



MONTHLY DIGEST



APRIL - 2026

SECURITY INVESTMENTS LIMITED



Market fluctuations are your friend,
not your enemy....
profit from the folly,
rather than participate in it.

- Warren Buffet

Global Markets

The Iran War has thrown global financial markets into major turmoil. All major global stock indices were down in March. In the US market the Dow, NASDAQ and S&P 500 were down around 5% each. Among other developed markers, Nikkei (Japan), FTSE (UK), DAX (Germany), CAC (France) and Hang Seng (Hong Kong) were all down month on month. The Shanghai Composite (China) was down 6.5%. Emerging markets (MSCI EM Index) underperformed versus developed markets. MSCI EM Index was down 13% in March, while MSCI ACWI (which comprises of both developed and emerging markets) was down 7%.

Indian Equity Markets

The Nifty and Sensex crashed by nearly 12% in March. The Nifty closed the month below 23,000 and Sensex below the sentimental level of 75,000. The rout extended from the frontline stocks to the broader market also with Nifty 500 index falling by 11%, pointing to weak risk sentiments. Large caps fell by 12%, midcaps by 11% and small caps by 10%. All industry sectors were in red in March. Banking, realty, auto, oil and gas, consumer durables and FMCG were among the worst performing sectors. India's underperformance in the emerging markets resulted in massive FII sell-off in March with FII net sales of Rs 1.17 trillion, which was the highest in last 24 months. Mutual funds supported the market with net purchase of around Rs 75,000 crores.

Debt, Forex and Commodity

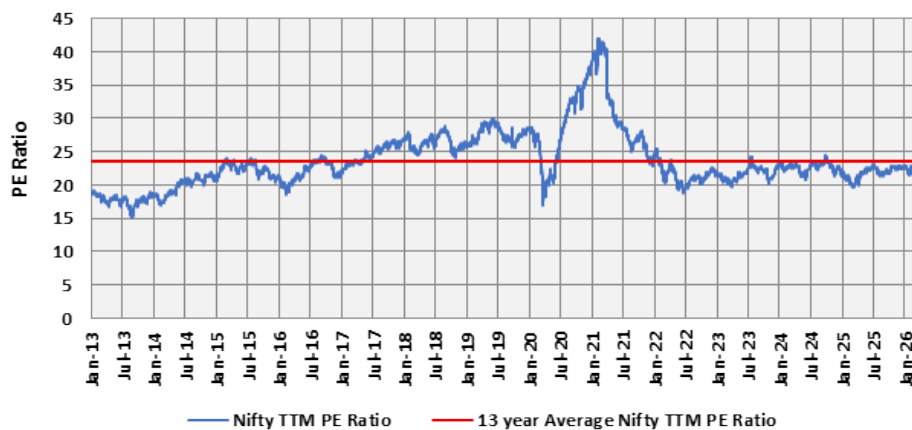
Looming spectre of global inflation due to supply chain disruption and rising crude oil prices, caused the 10-year US Treasury Bond yield to rise by 45 bps. The 10-year G-Sec yield shot up by 30 bps in March and the 1-year G-Sec yield rose by 23 bps. Closure of the Strait of Hormuz through which 20% of the world's oil and gas flows has created an energy crisis. Brent crude oil price rose to \$109 per barrel.

The US dollar has strengthened against the major currencies as global economy faces increasing recession risks. The INR depreciated further closing the month at INR 93.5 to a dollar. Strong dollar and rising US Treasury bond yields created headwinds for precious metal prices. Precious metals have an inverse relationship with US dollar and US interest rates / bond yields. Gold dropped by nearly 8%, while silver declined 14%

Crude oil prices have shot up 44% (Brent Crude) on a month on month basis in March. The war has impacted fertilizer and petrochemicals productions. The Iran war has impacted prices of petroleum products like gasoline, diesel, Liquefied Petroleum Gas (LPG), Liquefied Natural Gas (LNG) and by-products e.g. petrochemicals, fertilizers etc. Fertilizer shortage may drive up global food prices.

Valuations

The market crash has brought down valuations, with both Nifty and Sensex trading at PE ratios below 20. Valuations have also come down across market cap segments i.e. large cap, mid cap and small cap segments.



US Iran ceasefire

On 8th April 2025, US and Iran agreed to a 15-day ceasefire. Iran has agreed to stop attacks on ships transiting through Strait of Hormuz and help coordinate passage of ships through the narrow Strait. The markets cheered the ceasefire agreement, with the Nifty rising by 874 points, closing near the 24,000 level. Major Asian and European markets were in the green. Brent crude price plummeted by \$14 per barrel to around \$95 per barrel.

While ceasefire and reopening of the Strait is certainly a very welcome development, the truce between US and Iran is very fragile at the present. The US and Iranian delegations will hold rounds of peace talks in Islamabad. However, several points on which there are serious disagreements between the Iran and United States, including Iran's nuclear programme, US military bases in the Gulf, control over passage through Strait of Hormuz and withdrawal of sanctions on Iran, need to be resolved between both the sides. The markets will be hoping that all these issues will be resolved. However, the track record of both sides shows hardline stance on several issues.

Even though the Strait of Hormuz, has been reopened the backlog of ships waiting to transit through the Strait will take several weeks to clear. Several oil and gas units across have shut down production due to the war, and it will take at least many weeks or even months for them to restart. Oil and gas infrastructure that were damaged in Iranian missile and drone strikes may take a few years to be fully restored. The RBI had flagged key several key risks to the Indian economy e.g. impact on GDP growth, high inflation, weak external demand for Indian exports, impact on remittances from abroad etc. However, the ceasefire is definitely a boost to equity markets and investor risk sentiments. Investors should remain disciplined and continue to invest through SIP. Sharp correction can give you an opportunity to invest in equities at attractive valuations.

Bite Sized Trivia – Impact of Iran War

Rule of 72

No. of yrs required to double your money at a given rate, just divide 72 by return.

Eg, if you want to know how long it will take to double your money at 8% return, divide 72 by 8 and get 9 yrs

Rule 114

No. of years required to triple your money at a given rate, just divide 114 by return.

Eg, if you want to know how long it will take to triple your money at 12% return, divide 114 by 12 and get 9.5 years

Rule of 144

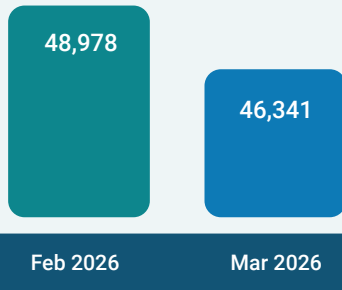
No. of years required to quadruple your money at a given rate, just divide 144 by interest rate.

Eg, if you want to know how long it will take to quadruple your money at 12% return, divide 144 by 12 and get 12 yrs.

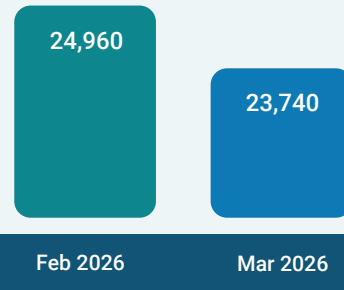
Market Roundup - Global Markets

Global equity markets were down due to the war in Middle East. However, we are likely to see strong bounce-back with ceasefire in effect. Improving risk sentiment will be positive for Indian equities.

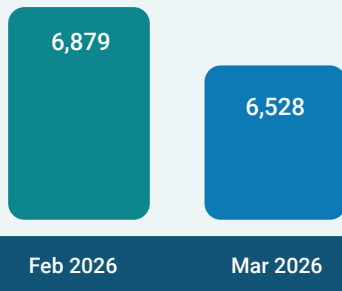
Dow Jones : - 5.38% MOM ↓



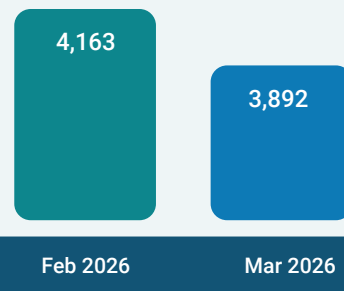
Nasdaq : - 4.9% MOM ↓



S&P 500 : - 5.10% MOM ↓



Shanghai Composite : - 6.51% MOM ↓

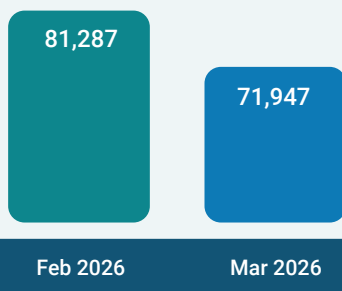


*Index values are closing prices on the last trading sessions of the respective months

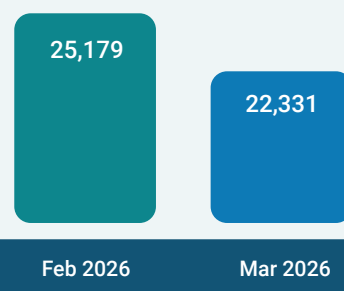
Market Roundup - Indian Equity Market

Emerging markets underperformed versus the developed markets during the war. India underperformed within the emerging market. Market bounced back strongly after ceasefire was announced. Valuations are attractive after the deep correction with Nifty trading at PE below 20.

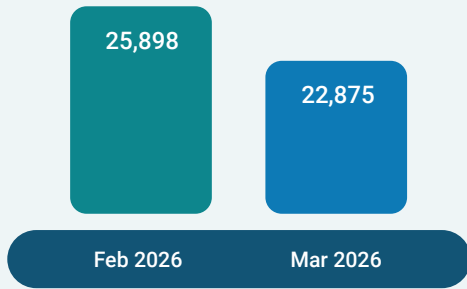
Sensex : -11.5% MOM ↓



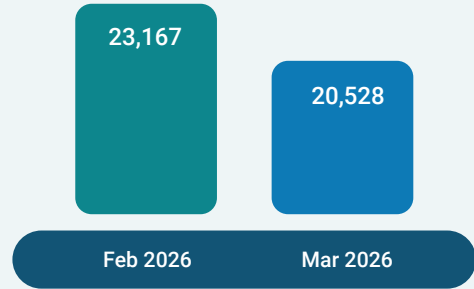
Nifty : -11.3% MOM ↓



Nifty 100 (Large Cap) : - **11.6% MOM** ↓



Nifty 500 (Broad Market) : - **11.4% MOM** ↓

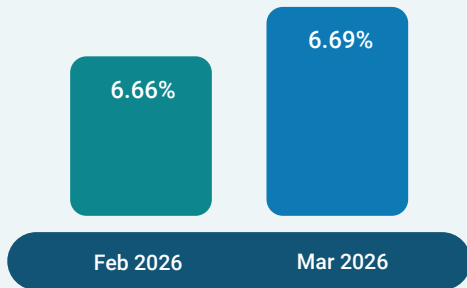


*Index values are closing prices on the last trading sessions of the respective months

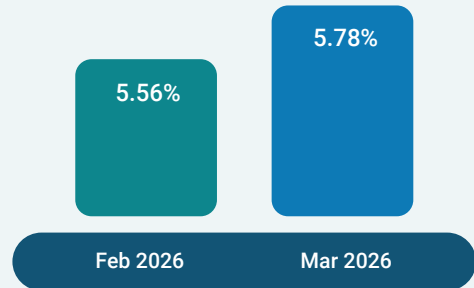
Market Roundup - Debt and Forex Market

Looming spectre of global inflation due to supply chain disruption and rising crude oil prices, caused the 10 year US Treasury Bond yield to rise by 45 bps before receding to 4.3%. The 10 year G-Sec yield shot up by 30 bps in March and the 1 year G-Sec yield rose by 23 bps. The INR depreciated further closing the month at 93.5 to a dollar. Rate cut hopes have receded. Rapid restoration of oil and gas supplies may cool down inflation and bring back rate cuts back on the table some-time towards the end of this year.

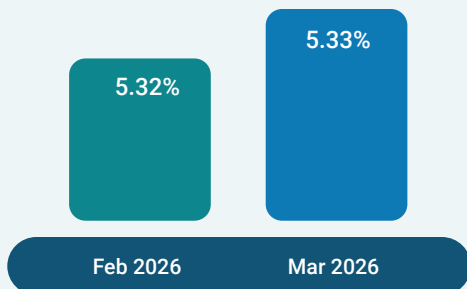
10 year G-Sec Yield* (%) : **30 bps MOM** ↑



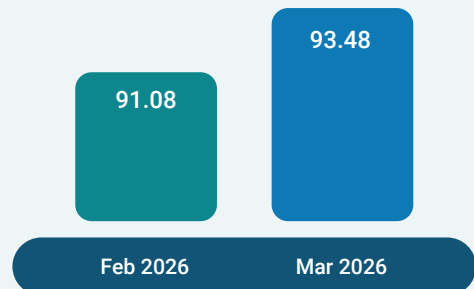
364 Day T-Bill Yield* (%) : **22 bps MOM** ↑



91 Day T-Bill Yield* (%) : **10 bps MOM** ↑



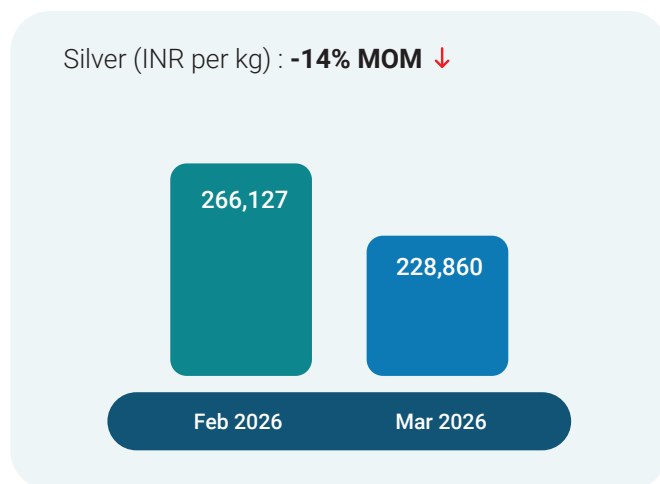
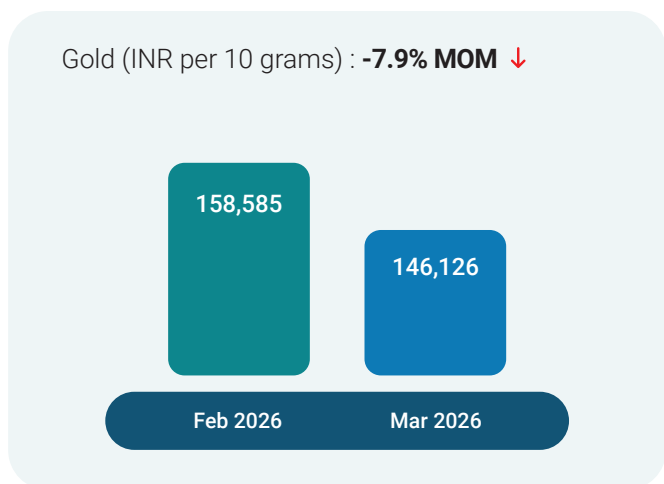
USD to INR : **26 bps MOM** ↑



*Yields as on the last auction days of the respective months. Source: RBI

Market Roundup - Commodities Market

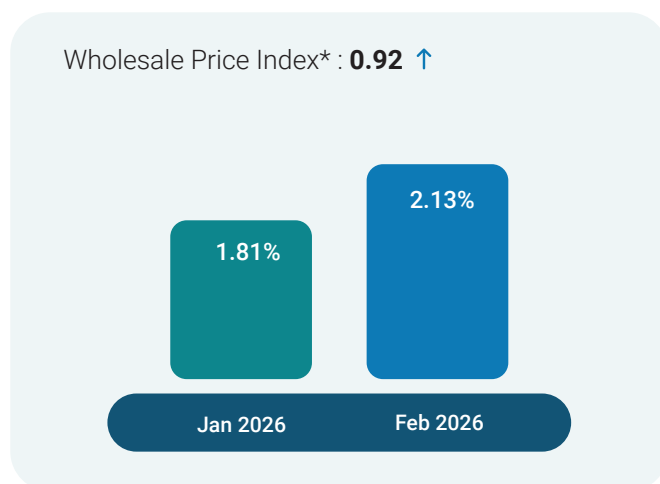
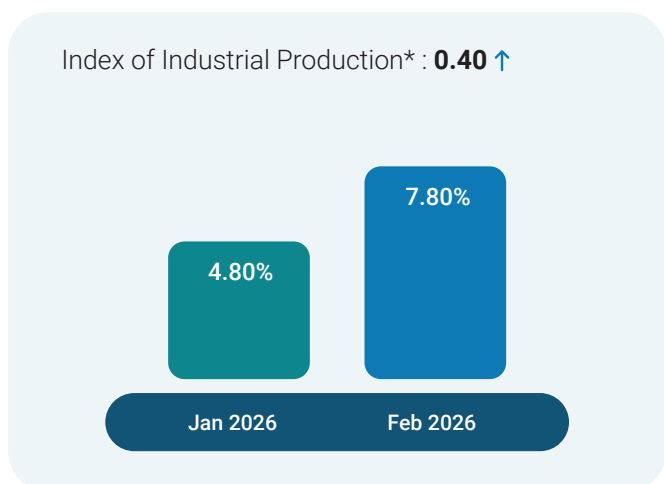
Rising US Treasury bond yields and strong US Dollar has negative impact on precious metal prices. Gold and silver have rallied strongly after President Trump announced ceasefire between the US and Iran. However, precious metals rally may be subdued as long as US Treasury Bond yields remain high. With receding hopes of rate cut, due to the inflationary impact of the war, gold and silver may face headwinds. Investors should exercise caution while investing in precious metals, unless they have long investment horizon.



*Commodity prices are based MCX closing spot prices on the last trading sessions

Economic Indicators

The Iran war will have an impact on the headline inflation and factory output. However, the extent of the impact will have to be seen.



*Based on latest Government published data.

Knowledge Bite: War, Crises, Past lessons and Way Forward

War and crises have always shaken markets in the short term, but history shows that disciplined investors with the right asset allocation usually come out stronger on the other side. For investors dealing with volatile market situation, the task is not to predict the next flashpoint, but to build portfolios that can absorb shocks from wars, energy disruptions and shifting geopolitical blocks while still compounding wealth over decades.

What history tells us about war and markets

Across major conflicts over the last century, equity markets have typically fallen sharply at the onset of war but recovered and often delivered strong returns over the full period of conflict. We have studied major conflicts over the past 4 decades and examined how markets reacted during the war and in the post war period.

Event	Belligerents	Drawdown	Time taken to recover	Return in next 1 year	Returns in next 3 years (CAGR)
Gulf War 1990-91*	US led coalition versus Iraq	Sensex down 35% between Oct 1990 to Jan 1991	177 days	110%	61%
Kargil War 1999	India versus Pakistan	No impact	Not Applicable	11%	-2.89%
9/11 terrorist attack and War in Afghanistan, 2001	US, allies and Afghan Northern Alliance versus Taliban and Al Qaeda	Nifty down 19% in September 2001	77 days	15%	27%
Russia Ukraine (2022 – still ongoing)	Russia versus Ukraine	Nifty down 16% between Jan to Jun 2022	210 days	23%	17%
12 Day War 2025	Israel versus Iran	No Impact	Not Applicable	Not Applicable	Not Applicable

Sources: War timelines – Military History: American Conflicts and Wars, Federal Depository Library Program (US Government), Global Conflict Tracker, Council of Foreign Relations, Kargil Vijay Diwas 2025, Press Information Bureau (Government of India), National Stock Exchange (for Nifty data), Bombay Stock Exchange (for Sensex data).

*Other factors for the 1990 – 91 market crash were speculative bubble due Harshad Mehta stock price manipulation, political instability and Balance of Payments crisis.

The above table shows that market recovers quickly once war ends – less than 1 year. The data also shows us the equities enter a bull market phase when wars end. You can see that that Sensex / Nifty gave 17 – 60% CAGR in the 3 year period following end of wars. The only exception was three period from 1999 to 2002. The reason for this was the market crash 2000 due to Ketan Parekh Scam, again followed by crash after 9/11 in 2001. SEBI introduced sweeping reforms after the Ketan Parekh scam like abolition of the Badla system, rolling settlement, prohibition of insider trading, compulsory demat, KYC norms etc, to strengthen investor protection. Today Indian stock market is one of the best regulated equity markets in the world.

Apart from this war, where other factors were involved, other wars provided attractive investment opportunities for long term investors. Unlike other financial crises or stock market crashes, where it is difficult to predict whether recovery has started, wars get formally concluded through signing of ceasefire agreement or peace treaty. This makes it relatively easier for investors to determine whether a new market phase is beginning.

Behavioural lessons from past crises

History shows that, markets have quickly recovered from wars. In fact, historical evidence shows that markets often enters a bull market phase after wars end. However, investor behaviour during crises often tells the opposite story. Many investors sell equities after a sharp fall, switch to cash or short term debt, and then re enter only after markets have already recovered, locking in permanent capital loss while missing the rebound. This pattern has been documented across wars, pandemics and financial crises.

Phase	Historical Market behaviour globally	Investor mistakes to avoid
Pre-war tension	Rising volatility, sector rotations, modest derating	Ignoring risk, excessive leverage
Onset of war	Sharp sell-off, flight to safety, widening credit spreads	Panic selling quality assets at lows
Stalemate / prolonged phase	Gradual stabilisation, markets refocus on fundamentals	Over-trading based on every headline
Resolution / ceasefire	Relief rally, re-rating of cyclicals and risk assets	Staying in cash, missing recovery leg

US -Iran War 2026

Currently, the intensification of conflict in the Middle East has created a second round energy and logistics shock, with particular sensitivity around Gulf crude flows, the Strait of Hormuz and LNG supply from Qatar. The disruptions have already led to LNG production halts in Qatar and a sharp rise in global oil and gas prices. Brent crude rose from \$72 per barrel to \$109 per barrel. High oil and gas prices pressures industrial users and city gas distribution and risks wider inflation if the disruption persists. The Nifty has corrected by more than 10%. On 8th April 2026, US and Iran agreed on a 15 day ceasefire. While both sides have stopped attacks, Iran has agreed to coordinate passage of vessels through the Strait of Hormuz, through which 20% of world's oil and gas supply flows.

Way forward

Though it is very difficult to time the market, end of wars is usually a good time to invest in equities as historical data shows. Though Indian economy may continue to face headwinds due extensive disruption to global oil and gas supply chain and inflationary pressures. Despite these headwinds, Indian equities and the economy have, so far, demonstrated resilience, thanks to domestic demand, structural reforms and a growing share of local investors offsetting foreign outflows. For investors, the takeaway is that while wars can have short term consequences, they have not derailed India's long term growth story. Investors should remain disciplined and use the correction as an opportunity to add equity to their asset allocation.

Our References

FD Interest Rates

Company	Investment Period (Months)	Rate of Interest (%) (Per Annum)	Senior Citizen (%) (Per Annum)
Bajaj Finance Limited	12 to 60	6.95	7.30
ICICI Home Finance	12 to 60	7.00	7.35
LIC Housing Finance	12 to 60	6.90	7.15
Mahindra & Mahindra Financial Services Limited	12 to 60	7.00	7.25
PNB Housing Finance Limited	12 to 60	6.90	7.15
Shriram Finance Limited Unnati Deposits	12 to 60	7.60	8.15
Sundaram Home Finance Limited	12 to 60	7.15	7.50

DISCLAIMER: Interest Rates are subject to change without any prior intimation. Please confirm the rate of interest before investing.

NFO (New Fund Offer)

Scheme Name	Issue Opens On	Issue Closes On
Kotak Multi Asset Active FOF	8th April 2026	22nd April 2026
Axis Nifty India Defence Index Fund	10th April 2026	24th April 2026



AMFI-Registered Mutual Fund Distributor (ARN-1435)
ARN Valid: 15-Feb-2025 to 15-Feb-2028

608-609, Skylark Building ,60, Nehru Place,
New Delhi – 110019



Services We Offer

Planning


- Goal Planning
- Insurance Planning
- Tax Planning


Financial Services

- Mutual Fund
- Fixed Deposit
- Life Insurance
- Health Insurance
- RBI Floating Rate Bonds
- Sovereign Gold Bonds
- Capital Gain Bonds
- NFO - Mutual Fund

Miscellaneous Services

- Real Estate
- Home Loan
- National Pension Schemes
- NRI Desk
- Loan Syndication
- Succession Planning
- Share Demat Services
- Transmission of Financial Assets at Market Place

 +91 9350208491

 info@securityinvestments.in

 www.securityinvestments.in

 www.facebook.com/TheBestInvestments

 www.linkedin.com/company/security-investments-limited

 www.instagram.com/securityinvestmentsltd

 www.securityinvestments.in/blog/investment-insights-10

Disclaimer

We have gathered all the data, information, statistics from the sources believed to be highly reliable and true. All necessary precautions have been taken to avoid any error, lapse or insufficiency; however, no representations or warranties are made (express or implied) as to the reliability, accuracy or completeness of such information. We cannot be held liable for any loss arising directly or indirectly from action taken in on any information appearing herein without consultation with Security Investments Limited on specific investment actions. Please note that Mutual Fund investments are subject to market risks, read all scheme related documents carefully and consult with your Security Investments Limited relationship manager before making any investment decisions.