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AUG'26

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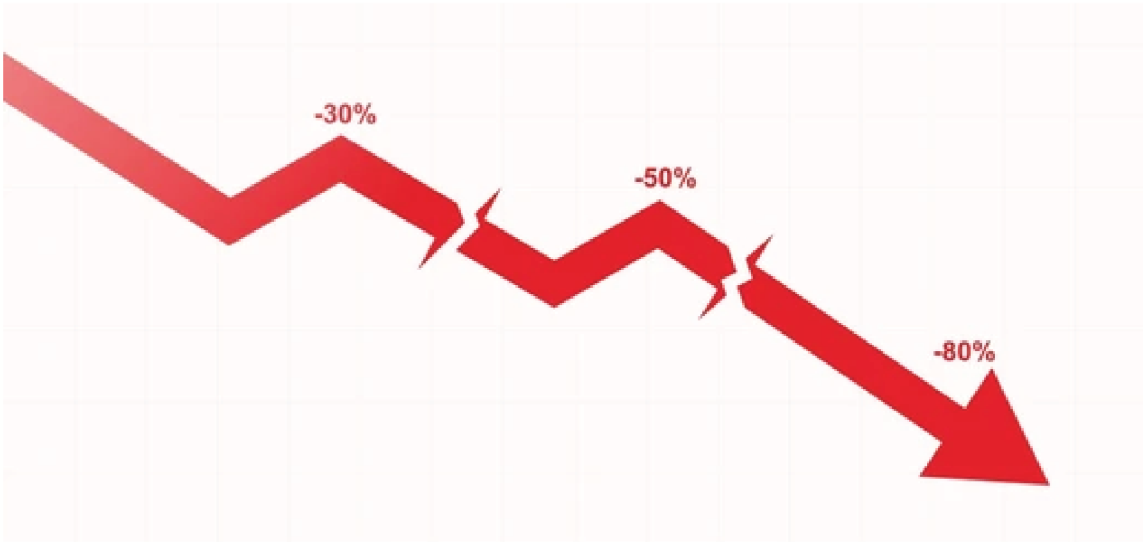
From the Managing Director's Desk

Mr. Prakash Lohana

Founder and Managing Director
Ascent Financial Solutions Pvt. Ltd.

Certified Financial Planner (CFP),
Financial Planning Standard
Boards of India

Yesterday's Winners Are Not Always Tomorrow's Winners



One of the most common mistakes investors make is assuming that a company which has performed exceptionally well in the past will continue to deliver superior returns indefinitely. This belief appears logical because successful businesses often inspire confidence. Investors become familiar with these companies, follow their performance closely and gradually develop a sense of comfort in holding them for years.

While there is nothing wrong with owning good businesses, there is an important distinction every investor should understand: **a good company and a good investment are not always the same thing.**

The quality of a business is only one part of the investment equation. The price at which you buy the business, its future earnings growth, market expectations and changing industry dynamics all influence the returns an investor ultimately earns. A company that created tremendous wealth during one decade may deliver average returns during the next, even if it continues to remain an excellent business.

Over the last two decades of advising investors, I have often seen portfolios become concentrated around a few familiar names. This generally does not happen because investors deliberately want a concentrated portfolio. It happens because the companies they bought years ago performed well, and selling them gradually became emotionally difficult.

Around 10 years ago, a husband and wife approached us for comprehensive financial planning. During the portfolio review, we noticed that the husband had accumulated shares of several well-known companies over many years. His portfolio included names like Infosys, TCS, Hero MotoCorp, Dabur, Lupin, Wipro and Sun Pharma. These were businesses that had earned the confidence of millions of investors over decades.

As part of our advisory process, we recommended gradually reducing the concentration in individual stocks and moving towards a diversified, goal-oriented investment portfolio. Our recommendation was not based on a negative view of these companies. It was based on a simple principle that no family's financial future should depend excessively on the fortunes of a handful of businesses, irrespective of how successful they have been in the past.

The husband was hesitant to make any changes. From his perspective, these companies had rewarded him over the years, and there appeared to be no reason to disturb the portfolio. His wife, however, decided to follow the recommended allocation.

Nearly ten years later, the difference between the two portfolios became evident.

The diversified portfolio delivered significantly better outcomes—not because it discovered extraordinary investment opportunities or took higher risks, but because it was built around diversification, disciplined asset allocation and periodic portfolio reviews rather than attachment to individual companies.

The accompanying illustration highlights this principle with actual market data.

10 YEARS OF WEALTH CREATION

GROWTH OF 100 INVESTED OVER 10 YEARS

WITH DIVIDEND

DATE	NIFTY 50 Nifty 50 TRI	NIFTY 500 NIFTY 500 TRI	Infosys	Dabur	LUPIN	tcs TATA CONSULTANCY SERVICES	Hero MotoCorp	wipro	SUN PHARMA
11-07-2016	11366.82	10287.57	593.92	316.35	1,676.60	1,220.99	3,239.94	96.91	724.95
25-05-2017	12863.38	11954.04	515.54	271.25	1,147.70	1,334.65	3705.69	91.79	544.22
29-05-2018	14594.78	13630.69	641.08	393.05	786.05	1,771.31	3700.27	90.29	462.63
27-05-2019	16585.13	14589.90	730.60	403.00	748.30	2,086.98	2,904.19	128.77	385.38
26-05-2020	12715.39	11186.72	702.05	436.45	911.95	1,983.00	2,200.64	87.02	432.41
25-05-2021	21639.04	19717.29	1,391.60	536.05	1,217.55	3,149.00	3,024.38	239.08	662.55
25-05-2022	23096.63	20912.97	1,435.05	499.65	594.25	3,212.65	2,675.79	207.55	876.43
25-05-2023	26731.86	24200.87	1,332.54	535.60	782.85	3,395.31	2,818.15	184.32	918.77
27-05-2024	33845.39	33759.03	1,512.10	572.85	1,624.10	3,922.05	5,223.90	212.06	1,438.55
26-05-2025	37290.30	36294.53	1,625.50	480.30	1,999.30	3,665.30	4,524.40	239.24	1,653.58
25-05-2026	36277.77	36693.58	1,193.50	447.20	2287.20	2,396.20	5,089.00	206.84	1,840.60
TOTAL RETURNS	219%	257%	101%	41%	36%	96%	57%	113%	154%
CAGR	12.305%	13.561%	7.228%	3.522%	3.154%	6.975%	4.619%	7.876%	9.765%
IF INVESTED 100	319	357	201	141	136	196	157	213	254
WITH DIVIDEND (CAGR)	12.31%	13.56%	7.23%	3.52%	3.15%	6.97%	4.62%	7.88%	9.77%

Source: AMFI, NSE, BSE | Data as on 25-05-2026 | Past performance may or may not be sustained in the future.

The most striking takeaway from this data is this: even after including dividends, none of these seven well-known, highly respected companies was able to outperform the broader market over the last decade.

So what does the data actually tell us?

These numbers include dividends, which means they represent the total return an investor would have earned rather than just the change in share price. ₹100 invested in the Nifty 50 TRI in 2016 would have grown to approximately ₹319 over ten years. The same ₹100 invested in the Nifty 500 TRI, representing India's broader equity market, would have grown to around ₹357.

Now compare that with the individual companies. ₹100 invested in Sun Pharma grew to ₹254, Wipro to ₹213, Infosys to ₹201, TCS to ₹196, Hero MotoCorp to ₹157, Dabur to ₹141 and Lupin to just ₹136.

The message is not that these are poor businesses. They remain among India's most respected companies. The message is that owning a handful of successful businesses is very different from owning the broader economy.

These numbers often surprise investors because each of these companies continues to enjoy a strong reputation and has built remarkable businesses over many years.

However, this comparison should not be interpreted as criticism of these companies.

On the contrary, they remain well-managed organisations with strong competitive advantages. The data simply reminds us that excellent businesses do not automatically produce superior investment returns over every period.

Markets continuously reassess future growth expectations. As industries mature, competitive landscapes evolve and valuations change, yesterday's leaders may deliver moderate returns while entirely different sectors or companies emerge as the next drivers of wealth creation. History shows that market leadership is rarely permanent. This is precisely why diversification remains one of the most important principles in investing.

Diversification is often misunderstood as sacrificing returns in exchange for safety. In reality, it is about reducing dependence on any single company, sector or investment theme. It acknowledges a simple fact: no investor can consistently predict which businesses will dominate the next decade.

Successful investing is therefore less about identifying one exceptional stock and more about constructing a portfolio that can withstand changing economic cycles while remaining aligned with long-term financial goals.

Equally important is the discipline of periodic portfolio review. A portfolio that was appropriate ten years ago may no longer reflect an investor's present financial goals, risk capacity or market conditions. Regular reviews ensure that portfolios evolve alongside changing circumstances rather than remaining anchored to past successes.

One of the most valuable lessons we have learnt while advising families over the years is that investors should avoid becoming emotionally attached to investments. Businesses evolve, industries change and markets continuously reward new leaders. Portfolios should evolve with them.

Yesterday's winners deserve appreciation for the wealth they may have created, but they should not be expected to remain tomorrow's winners simply because they performed well in the past.

The objective of investing is not to own the most admired companies. It is to participate in the long-term growth of the economy while avoiding unnecessary concentration risk. The objective is to build sustainable wealth that helps achieve life's financial goals with discipline, diversification and consistency. Sometimes, that requires letting go of yesterday's favourites to make room for tomorrow's opportunities.

Rich vs Financially Secure: Why They Are Not Always the Same

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Head of Research & Strategy
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Every cricket fan remembers explosive innings where a batsman races to 80 runs in just 40 balls. It looks spectacular. But if the team collapses soon after and loses the match, those 80 runs don't mean much.

Investing works in much the same way.

Many people believe that becoming rich is the ultimate financial goal. They work hard, build businesses, buy properties, invest in stocks, and accumulate wealth. Yet, time and again, we see wealthy individuals struggling financially when markets fall, businesses slow down, or unexpected events occur.

On the other hand, there are families who may not appear extraordinarily wealthy, but they sleep peacefully at night because they know their finances can withstand life's uncertainties.

The difference lies in one simple idea:

Being rich is about how much money you have. Being financially secure is about how well your money takes care of you.

What Does It Mean to Be Rich?

Traditionally, we associate wealth with visible success:

- A high-paying career
- A successful business
- Premium real estate
- A sizeable investment portfolio
- Luxury cars and holidays

These are achievements worth celebrating. Wealth is often the result of years of hard work, smart decisions, entrepreneurship, or disciplined investing.

Wealth is largely what people can see whereas financial strength, is often hidden.

What Does It Mean to Be Financially Secure?

Financial security is the confidence that your lifestyle, goals and family will remain protected even if life doesn't go according to plan.

It means you have:

- Adequate emergency reserves
- Sustainable cash flows

- Appropriate insurance cover
- Diversified investments
- Manageable debt
- A retirement plan
- A strategy for passing wealth to the next generation

Financial security isn't about never facing challenges. It's about being prepared when challenges inevitably arrive.

Why Rich and Financially Secure Are Not the Same

Let's look at a few real-life situations.

The High Earner

A senior executive earns ₹1 crore annually. His lifestyle expands with every increment. Large home loan, expensive car EMIs, international holidays and minimal savings.

If his income stops for six months, the financial pressure begins almost immediately.

On paper, he is rich.

In reality, he is financially fragile.

The Successful Entrepreneur

An entrepreneur has built a business worth ₹30 crore.

Sounds impressive.

But if 95% of his wealth depends on one business operating in one industry, his financial future is tied to a single outcome. Any disruption like regulatory changes, competition, or an economic slowdown can significantly impact his wealth.

Asset Rich, Cash Poor

Many families own multiple properties worth several crores.

Yet when faced with a medical emergency, they struggle to arrange immediate liquidity because real estate cannot always be sold quickly.

They own wealth but cannot easily use it when they need it most.

The Market-Dependent Investor

Some investors enjoy rising markets so much that they gradually increase their equity exposure far beyond what their financial goals require.

Everything looks wonderful until markets correct sharply.

When your monthly lifestyle depends on markets rising every year, you're relying on optimism rather than planning.

The Pillars of Financial Security

Liquidity: Having money available when life throws surprises.

Diversification: Avoiding dependence on one investment, one business or one source of income.

Risk Management: Protecting yourself through insurance and sensible planning.

Sustainable Income: Ensuring your investments can support your lifestyle over decades.

Retirement Planning: Preparing for a retirement that could easily last 25–30 years.

Estate & Succession Planning: Ensuring your wealth reaches the people you intend it to, efficiently and without unnecessary complications.

Investing to Get Rich vs Investing to Stay Rich

The investment approach changes as wealth grows.

In the early years, the objective is often wealth creation.

Investors focus on:

- Higher returns
- Growth opportunities
- Concentrated ideas
- Taking calculated risks

As wealth accumulates, priorities gradually shift.

Now the focus becomes:

- Preserving capital
- Generating stable income
- Managing risk
- Maintaining liquidity
- Achieving long-term family goals

A common mistake we see is that many investors continue investing as though they are trying to build wealth, even after they have already created substantial wealth.

The strategy that helps create wealth is not always the strategy that preserves it.

Why Asset Allocation Matters More Than Stock Selection

One of the biggest misconceptions in investing is that success comes from finding the "next multibagger."

In reality, the structure of your portfolio often matters far more than any individual investment.

- A well-designed portfolio combines different asset classes:

Equities for long-term growth

- Debt for stability
- Gold as a hedge during uncertainty
- International investments for geographical diversification
- Cash and liquid assets for flexibility

Think of a cricket team.

You cannot win consistently with eleven batsmen.

You need dependable bowlers, an all-rounder, a wicketkeeper, and players who perform different roles under different conditions.

A portfolio works exactly the same way. Every asset has a role to play. Financial success comes from balance, not from depending on a single star performer.

Invest With Goals, Not Just Returns

Successful investors don't simply ask,

"Which investment will give the highest return?"

Instead, they ask,

"Will this investment help fund my child's education?"

"Will it provide the retirement income I need?"

"Will my spouse remain financially secure if something happens to me?"

Returns are important.

But returns are only meaningful if they help achieve life's goals.

After all, an investment that delivers 18% but fails to fund your retirement has not really been successful.

As Life Changes, So Should Your Investments

In your 30s and early 40s, taking higher risks may be perfectly appropriate.

You are building wealth.

But as retirement approaches, the objective changes.

Protecting what you have built often becomes more important than chasing the highest possible return.

Unfortunately, many investors fail to make this transition.

They continue playing an aggressive game long after the match situation has changed.

The Value of Professional Financial Advice

Good financial advice is about much more than recommending mutual funds or selecting stocks.

It involves creating a complete financial framework that includes:

- Asset allocation
- Portfolio construction
- Risk management
- Tax efficiency
- Retirement planning
- Estate and succession planning
- Behavioural coaching during market volatility

In our experience, the biggest value an advisor provides is not finding the perfect investment.

It is helping investors make sensible decisions consistently, especially when emotions run high.

A Better Way to Measure Financial Success

Instead of asking, *"How much am I worth?"*, consider asking yourself:

- If my income stopped tomorrow, how long could my family comfortably maintain its lifestyle?
- Do I have enough liquidity for unexpected events?
- Is my portfolio aligned with my long-term goals?
- Am I prepared for retirement?
- Have I planned how my wealth will pass to the next generation?
- Can my wealth continue supporting my family long after I am gone?

The answers to these questions often reveal far more about your financial health than your net worth ever will.

Final Thoughts

Building wealth is an important milestone.

Protecting that wealth is an even bigger responsibility.

Being rich reflects what you have accumulated.

Being financially secure reflects how well your finances can withstand uncertainty while continuing to support your family, your lifestyle and your future aspirations.

At Ascent, our objective has never been to help clients chase the highest returns. It is to help them build portfolios that create wealth **and** preserve it through thoughtful asset allocation, diversification, disciplined planning and regular reviews.

Because true financial success is not measured by the size of your portfolio.

It is measured by the confidence that your wealth will continue working for you and for the generations that follow.

DATA BYTES:
OVERVIEW OF INDIAN EQUITY MARKET

Based on Total Return Index (%)

INDEX NAME	1 M	3 M	1 Yr	3 Yr	5 Yr	10 Yr
Broad Market Indices						
Nifty 50	2.36	2.28	-0.43	8.57	10.41	12.29
Nifty Next 50	3.02	6.09	10.89	18.58	14.33	13.77
Nifty 100	2.49	2.98	1.54	10.24	10.93	12.49
Nifty 200	2.38	3.46	3.16	11.68	12.11	13.17
Nifty 500	2.20	3.93	3.37	12.30	12.54	13.56
Nifty Midcap 150	1.73	5.43	9.01	18.54	17.93	17.77
Nifty Midcap 50	3.07	7.51	12.39	19.43	19.75	18.26
Nifty Smallcap 250	1.28	7.37	5.19	17.15	15.28	15.10
Nifty Smallcap 50	3.56	10.11	12.04	23.06	13.69	12.52
Nifty LargeMidcap 250	2.11	4.23	5.27	14.45	14.50	15.22
Nifty MidSmallcap 400	1.58	6.09	7.59	18.03	17.07	16.87
Nifty Midcap 100	1.94	5.47	10.29	19.29	18.59	16.52
Nifty Smallcap 100	2.68	7.68	8.39	19.07	13.85	13.36
Nifty500 Multicap 50:25:25	2.00	4.75	4.46	14.21	13.94	14.64
Nifty Microcap 250	0.24	9.83	5.71	20.91	20.66	19.90
Nifty Midcap Select	2.71	7.25	15.59	20.51	17.85	16.92
Nifty Total market	2.11	4.16	3.49	12.59	12.80	13.73
Nifty500 LargeMidSmall Equal-Cap Weighted	1.84	5.32	5.39	15.47	14.86	16.34

Data as on 31 July 2026

Source : NSE.

Based on Total Return Index (%)

INDEX NAME	1 M	3 M	1 Yr	3 Yr	5 Yr	10 Yr
Sectoral Indices						
Nifty Auto	9.03	11.70	23.01	23.47	24.55	12.86
Nifty Bank	-0.46	4.89	3.06	8.72	11.47	12.45
Nifty Consumer Durables	10.19	7.82	5.13	13.94	11.43	16.98
Nifty Financial Services	0.24	4.30	0.75	10.42	11.07	13.91
Nifty Financial Services 25/50	0.85	4.53	2.69	13.18	12.89	14.40
Nifty Financial Services Ex-Bank	3.64	6.63	13.41	19.84	15.08	14.75
Nifty FMCG	0.93	-3.28	-11.06	-0.70	8.16	10.01
Nifty IT	17.13	5.29	-11.16	3.03	2.22	12.95
Nifty Media	9.48	11.17	0.10	-7.24	-1.41	-4.83
Nifty Metal	1.77	-0.33	38.66	24.50	18.66	20.10
Nifty MidSmall Financial Services	0.86	5.30	25.43	29.43	22.20	13.70
Nifty MidSmall Healthcare	3.28	15.25	14.79	26.78	15.83	18.98
Nifty MidSmall IT & Telecom	5.85	13.87	0.71	9.46	10.83	19.65
Nifty Oil & Gas	1.99	-3.63	0.78	12.45	12.90	15.27
Nifty Pharma	4.98	14.39	17.24	21.80	13.83	9.31
Nifty Private Bank	-1.41	5.11	2.21	6.26	9.59	10.58
Nifty PSU Bank	-1.47	-0.69	23.04	22.75	29.27	12.16
Nifty Realty	9.02	13.98	-0.74	17.14	18.17	16.28

Data as on 31 July 2026 *Source : NSE.*

Returns for the period up-to one year are absolute returns. Returns for the period greater than one year are CAGR Returns.

GLOBAL INDICES

What Are Global Indices?

Global indices are like report cards for stock markets around the world. They show how the stock prices of major companies in a specific region or country are performing. Think of them as a quick way to see how the economy or businesses in that area are doing.

Why Global Market Trends Matter For Your Investments?

- ***Gives you the big picture insight:*** Global indices give you a sense of how different parts of the world are growing or facing challenges.
- ***Shows you the impact on investments:*** If you're investing in global markets, these indices tell you whether stocks are gaining or losing value.
- ***Shows you the economic trends:*** Even if you're not directly investing, global indices can hint at economic trends that might eventually affect your financial plans or investments.

Index	31-07-2026	1 Month	1 Year	3 Years	5 Years	10 Years
DJIA	52,485.03	0.34% ▲	18.93% ▲	13.78% ▲	11.04% ▲	12.59% ▲
Nasdaq 100	28,274.20	-5.15% ▼	21.78% ▲	21.62% ▲	16.62% ▲	21.72% ▲
Nasdaq-Composite	25,373.85	-2.56% ▼	20.13% ▲	21.11% ▲	13.96% ▲	19.47% ▲
FTSE 100	10,868.05	3.72% ▲	19.00% ▲	12.34% ▲	9.60% ▲	6.69% ▲
Nikkei 225	64,362.02	-8.67% ▼	56.71% ▲	24.35% ▲	18.00% ▲	14.24% ▲
Hang Seng	25,884.43	13.13% ▲	4.49% ▲	8.96% ▲	-1.47% ▼	1.76% ▲
FTSE Straits Times	5,628.50	9.05% ▲	34.85% ▲	18.60% ▲	13.46% ▲	7.13% ▲

Return as on 31-07-2026

Source: Investing.Com

INVESTMENT ACTIVITY OVERVIEW-FII/MF (Rs Cr)

Note: Mutual Fund Data as of 24 July, DIIs as of 31 July.

(Rs Cr)	30 July	MTD	YTD
FIIs	4787.78	21980.83	-251808.88
DIIs	2260.37	35099.25	497683.95
Mutual Funds	3081.31	18476.24	316537

Source: ICICI PRUDENTIAL MUTUAL FUND HEADSTART

Abbreviations: FII (Foreign Institutional Investors), DII (Domestic Institutional Investor), MTD-Month to Date, YTD - Year to Date

CURRENCIES VS INR

Currency	30th June	31st July	CHANGE	Status
USD $	94.92	95.39	+0.47	INR Depreciated ▼
GBP £	125.30	128.67	+3.37	INR Depreciated ▼
Euro €	108.04	109.92	+1.88	INR Depreciated ▼
100 Yen ¥	58	61	+3.00	INR Depreciated ▼

Source: Google finance

COMMODITIES

Particular	10g of 24k Gold in INR	Return	Brent Crude Oil ($/bbl)	Return
31-07-2026	1,47,235		96.95	
1 Week Ago	1,48,215	-0.66%	100.31	-3.35%
1 Month Ago	1,46,215	0.70%	69.24	40.02%
1 Year Ago	1,01,930	44.45%	73.43	32.03%
3 Years Ago	61,410	33.84%	85.34	4.34%
5 Years Ago	49,640	24.29%	77.72	4.52%
7 Years Ago	36,770	21.92%	62.59	6.45%

Source : Google Finance, Macro trends

Data has been taken from the closest available period, as updates are infrequent due to the nature of asset class. Returns for the period upto one year are absolute returns.

Returns for period greater than one year are CAGR returns.

INDIAN DEBT SUMMARY

Data as of 31st July 2026

Index	31st July	Month Ago	Year Ago
Call Rate	5.37%	5.43%	5.49%
Repo	5.25%	5.25%	5.50%
10 Yr Gilt^	6.83%	6.76%	6.38%
30 Yr Gilt^	7.61%	7.44%	7.15%
91-D T Bill^	5.34%	5.24%	5.40%
182-D T Bill^	5.59%	5.42%	5.50%
364-D T Bill^	5.71%	5.60%	5.52%
1-mth CP rate	6.60%	6.63%	6.12%
3-mth CP rate	7.30%	6.63%	6.18%
6-mth CP rate	7.33%	7.15%	6.36%
1 yr CP rate	7.70%	7.40%	6.65%
1-mth CD rate	6.30%	6.19%	5.75%
3-mth CD rate	6.77%	6.20%	5.75%
6-mth CD rate	6.90%	6.70%	6.03%
1 yr CD rate	7.20%	7.05%	6.25%

The percentages in the table represent the annualized interest rates or yields for various lending and borrowing instruments in the Indian financial market. These figures show the current cost for banks, the government, and corporations to borrow money, as well as the returns investors can expect from lending to them. The table compares these current rates to those from a week, a month, and a year ago to show how interest rate trends are changing over time.

^Weighted AverageYield

Source: ICICI Prudential Mutual Fund Headstart

Major Events: AUGUST 2026

AUG 26

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

1st - Manufacturing PMI

3rd - Services PMI

28th - IIP

12th - CPI

14th - WPI

PMI - Purchasing Managers' Index | IIP - Index of Industrial Production
CPI - Consumer Price Index | WPI - Wholesale Price Index

What  ur Clients Say

Kamlesh Gangwani

Designation: Project Leader - Epiroc

Country: India

Working with Ascent Financial Solutions has been a reassuring experience. The team is always prompt in responding to my queries and takes the time to explain the investment strategy and market situation in detail, including how my portfolio compares with the broader market. This has given me confidence in working towards my financial goals and peace of mind knowing that my investments are being professionally managed.

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