

Monthly Newsletter by
Shashikesh Asset Services LLP

August 2026

The synova *Spark*



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Shashikesh Asset Services LLP

AMFI Registered Mutual Fund Distributor, ARN – 110098

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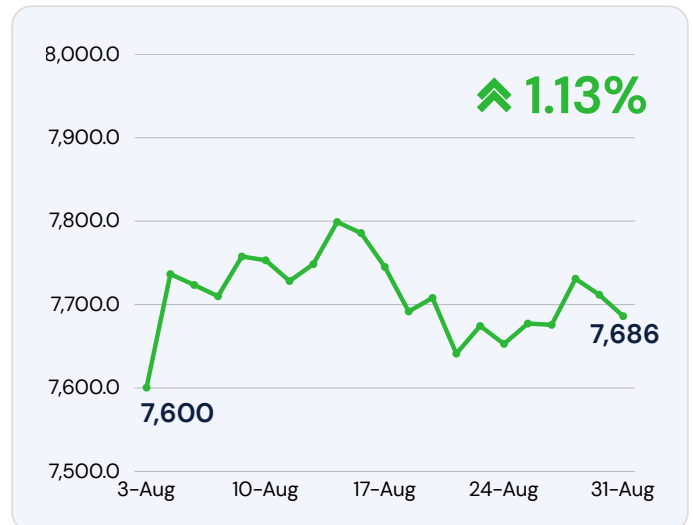
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S&P 500

The S&P 500 reached fresh highs early in August as weak jobs data strengthened rate-cut expectations and earnings remained resilient. Rising yields and inflation concerns caused a mid-month pullback, but easing yield pressure helped the index recover and finish modestly higher.



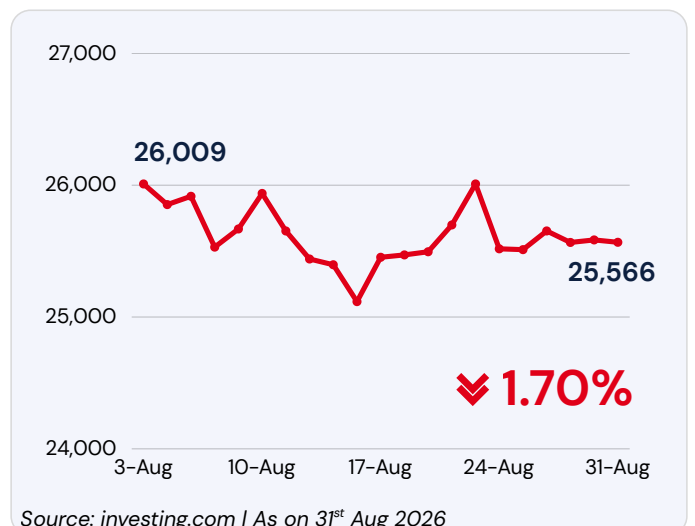
Nikkei 225

The Nikkei remained near record territory, supported by AI and semiconductor demand and a weak yen benefiting exporters. Mid-month tech selling and speculation over a Bank of Japan rate hike created volatility, but renewed AI optimism helped sentiment recover.



Hang Seng

The Hang Seng advanced on strength in AI, semiconductor, and Chinese technology stocks. Global tech volatility and geopolitical concerns interrupted the rally, while improving liquidity and rebounds in major tech names provided support. The index ended August modestly higher.



Source: investing.com | As on 31st Aug 2026

Market Watch – Commodities

Gold

Gold rallied in August as weaker US jobs data reduced rate-hike expectations and pushed yields and the dollar lower. Geopolitical tensions and central bank buying added safe-haven support. Hawkish Fed signals caused some late profit-booking. Gold still ended the month strongly higher.



Silver

Silver outperformed gold, supported by dollar weakness, lower rate expectations, and strong industrial demand. Solar, EV, electronics, and infrastructure demand added structural support. Supply constraints also strengthened sentiment. Despite a late pullback, silver closed significantly higher.



Crude Oil

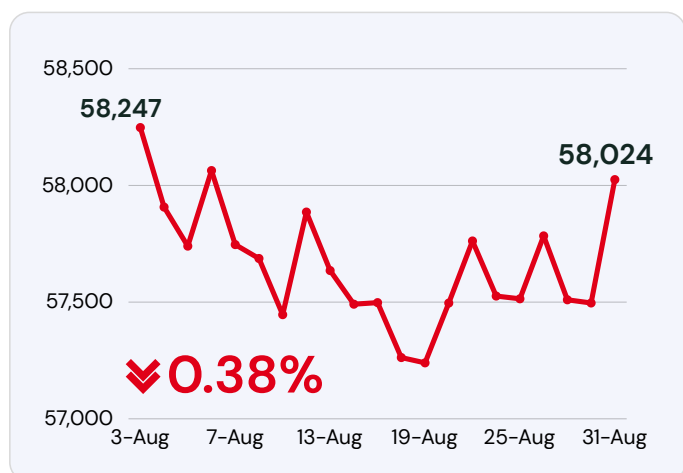
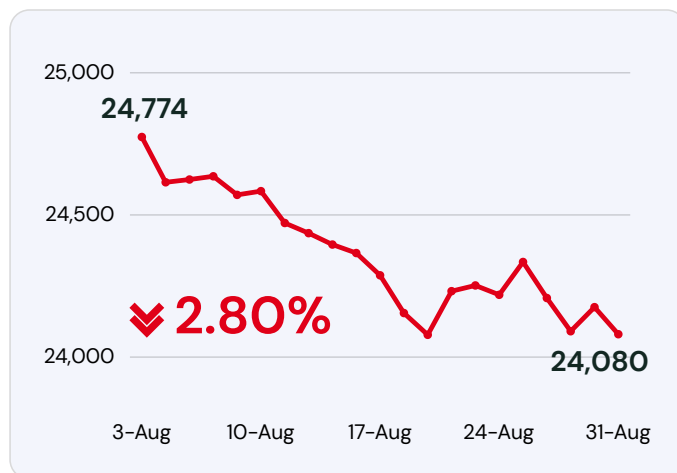
Crude oil stayed highly volatile as US-Iran tensions and Strait of Hormuz developments drove prices. Diplomatic progress periodically reduced the geopolitical premium, while fresh military escalation pushed prices higher again. Supply disruption fears remained the key driver. Brent ended August above \$90.



Source: investing.com | As on 31st August 2026

Nifty 50

Nifty started August strongly on lower crude prices, healthy earnings, and renewed foreign buying. US tariff concerns later weighed on exports and corporate margins. Geopolitical tensions revived crude-price risks toward month-end. Strong DII buying cushioned losses, but Nifty ended mildly negative.



Nifty Bank

Nifty Bank remained resilient, supported by healthy loan growth, strong earnings, and improving asset quality. PSU banks led initially before private banks took over. Infrastructure-linked credit demand also provided support. The sector consistently outperformed the broader market.

Nifty Best & Worst Sector Performance

Nifty IPO* ▲ +5.22%

Nifty FMCG* ▼ -7.34%

FII-DII Activity

Cash { DIs – ₹58,268 Cr. ▲ Buy
FIs – ₹-7,531 Cr. ▲ Sell

Mutual Funds { Equity – ₹69,323 Cr. ▲ Buy
Debt – ₹-59,485 Cr. ▲ Sell

Note – *Data as on 4th September 2026. Returns reflect trailing 1-month change.

Mutual Fund Monitor

Monthly Performance per Calendar Month

Category	Aug 2026	July 2026	June 2026	May 2026	Apr 2026	Mar 2026
Large Cap	-0.63	2.63	1.3	-0.63	9.28	-11.55
Large & MidCap	1.36	1.94	1.35	0.72	10.55	-11.37
Flexi Cap	1.31	2.06	2.2	0.71	10.55	-10.88
Multi Cap	2.55	1.74	2.66	1.39	11.92	-10.41
Mid Cap	2.43	1.72	1.49	2.59	12.81	-10.71
Small Cap	3.82	1.27	4.71	2.1	16.06	-9.62
ELSS	0.81	2	2.48	-0.37	9.97	-10.8
Sectoral-Banking	1.53	-0.29	5.35	-0.93	9.6	-15.83
Sectoral-Technology	2.05	13.87	-6.49	0.79	4.33	-6.21
PSU	-1.16	-0.55	-1.83	-4.02	12.6	-10.32
International	4.17	-1.04	-3.34	6.63	13.34	-5.35
Energy	-1.31	-1.49	-2.64	0.22	13.73	-7.82
Infrastructure	-0.56	-1.06	1.44	0.71	15.09	-10.29
Long Duration	-0.38	-0.72	3.47	0.23	1.61	-2.95
Short Duration	0.16	0.27	1.92	0.25	0.61	-0.59
Low Duration	0.14	0.27	1.63	0.15	0.5	-0.35
Ultra Short Duration	0.55	0.47	0.93	0.26	0.63	0.43
Gold	8.66	0.98	-9.95	4.28	2.29	-8.36
Silver	8.18	-3.05	-14.44	9.58	3.86	-14

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

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

Mutual Fund Monitor

Point to Point Returns

Categories	1-Yr Return (%)	3-Yr Return (%)	5-Yr Return (%)	10-Yr Return (%)
Large Cap	0.85	10.17	8.63	11.18
Large & MidCap	5.64	13.88	12.34	13.42
Flexi Cap	4.41	12.28	10.61	12.91
Multi Cap	7.98	14.19	13.12	14.15
Mid Cap	9.58	16.59	15.15	15.42
Small Cap	13.65	15.52	16.05	16.52
ELSS	2.43	11.55	10.5	12.93
Sectoral-BFSI	8.77	12.47	10.68	11.54
Thematic-PSU	8.77	12.47	10.68	11.54
Sectoral-Technology	-3.31	7.2	5.07	16.28
International	25.57	18.7	10.48	12.61
Energy	10.35	16.97	13.57	15.38
Infrastructure	6.43	16.04	17.44	15.05
Debt & Commodities	1-Yr Return (%)	3-Yr Return (%)	5-Yr Return (%)	10-Yr Return (%)
Long Duration	4.02	5.62	5.05	6.13
Low Duration	5.85	6.85	6.14	6.28
Short Duration	5.2	6.81	6.03	6.35
Ultra Short Duration	6.03	6.69	6	5.9
FoF- Gold	41.58	34.28	24.31	15.5
FoF- Silver	80.25	41.92		

Note: The return is point-to-point.

Source: Value Research | Returns represent category-wise trailing returns (%).

Mutual Fund Monitor

SIP Performance by Fund Category

Categories	1-Yr Return (%)	3-Yr Return (%)	5-Yr Return (%)
Large Cap	0.43	3.87	8.47
Large & MidCap	8.5	8.04	12.74
Flexi Cap	7.92	6.57	11.1
Multi Cap	13.91	9	13.54
Mid Cap	15.91	11.24	15.87
Small Cap	27.28	12.08	16.23
ELSS	4.62	5.07	10.37
Sectoral-BFSI	5.6	8.15	11.38
Thematic-PSU	0.9	7	18.99
Sectoral-Technology	6.43	-0.58	5.57
International	24.11	21.85	17.4
Energy	5.61	11.43	15.78
Infrastructure	7.7	7.2	15.79
Debt & Commodities	1-Yr Return (%)	3-Yr Return (%)	5-Yr Return (%)
Long Duration	3.41	4.01	5.5
Low Duration	6.04	6.62	6.61
Short Duration	5.12	6.33	6.49
Ultra Short Duration	6.35	6.53	6.49
FoF- Gold	14.53	37.16	30.36
FoF- Silver	16.45	54.88	-

Source: Value Research

The Boring Truth Why Allocation Beats Fund Selection

The Real Problem

Every investor hunts for the next winning fund. Very few spend the same energy on how much sits in equity, debt, or gold. Yet decades of data show that this split, not the fund you pick, decides most of what your portfolio actually delivers over the long run.

The 90% Rule

Landmark studies by Brinson and others found that asset allocation explains over 90% of the variation in long-term portfolio returns. Which fund you own inside each bucket matters, but far less than most investors and Instagram reels want you to believe.

Why Fund Picking Feels Bigger

Fund selection is exciting, visible, and easy to talk about at dinner. Allocation is boring, invisible, and rarely posted online. So investors chase star ratings and top-5 lists, while the quiet decision that drives their outcome sits completely ignored in the background.

A Simple Example

Two investors both earn 12% on equity and 7% on debt. One holds 80% equity, the other holds 40%. After 15 years, their final corpus can differ by nearly 60%.

Allocation Drifts On Its Own

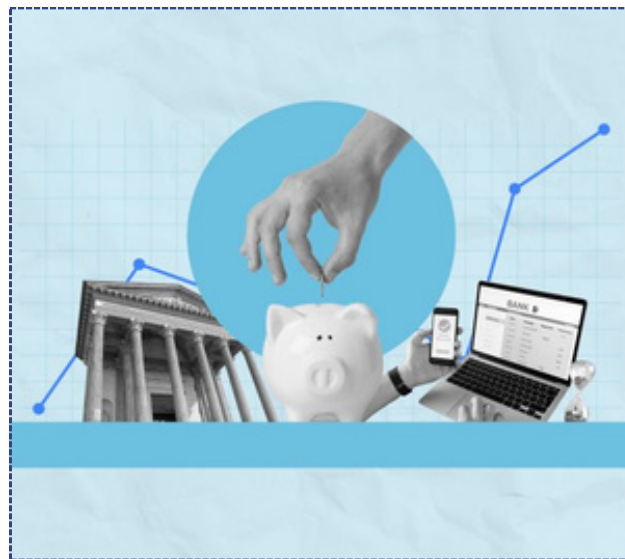
Markets keep moving, so your 60-40 split silently becomes 75-25 after a strong equity run. Suddenly you are carrying far more risk than you signed up for, without changing a single fund in your portfolio.

Rebalancing Is The Real Job

Rebalancing means trimming what has grown too large and topping up what has fallen behind. It forces you to sell high and buy low, quietly, without needing a market view.

This is the least glamorous and most valuable service a good MFD and obviously we also delivers year after year.

Fund selection wins headlines. Allocation wins portfolios. Fix your equity-debt-gold split first, review it once a year, and let your MFD rebalance when the market pulls it out of shape. The boring work is where the real money quietly compounds.



Same Fund, Three Different Returns

Why Your App Shows 3 Different Returns

The Real Problem

You open your app and see 3 return numbers for the same fund — absolute, CAGR, and XIRR. All three are correct, but each answers a different question. Pick the wrong one and you will feel either richer or poorer than you really are today.

Absolute Return

This is total profit or loss in percentage, with no time factor involved. If you put ₹1 lakh and it becomes ₹1.5 lakh, absolute return is 50%. Simple to see, but it hides whether that took 1 year or 10 years.

CAGR

Return Per Year – CAGR shows how much your investment grew per year, on average, in a compounded way. It works only when you invest once and take it out once. Best for a lump sum, like buying one fund on one date and holding.

XIRR

Made For SIPs – XIRR handles many entry and exit dates, and gives you one yearly return for the whole set. This is what you need for SIPs, top-ups, and partial withdrawals.

Example

SIP of ₹10,000 monthly for 3 years, you invest ₹3.6 lakh, and it grows to ₹4.5 lakh. Absolute says 25%. Naive CAGR says just 8%. XIRR shows the real 15% per year.

Kab Kaunsa Number Dekhna hai – For a lump sum investment, look at CAGR — it tells you the true yearly growth. For any SIP, STP, or top-ups, only XIRR works. Absolute return is fine for a quick glance, but never for comparing two funds with different holding periods.

Bottom Line

Three numbers, three questions. Absolute asks how much money grew. CAGR asks at what rate a lump sum grew. XIRR asks the same for messy real-life investing. For your SIPs, trust XIRR alone, and ignore the rest.



Major Events

AUGUST						
Mon	Tue	Wed	Thu	Fri	Sat	Sun
29					GST Collections at ₹2.11 Lakh Crore	OPEC+ Raises Oil Output
3	4	RBI Holds Repo Rate at 5.25%	6	US Unexpectedly Loses Jobs	8	9
10	11	CPI Inflation Rises to 4.45%	Trade Deficit Widens to \$31.98 Billion	14	15	16
US 30-Year Yield Hits 2007 High	18	UAE Cuts Economic Ties With Iran	20	21	22	23
24	25	Nvidia Revenue Surges 106%	Sensex Sees Closing-Auction "Flash Crash"	28	29	30

Indian

- 1 GST Collections Hit ₹2.11 Lakh Crore**– July GST collections jumped 15.4% YoY, the fastest growth in 14 months, led by strong import-linked revenues.
- 5 RBI Holds Repo Rate at 5.25%** – The RBI kept rates unchanged for a fourth review, maintaining a neutral stance amid inflation, crude oil, and monsoon uncertainty.
- 12 CPI Inflation Rises to 4.45%**– July inflation hit a 19-month high, driven by food inflation of 5.52% and sharp increases in vegetable prices.
- 13 Trade Deficit Widens to \$31.98 Billion**– Exports reached a July record of \$44.24 billion, but faster import growth pushed the trade deficit to a six-month high.
- 27 Sensex Sees Closing-Auction "Flash Crash"**– The Sensex briefly plunged nearly 3% to 74,983 during BSE's new closing-auction window before recovering most losses.

Global

- 2 OPEC+ Raises Oil Output**– OPEC+ approved a 188,000 bpd September output increase, completing the unwind of its 2023 voluntary cuts.
- 7 US Unexpectedly Loses Jobs**– US payrolls fell by 23,000 versus expectations of an 83,000 gain, strengthening expectations around easier Fed policy.
- 17 US 30-Year Yield Hits 2007 High**– The 30-year Treasury yield climbed to 5.31% amid concerns over government spending and heavy debt issuance.
- 19 UAE Cuts Economic Ties With Iran**– The UAE suspended trade and financial transactions with Iran following an alleged ballistic missile attack on Emirati territory.
- 26 Nvidia Revenue Surges 106%**– Nvidia reported \$96.2 billion in Q2 revenue as booming AI-chip demand sent its shares sharply higher.

Guess Who?

A. I reward investors who stay invested, but I punish those who chase me after I rise. I can make portfolios look brilliant in bull markets and painful in corrections. What am I?

B. I reduce risk without guaranteeing returns. I work best when my parts do not move exactly together. The more balanced I am, the less one bad asset can hurt the whole. What am I?

Finance Quiz

C. A company reports rising profits, but its cash balance keeps falling because customers are taking longer to pay. Which financial statement would reveal this problem most clearly?

D. Two bonds offer the same coupon and maturity, but one falls much more when interest rates rise. What characteristic most likely explains the difference?



Tap here to Send
your answers to us.

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