	-4.1%	10.5%	13.4%	12.3%	Yes
Fund Q	-0.7%	13.9%	14.1%	12.5%	No
Fund R	-0.3%	14.2%	14.5%	12.9%	No

Source: Capitalmind Analysis. Actual data for Flexicap Direct Plans with 10+ years history.
Data: AMFI, NSE

The data tells us three things. The gap between best and worst was large, which means fund selection deserves more attention than it typically gets.

Even excellent funds underperform frequently, which means holding requires preparation, not just conviction. And reactive switching destroyed value in almost every case, which means the bar for action should be high.

What the data does not tell us is how to pick Fund L over Fund P in advance, or how to hold Fund L through the quarters it trailed.

It does, however, narrow the problem. We're not looking for a needle in a haystack, 14 of 18 funds beat the benchmark. We're trying to avoid the four that didn't, and then stay put long enough to capture the gains. Here's what we think that requires.

Picking well

If fund selection matters this much, how do you make the decision, other than in hindsight?

What returns don't tell you

Returns tell you what happened. They don't reveal whether they are repeatable.

Look instead for signals of durable process:

- Does the fund communicate clearly what it owns and why?
- Does it acknowledge when things aren't working?
- Is there consistency between stated approach and actual holdings?
- Would removing a key person fundamentally change how the fund invests?

Most of the top performers in the 18-fund sample exhibited these characteristics. We can't prove causation from an 18-fund sample, and qualitative assessment resists backtesting. But the pattern was there.

Buy the fund you can hold

Before investing, understand what the fund is trying to do. What's the investment approach? What market environments will favour it? What conditions will make it struggle?

And most importantly, do you agree with how the fund views markets?

Let's say you believe that returns get made from investing in low multiple stocks with decent earnings yield. However, you bought a fund because it topped last year's returns or because someone recommended it strongly.

It turns out this fund invests in high-growth companies because that is its view of the markets. Then you've set yourself a hard challenge by picking a fund that has a completely different view from your own.

The first bad stretch that fund goes through will feel like a mistake. If you bought it because you understood and believed in the approach, the same bad stretch will feel like turbulence, to be ridden out unperturbed.

A momentum fund will struggle when trends reverse. A value fund will lag when growth dominates. A concentrated portfolio will be more volatile than a diversified one. Think of them as features. If you don't understand or agree with them going in, you'll interpret them as failures and leave at the wrong time.

Be ok to sin, a little

Markets are complex adaptive systems. When a strategy works, capital flows toward it. As more capital chases the same edge, the edge dulls. The landscape shifts in response to what participants do, which means the conditions that made a strategy successful often erode precisely because it was successful.

Evolutionary biologists call this the Red Queen effect: you have to keep running just to stay in place. In markets, strategies that don't evolve get arbitrated away or simply stop working as the environment changes around them.

The uncomfortable implication: investment beliefs that served you well may not survive the next decade.

Value investing dominated for generations, then spent years looking obsolete. Momentum works until regime changes punish it severely. Small-cap premiums appear and vanish across eras and geographies. **No approach carries a permanent edge.**

This doesn't mean abandoning conviction. But it suggests holding conviction with humility. If your entire portfolio reflects a single view of how markets work, you're betting that view remains valid indefinitely.

A partial allocation to a fund whose philosophy differs from yours acknowledges you might be wrong, or that markets might evolve in ways that favour a different approach.

Start small. Observe how it behaves through different conditions. Notice how you feel holding it.

The goal is making decisions you can live with, not predicting which worldview markets will reward next.

Holding well

The data shows that even having picked well means underperforming a third to almost half the time. The question is what you do next.

Style drought or process failure?

Ask: Is this a bad time for the fund's style, or is the fund's process broken?

A value-oriented fund trailing in a momentum-driven market is the former. The style is out of favour; the process may be intact. This is when patience is appropriate, and often when it's hardest. A fund drifting from its stated mandate, or one with a mandate too vague to evaluate, is the latter.

The cost is certain, the benefit isn't

The fund you switch to must compensate for the certain costs of exiting your current one. Those costs are known. Whether the new fund delivers is not.

The disposition effect works against us here: we're prone to holding losers too long and selling winners too early. The goal isn't to never sell. It's to sell for the right reasons, knowing what it costs.



Our side, your side

The behaviour gap is real. We saw it in 17 of 18 Funds over the past decade. But the lesson isn't simply to "stay invested". That's too convenient coming from a fund manager who benefits when you don't leave.

The honest version is messier:

Investor returns depend on two decisions, both of them not straightforward. Picking a fund worth holding. And then actually holding it when doing so feels foolish.

The investors who do well get both right, or at least avoid getting both catastrophically wrong. They choose funds based on process, not recent glory. They expect discomfort and don't mistake it for a signal. They don't go all-in, and take advantage of the ability to partially allocate before scaling up. And when they decide to move, they do it deliberately, not reactively.

Our goal at Capitalmind is to build funds worth staying in. Our investment philosophy is our own, shaped by what we've learned, tested, and found to work for us.

We're not claiming it's the only way, just that it's ours, not inherited, not imitated. And to be transparent

about what we do. Honest when we're struggling. Consistent in our approach, with a bias towards gradual sustained improvement.

We'll have difficult stretches, that's a given. When that happens, we'll tell you what we're seeing, whether we think it's cyclical or structural, and what we're doing about it. That's our side of the deal.

Your side is knowing that at least a quarter to a third of your holding period will probably feel uncomfortable.

The returns your fund earns are only half the story. The returns you keep depend on you.



This analysis has blind spots. If you see them, or if your experience contradicts what we found, let me know.

X: Anoop Vijaykumar @CalmInvestor

Email: anoop.vijaykumar@capitalmindmf.com

References in this article:

1. *DALBAR's Quantitative Analysis of Investor Behavior (QAIB) [link]*
2. *Morningstar's "Mind the Gap" 2025 Report [link]*
3. *The Disposition to Sell Winners too Early and Ride Losers too Long (Hersh Shefrin and Meir Statman) [link]*

Silver's Parabolic Run: What's the Right Question?



Silver's Parabolic Run: What's the Right Question?



Silver has nearly quadrupled over the past year, breaching ₹400/gm after climbing 55% in January alone. If you owned it, you're watching gains that seemed improbable six months ago.

If you sold early, you're questioning that decision. And if you're on the sidelines, you're wondering whether this is a generational buying opportunity or the peak of a mania.

The honest answer: nobody knows. But asking better questions can help you make a decision you can live with.

The Core question you're actually answering:

"Given my current position and circumstances, what allocation lets me sleep at night whether silver doubles or halves from here?"

Three Variables That Matter

1. Your Current Exposure

- Zero position: whether to chase.
- Small position: whether to add.
- Large position: whether to trim.

The right action differs dramatically across these starting points.

2. Your Holding Period

- Weeks/months: Parabolic moves matter enormously. Mean reversion is a real risk.
- Years/decades: Entry price matters less. The thesis matters more.

3. Your Thesis

- Monetary hedge (inflation, currency debasement): Parabolic moves are noise in a multi-decade holding.
- Industrial story (solar, EVs): Evaluate whether demand projections justify current prices.
- Momentum trade: You should already have exit rules. Follow them.
- FOMO does not count as a thesis

The Regret Test

Ask yourself two questions:

1. If silver rises another 50%, how will I feel about my decision today?

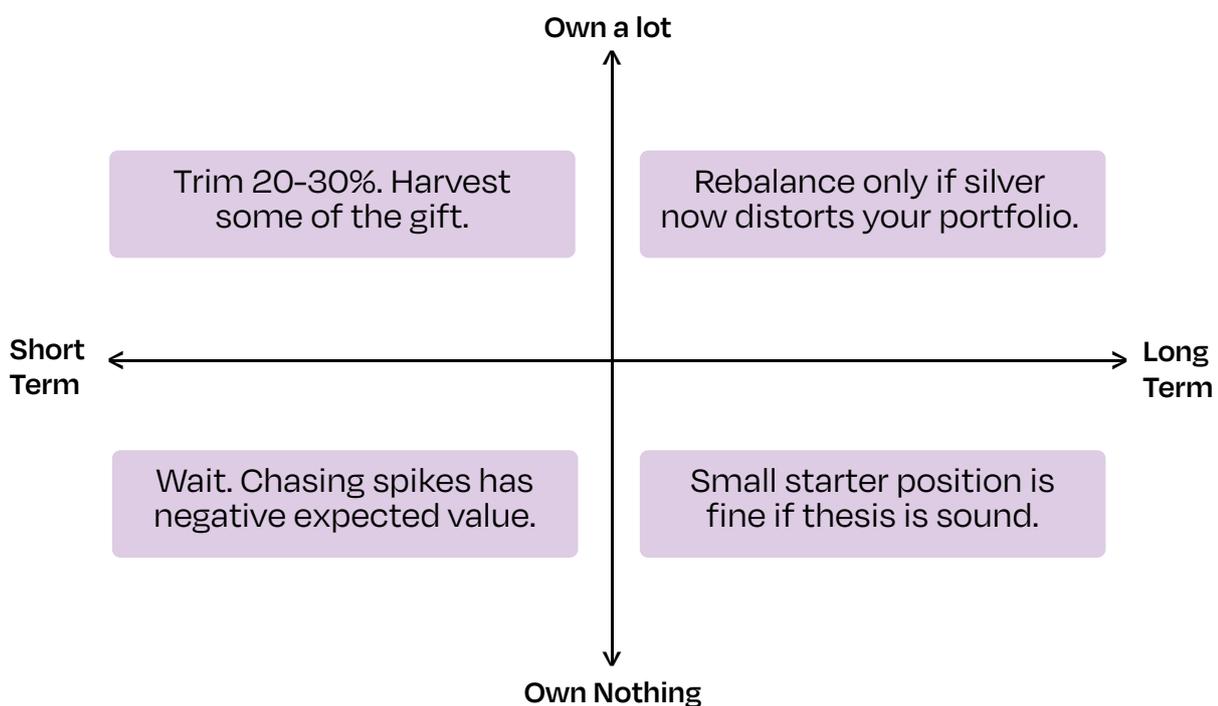
2. If silver drops 40%, how will I feel about my decision today?

The right position is one where you can live with both outcomes. If either scenario would cause you to lose sleep or second-guess yourself severely, your position is wrong-sized.

One Useful Heuristic

After parabolic moves, the expected value of adding is usually negative, but the possibility of further gains keeps people buying. Markets can stay irrational longer than you expect, in both directions. Size accordingly.

The common-sense silver decision matrix could look like this:



Own a little → Hold. Adding after a spike raises your average cost at the worst moment.

This is not a recommendation to buy or sell, but a framework applicable to most assets for asking better questions when prices move faster than your thinking.

Fiscal Consolidation: The Diverging Path of State and Central Government



Mr. Prateek Jain

Fund Manager, Head of Fixed Income,
Capitalmind Mutual Fund

The fiscal landscape of India in FY26 presents a striking study in contrasts. While the Union Government has maintained a disciplined "glide path" toward pre-pandemic deficit levels, several State Governments are navigating a much more turbulent course.

This divergence is defined by the Centre's successful pivot toward capital formation, set against the States' increasing struggle with revenue expenditures and populist fiscal measures.

In many ways, while the Central Government has delivered a masterclass in credible fiscal consolidation, State borrowing has behaved like the "spoiled brat" of the economic family.

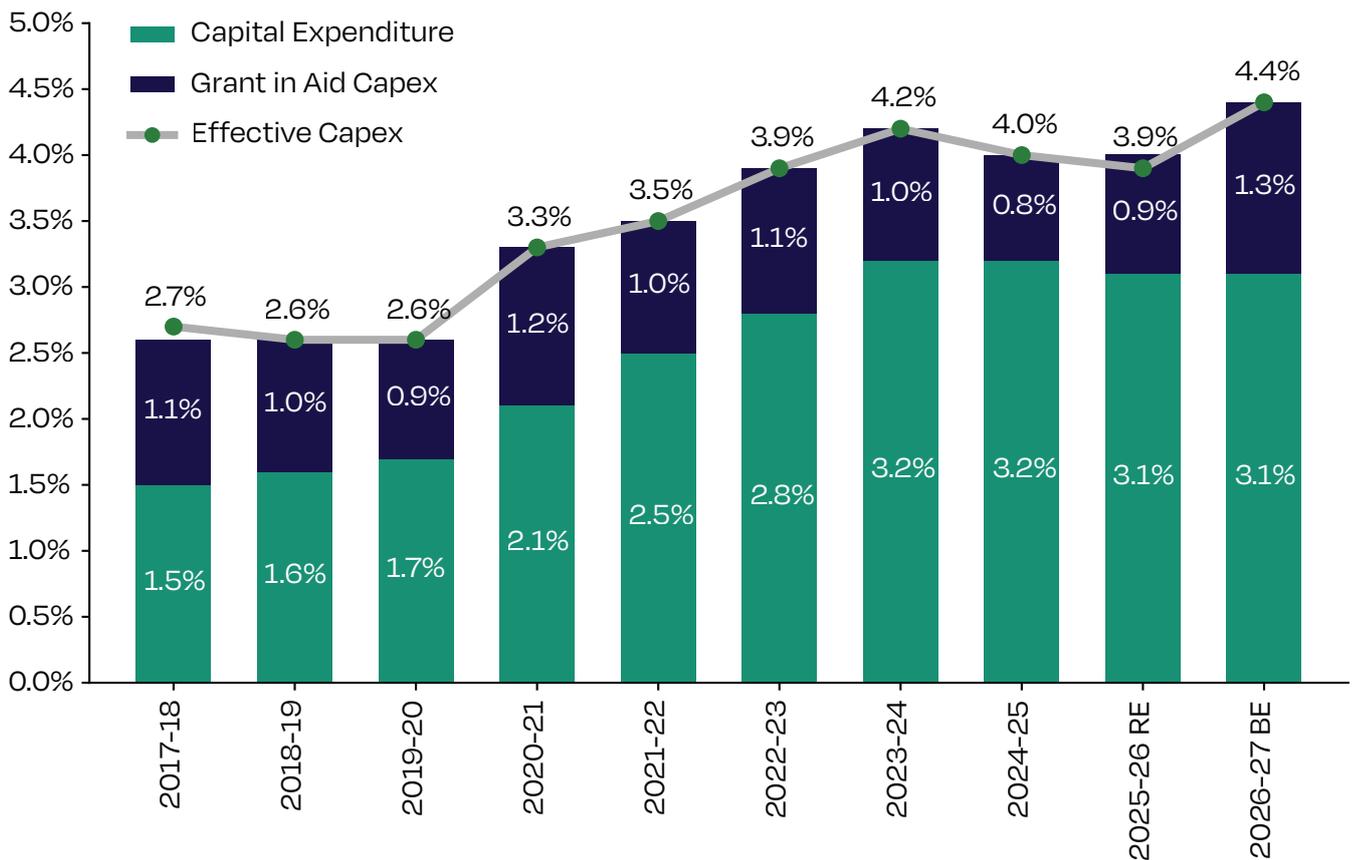
Anchored by a 2021 commitment to reduce the fiscal deficit to below 4.5% of GDP by FY26, the Union's strategy has been executed with remarkable precision.

After peaking at 9.2% in FY21, the deficit was systematically brought down to 4.8% in FY25 and now pointing toward an achievable 4.3% target for FY27.

This progress is underpinned by a structural shift in spending. The revenue expenditure has moderated from 13.6% of GDP in FY22 to 10.9% in FY25, creating "fiscal space" for aggressive reallocation toward Capital Expenditure (Capex).

Consequently, Capex is projected to rise from a pre-pandemic average of 1.7% to 4.4% in the FY27 budget.

Capex at % of gdp chart



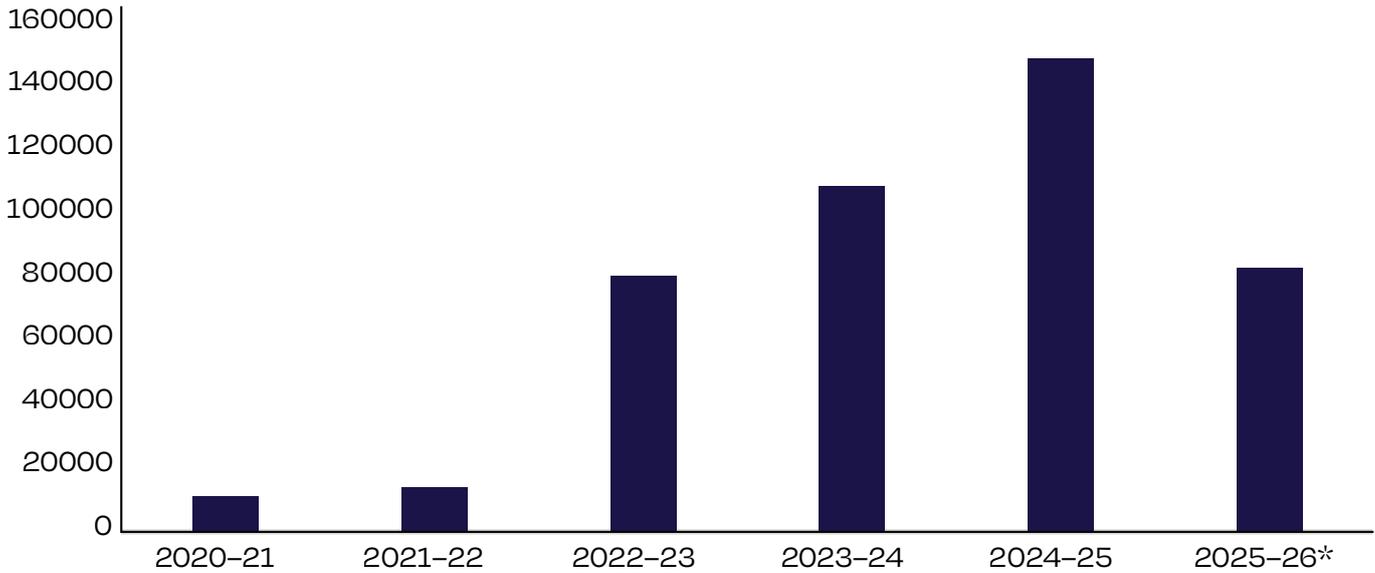
Budget 2026-27 https://www.indiabudget.gov.in/doc/Budget_at_Glance/budget_at_a_glance.pdf

In stark contrast, the fiscal health of the States exhibits signs of "emerging stress." The combined fiscal deficit of State Governments edged up to 3.2% of GDP in FY25, primarily driven by a surge in revenue deficits and the explosion of Unconditional Cash Transfers (UCTs). While these transfers provide immediate income support, they create expenditure rigidity at the expense of long-term assets.

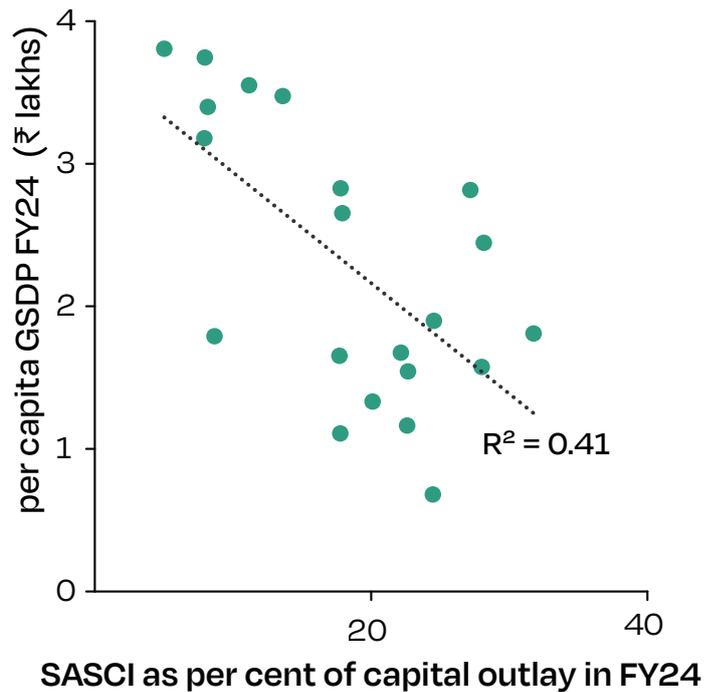
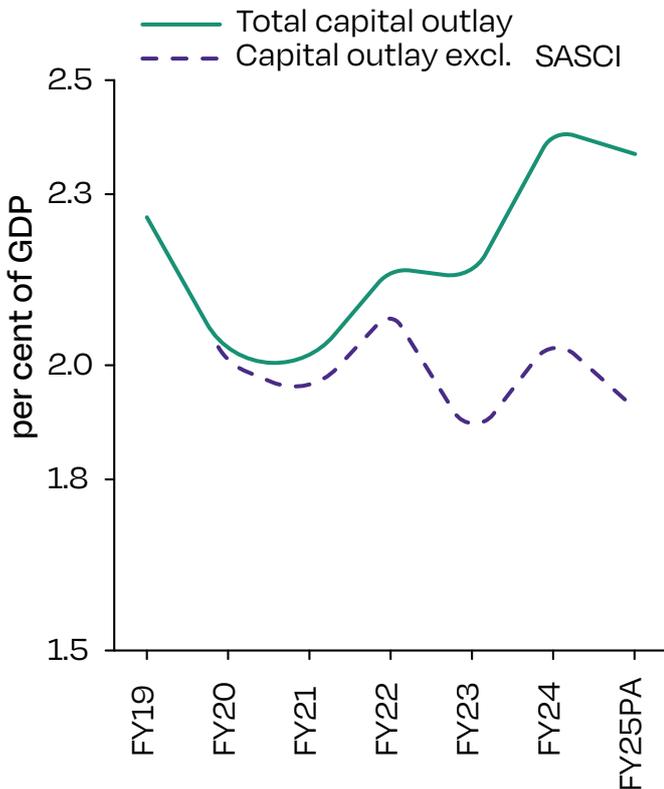
Even the seemingly stable aggregate Capital Outlay of 2.4% is heavily propped up by the Centre's Special Assistance to States for Capital Investment (SASCI) scheme.

Without these 50-year interest-free loans, standalone State capital investment would have withered under the weight of rising revenue demands. With private enterprise Capex remaining moderate, the heavy lifting for the entire economy is now being done by the Centre, either directly or via SASCI.

Amount released to State Governments/UTs under SASCI



*till 04.01.2026.



Source: Economic survey 2025-26

<https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>

The critical fault line lies in the management of the "Primary Deficit" the deficit excluding interest payments.

The Centre has focused on "productive" borrowing for assets, whereas many States are borrowing to fund consumption.

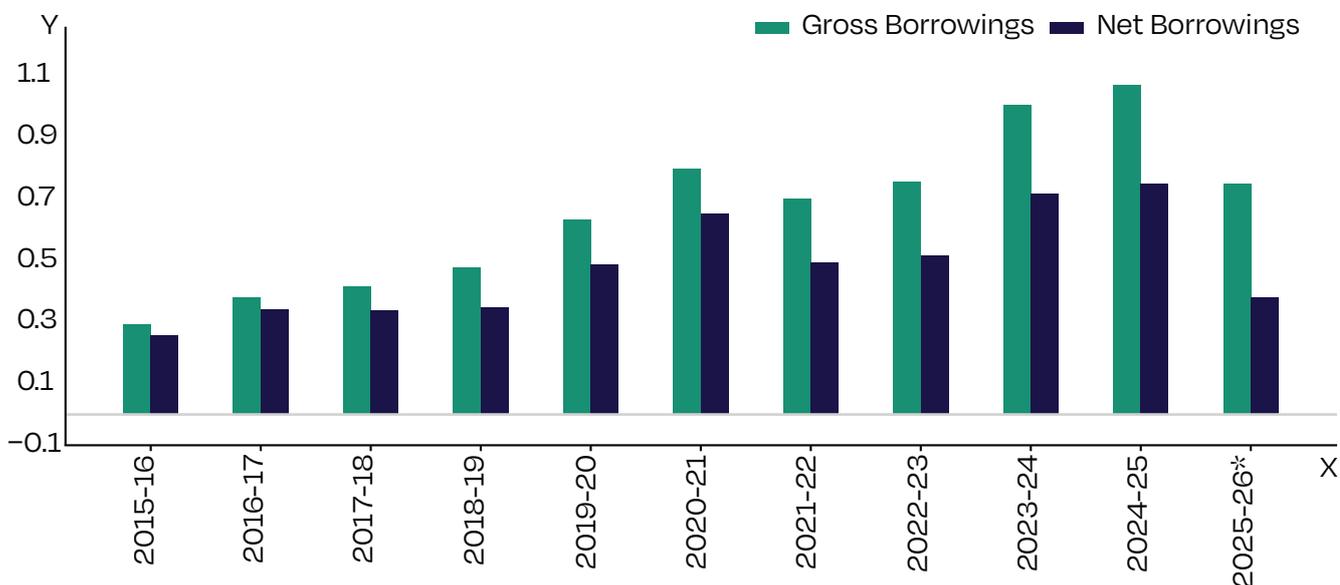
Despite receiving nearly double the resources from the Centre compared to FY20, States have struggled with lagging revenue growth relative to nominal GDP. The number of states in revenue surplus has dwindled from 19 in FY19 to just 11 in FY25.

This divergence now carries international weight. As Indian bonds join global indices, investors are scrutinizing "General Government" finances.

The Economic Survey notes that India's 10-year bond yield (6.7%) remains higher than Indonesia's (6.3%), a "premium" attributed to the shadow cast by State fiscal priorities.

While the Centre earns credit upgrades (such as S&P's move to BBB), the insidious impact of state level UCTs risks keeping the cost of capital high. Despite the RBI absorbing 60% of net G-Sec supply via Open Market Operations (OMO), the 10-year yield remains elevated even after rate cuts.

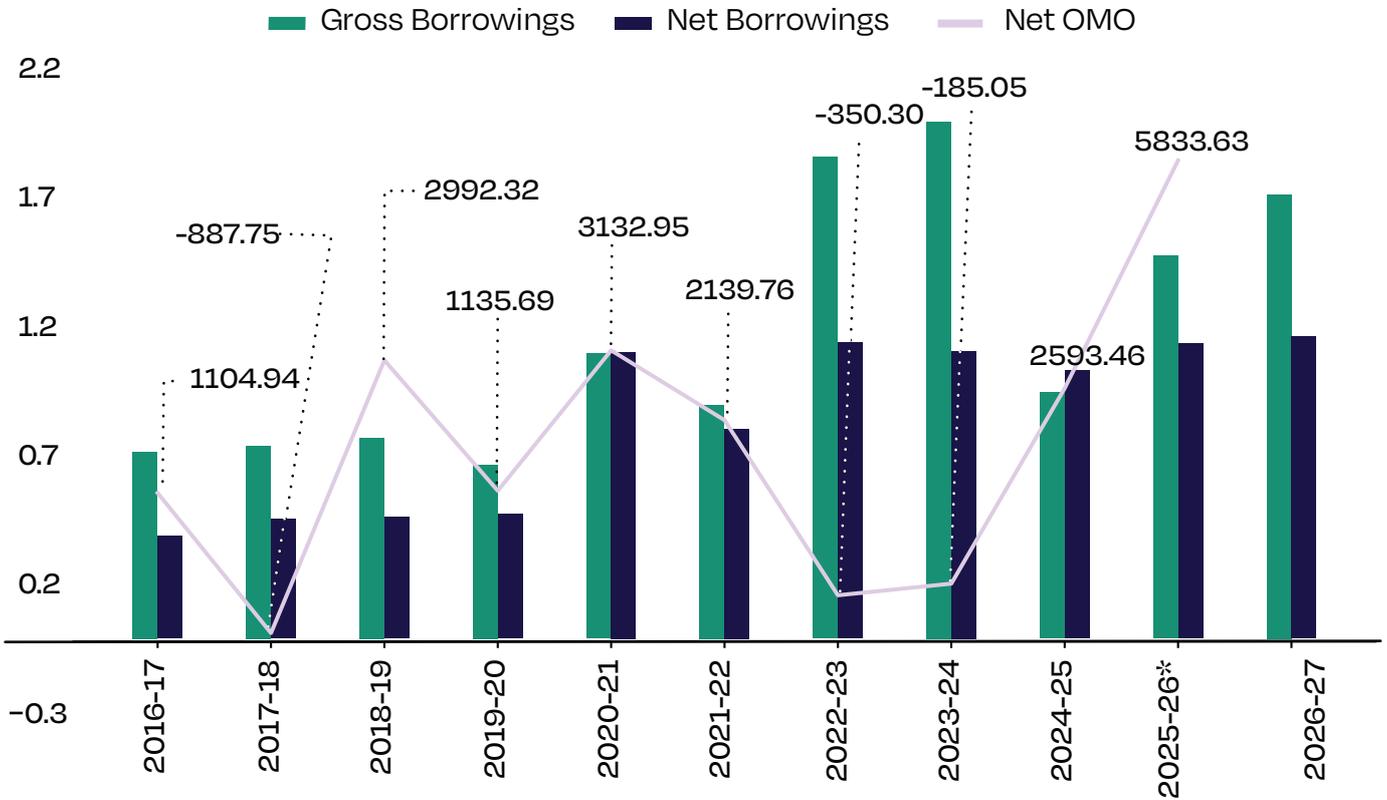
State government gross and net borrowings



Note: Y axis values are in millions.

Source: RBI Publications

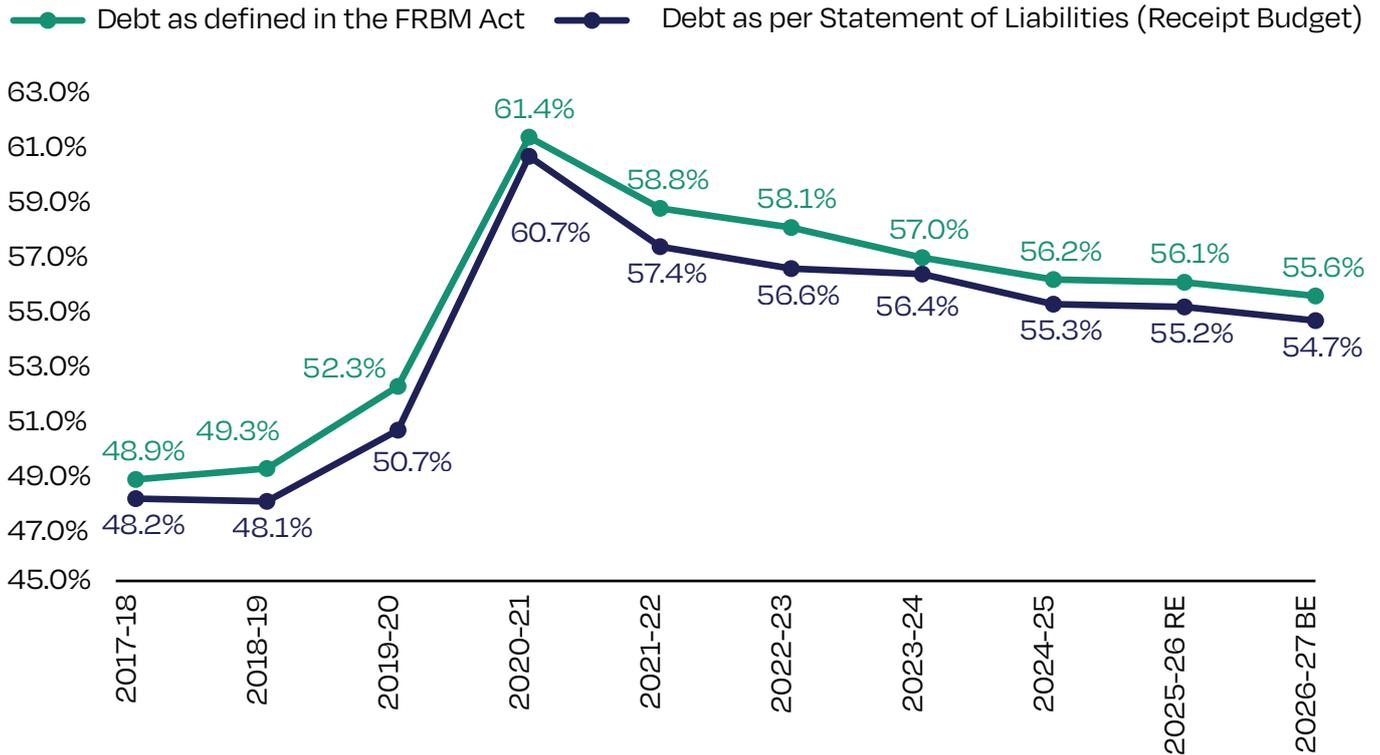
Central government gross and net market borrowings with OMO trends



* RBI is yet to complete more OMOs for the FY 2025-26

Legally, under the FRBM Act 2003, "debt" refers to the total outstanding liabilities of the Central Government. The debt-GDP ratio for the Centre is estimated at 57.1% for FY25 and 56.1% for FY26.

TRENDS IN DEBT (% of GDP)



Budget 2026-27 https://www.indiabudget.gov.in/doc/Budget_at_Glance/budget_at_a_glance.pdf

While the 2018 FRBM amendment introduced a "General Government" debt ceiling of 60% (with a 40% target for the Centre), this remains a pipe dream for now.

However, the finance minister has provided a clear path to declining debt-GDP levels, aiming for 50% ($\pm 1\%$) by March 2031. To achieve this, the government intends to keep annual fiscal deficits on a downward trajectory starting in FY27.

For BE 2026-27, Gross and Net market borrowings are budgeted at ₹17.20 lakh crore and ₹11.73 lakh crore, respectively.

A notable concern is the Weighted Average Maturity (WAM) of primary issuances, which stands at 19.03 years. Compared to developed markets like the US, where average issuance is 6–7 years, the Centre's reliance on longer-dated securities increases borrowing costs and steepens the yield curve.

With the Weighted Average Yield (WAY) at 6.65% and rising sharply despite a cumulative 125bps rate cut last year the pressure on the yields remain significant.

“

Ultimately, India's economic trajectory is being shaped by a tale of two fiscal philosophies. While the Union Government has anchored the nation's macro-stability through rigorous discipline and asset-building, the burgeoning revenue stress at the state level threatens to dilute these gains. The persistence of high bond yields, despite the Centre's stellar performance, serves as a market driven reminder that the "General Government" is only as strong as its weakest link. Moving forward, the success of India's growth story will depend on whether the States can transition away from populist consumption and align with the Centre's vision of Fiscal Consolidation.

”

Product Labelling and Riskometer

Scheme Name

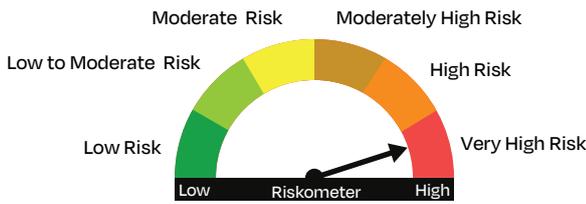
Capitalmind Flexi Cap Fund

This product is suitable for investors who are seeking*-

- ▶ Long term wealth creation
- ▶ Investment predominantly in equity and equity related instruments across large cap, mid cap and small cap stocks

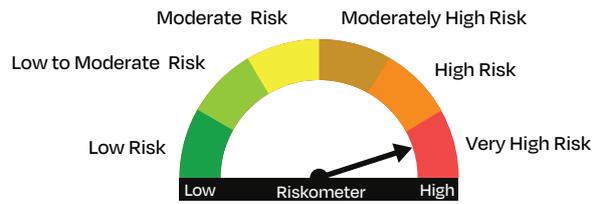
(An open-ended dynamic equity scheme investing across large cap, mid cap & small cap stocks)

Scheme Riskometer



The Risk of the Scheme is at Very High Risk

Benchmark (Nifty 500 TRI) Riskometer



Benchmark Riskometer is at Very High Risk

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Scheme Name

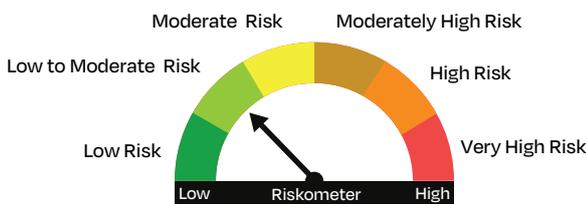
Capitalmind Liquid Fund

This product is suitable for investors who are seeking*-

- ▶ Regular Income over the short-term investment horizon
- ▶ Investment in debt and money market instruments with maturity upto 91 days

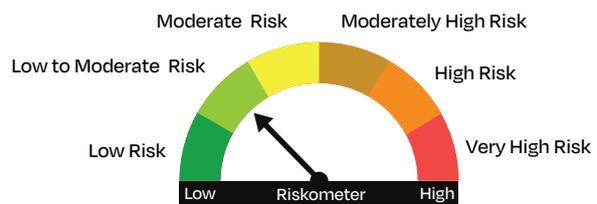
(An open-ended Liquid scheme. A relatively low-interest rate risk and relatively low credit risk fund)

Scheme Riskometer



The Risk of the Scheme is at Low to Moderate Risk

Benchmark (Nifty Liquid Index A-I TRI) Riskometer



Benchmark Riskometer is at Low to Moderate Risk

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Potential Risk Class ("PRC") Matrix of the capitalmind Liquid Fund

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			

Note: Please visit the website for latest Riskometer updates: capitalmindmf.com

Capitalmind Flexi Cap Fund

(An open ended dynamic equity scheme investing across large cap, mid cap & small cap stocks.)

Investment Objective

To generate long-term wealth creation by investing predominantly in equity & equity related instruments across market capitalization i.e. large-cap, mid-cap and small-cap stocks. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.

Scheme Details

NAV (IN ₹) (as on 30 January, 2026)

Direct Growth	10.1990
Regular Growth	10.1291

Aum (In ₹ Crore)

Month-end AUM	343.60
AAUM	330.36

Date of Allotment: 4th August 2025

Benchmark: NIFTY 500 TRI

Fund Managers

Mr. Anoop Vijaykumar (Head of Equity) (Managing fund since inception & overall experience of 20+ years)

Mr. Prateek Jain (Head of Fixed Income) (Managing fund since Aug 2025 & overall experience of 15+ years)

Fund Features

Scheme Category: Flexi Cap Fund

Plans: Regular Plan and Direct Plan

Options: Growth Option only

Minimum Application Amount (lumpsum): ₹5000

Systematic Investment Plan (SIP): ₹1000

Entry Load: N.A

Dividend History: N.A

Exit Load: 1% of applicable NAV (if redeemed within 1 month from date of allotment of units)

Total Expense Ratio (TER)

Regular Plan	2.34%
Direct Plan	0.94%

Quantitative Measures

Portfolio Turnover	1.31
Standard Deviation	N.A
Beta	N.A
Sharpe Ratio	N.A
R-Squared	N.A

N.A as the Scheme has not completed 3 years.

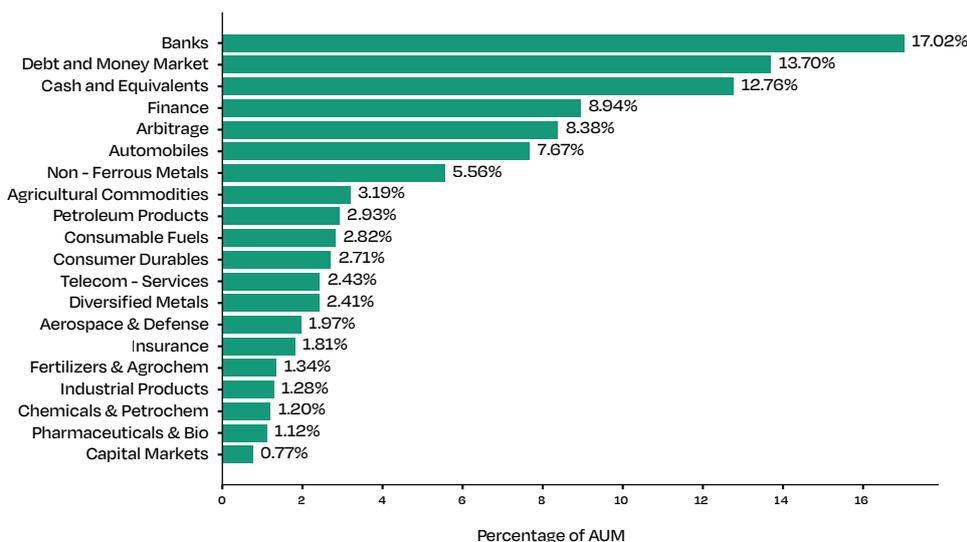
Fund Performance/ Returns & SIP Returns: The Scheme has not completed 6 months, hence, performance of this scheme is not disclosed.

Market Cap Allocation



Large Cap	40.76%
Mid Cap	23.63%
Arbitrage	8.38%
Cash and Others	27.23%

Sector Allocation



Portfolio (As on 31 January, 2026)

Issuer Name	%of AUM
Equity & Equity related	69.71%
Ashok Leyland Limited	3.41%
National Aluminium Company Limited	3.28%
The Federal Bank Limited	3.20%
Coal India Limited	3.02%
State Bank of India	2.95%
Muthoot Finance Limited	2.80%
Hindalco Industries Limited	2.67%
Bharti Airtel Limited	2.60%
Vedanta Limited	2.58%
Maruti Suzuki India Limited	2.43%
Hero MotoCorp Limited	2.33%
TVS Motor Company Limited	2.20%
Bank of Baroda	2.16%
Bajaj Finance Limited	2.14%
Bharat Electronics Limited	2.10%
Axis Bank Limited	2.06%
SBI Life Insurance Company Limited	1.93%
Titan Company Limited	1.92%
Reliance Industries Limited	1.89%
ICICI Bank Limited	1.72%
Indian Bank	1.72%
Canara Bank	1.59%
HDFC Bank Limited	1.56%
SBI Cards and Payment Services Limited	1.50%
Aditya Birla Capital Limited	1.47%
UPL Limited	1.44%
Cummins India Limited	1.37%
Solar Industries India Limited	1.29%
Punjab National Bank	1.25%
Bharat Petroleum Corporation Limited	1.24%
Eicher Motors Limited	1.23%
Torrent Pharmaceuticals Limited	1.20%

Issuer Name	%of AUM
L&T Finance Limited	1.18%
Asian Paints Limited	0.98%
Multi Commodity Exchange of India Limited	0.83%
Bajaj Finserv Limited	0.47%
Embassy Office Parks REIT	1.48%
Derivatives	-8.97%
BAJFINANCE_24/02/2026	-2.08%
BAJAJFINSV_24/02/2026	-0.47%
ICICIBANK_30/03/2026	-1.73%
RELIANCE_30/03/2026	-1.91%
SBICARD_24/02/2026	-1.50%
SOLARINDS_24/02/2026	-1.28%
Debt Instruments	5.39%
7.9237% Bajaj Housing Finance Limited (16/03/2026)	2.04%
Bajaj Finance Limited (18/02/2026) (ZCB)	1.93%
8.65% Muthoot Finance Limited (23/03/2026)	0.84%
7.11% Small Industries Dev Bank of India (27/02/2026)	0.58%
Money Market Instruments	3.40%
Commercial Paper	0.14%
Certificate of Deposit	2.89%
Treasury Bill	0.37%
Mutual Fund Units	4.38%
Reverse Repo / TREPS	13.65%
Net Receivables / (Payables)	10.96%
GRAND TOTAL	100.00%

Capitalmind Liquid Fund

(An open-ended Liquid scheme. A relatively low-interest rate risk and relatively low credit risk fund)

Investment Objective

To generate regular Income over the short-term investment horizon by investment in debt and money market instruments with maturity upto 91 days. The Scheme does not guarantee or assure any returns. There is no assurance that the investment objective of the Scheme will be achieved.

Scheme Details

NAV (IN ₹) (as on 31 January, 2026)

Direct Growth	1011.5270
Regular Growth	1011.1682

Aum (In ₹ Crore)

Month-end AUM	115.41
AAUM	116.03

Date of Allotment: 28th November 2025

Benchmark: Nifty Liquid Index A-I TRI

Fund Managers

Mr. Prateek Jain (Head of Fixed Income) (Managing fund since inception & overall experience of 15+ years)

Mr. Anoop Vijaykumar (Head of Equity) (Managing fund since inception & overall experience of 20+ years)

Fund Features

Scheme Category: Liquid Fund

Plans: Regular Plan and Direct Plan

Options: Growth Option only

Minimum Application Amount (lumpsum): ₹5000

Systematic Investment Plan (SIP): ₹1000

Entry Load: N.A

Dividend History: N.A

Modified Duration: 29 days

Average Maturity: 30 days

Macaulay Duration of the Portfolio: 30 days

Yield to Maturity: 6.4%

Exit Load

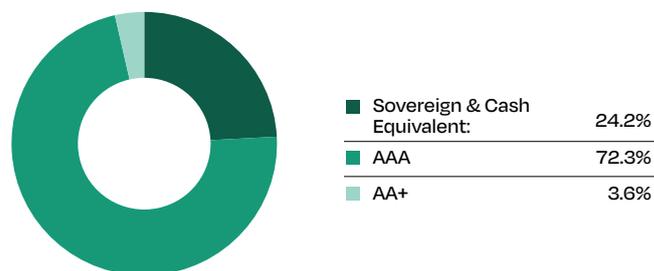
Redemption Day (from Date of Allotment)	Exit Load (% of Redemption Amount)
Day 1	0.0070%
Day 2	0.0065%
Day 3	0.0060%
Day 4	0.0055%
Day 5	0.0050%
Day 6	0.0045%
Day 7 onwards	Nil

Total Expense Ratio (TER)

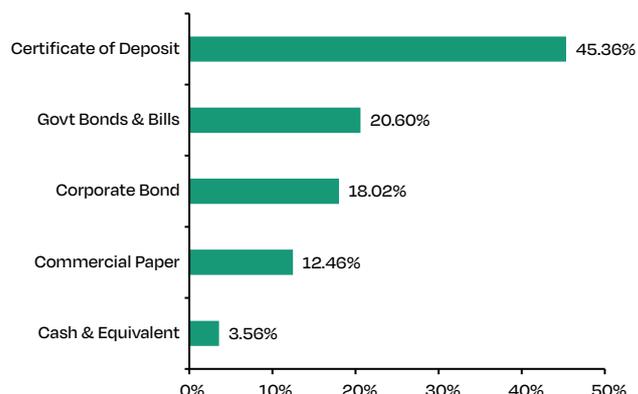
Regular Plan	0.26%
Direct Plan	0.06%

Fund Performance/ Returns & SIP Returns: The Scheme has not completed 6 months, hence, performance of this scheme is not disclosed.

Rating Allocation



Asset Allocation by Asset Class



Portfolio (As on 31 January, 2026)

Issuer Name	Rating	% of AUM
Debt Instruments		
Government Bonds		
7.95% Government of India (18/02/2026)	Sovereign	0.39%
6.90% Government of India (04/02/2026)	Sovereign	2.66%
8.88% West Bengal SDL (MD 24/02/2026)	Sovereign	0.61%
Corporate Bonds		
7.9237% Bajaj Housing Finance Limited (16/03/2026)	CRISIL AAA	2.60%
8.65% Muthoot Finance Limited (23/03/2026)	ICRA AA+	1.82%
7.57% National Bank For Agriculture and Rural Development (19/03/2026)	CRISIL AAA	4.33%
9.3% Shriram Finance Limited (18/03/2026)	CRISIL AA+	1.74%
Bajaj Finance Ltd Sr 286 Opt II ZCB (MD18/02/2026)	CRISIL AAA	7.53%
Treasury Bill		
182 Days Tbill (MD 26/03/2026)	Sovereign	8.60%
364 Days Tbill (MD 26/03/2026)	Sovereign	8.34%
Certificate of Deposit		
HDFC Bank Limited (12/02/2026)	CRISIL A1+	8.65%
Kotak Mahindra Bank Limited (18/02/2026)	CRISIL A1+	8.64%
Axis Bank Limited (18/02/2026)	CRISIL A1+	8.64%
Bank of Baroda (23/02/2026)	FITCH A1+	4.32%
Export Import Bank of India CD (MD 20/03/2026)	CRISIL A1+	4.30%
Small Ind Dev Bk of India CD (MD 27/02/2026)	CRISIL A1+	4.31%
Punjab National Bank (03/02/2026)	CRISIL A1+	2.17%
National Bank For Agriculture and Rural Development (04/02/2026)	CRISIL A1+	2.17%
Indian Bank (17/02/2026)	CRISIL A1+	2.16%
Commercial Paper		
ICICI Securities Limited (18/03/2026)	CRISIL A1+	8.59%
NTPC Limited (10/03/2026)	CRISIL A1+	3.87%
Reverse Repo / TREPS / Others		
Net Receivables / (Payables)		
		2.58%
		0.98%
GRAND TOTAL		100.00%

How to Read a Mutual Fund Factsheet?



Fund Manager:

An employee of an asset management company such as mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.



Standard Deviation:

Standard deviation is statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.



Application Amount For Fresh Subscription:

This is the minimum investment amount for a new investor entering in a mutual fund scheme.



Sharpe Ratio:

The Sharpe Ratio is measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.



Minimum Additional Amount:

This is the minimum investment amount for an existing investor in a mutual fund scheme.



Beta:

Beta is a measure of an investment's volatility vis-à-vis the market. A beta of greater than 1 implies that the security's price will be more volatile than the market. Beta of less than 1 means that the security will be less volatile than the market.



SIP:

Systematic Investment Plan (SIP) is an organized way of investing in Mutual Fund. It helps in building long term wealth through a disciplined approach of investing at pre-defined intervals ranging from daily, weekly, monthly and quarterly.



AUM:

Assets under management or AUM refers to the recent cumulative market value of investments managed by Mutual fund or any investment firm.



NAV:

Net asset value or NAV is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day and it is the value at which investors enter or exit the mutual fund.



Holdings:

The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.



Benchmark:

A group of securities, typically a market index, whose performance is used as a standard or benchmark to assess the performance of mutual funds and other investments. A few common benchmarks are the Nifty, Sensex, BSE 200, BSE 500, and 10-year Gsec.



Nature of Scheme:

The investment objective and underlying investments determine the nature of the mutual fund scheme.

For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.



Exit load:

When an investor redeems mutual fund units, exit load is charged. At redemption, the exit load is subtracted from the current NAV. For instance if the NAV is Rs. 100.0000 and the exit load is 1%, on redemption, the investor will receive Rs. 99.0000.

Disclaimers

This document is issued by Capitalmind Asset Management Private Limited ("the AMC") and is intended solely for informational purposes. It does not constitute an offer, invitation, recommendation, or solicitation to buy or sell any units of mutual fund schemes or any other financial product. The views and opinions expressed herein are those of the person(s) and may not necessarily reflect the views of the AMC or its affiliates. The information contained herein is derived from publicly available sources, internally developed data, and third-party research, which are believed to be reliable but has not been independently verified by the AMC its officers, the Trustee, the Fund, nor any of their affiliates or representatives assumes any responsibility for the accuracy, reasonableness, or completeness of the information. Any third party referred to in this document does not assume any liability in relation to such data.

Mutual Fund investments are subject to market risks, read all scheme-related documents carefully. Past performance may or may not be sustained in the future and is not a guarantee of future results. The performance of the scheme may vary depending on market conditions, economic developments, and fund manager decisions. Returns mentioned, if any, are for illustrative purposes only and should not be construed as a forecast or promise of returns.

The information provided is not intended to be, nor should it be construed as, investment, legal, tax, or accounting advice. Investors should consult their independent financial advisors, legal counsel, or tax professionals before making any investment decision. The AMC, its directors, officers, employees, and affiliates accept no liability for any direct, indirect, or consequential loss or damage arising from the use of this material.

This material may contain confidential and proprietary information and is intended solely for the addressee(s). It should not be copied, reproduced, redistributed, or shared with any other person or entity without the prior written consent of the AMC. Unauthorized use or disclosure may result in legal liability.

Product labelling, risk-o-meter classification, benchmark references, and investment suitability disclosures are as per SEBI (Mutual Funds) Regulations, 1996 and AMFI guidelines, and are subject to change. All data is as of the date mentioned and may be subject to revision.



www.capitalmindmf.com



[@capitalmindMF](https://twitter.com/capitalmindMF)



Capitalmind Mutual Fund



[capitalmindmutualfund](https://www.instagram.com/capitalmindmutualfund)

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.