DHANAVRUKSHA
FINANCIAL SERVICES

Your Gateway To Financial Wellness

WEALTH SOUVENIR 2025

A wrap up of asset classes & market events in the year

www.dhanavruksha.in

+91 73058 88454

DHANAVRUKSHA
FINANCIAL SERVICES

Your Gateway To Financial Wellness

TABLE OF CONTENTS

SUMMARY OF ASSET CLASSES IN 2025

Calendar year 2025 has been marked by uneven equity performance, sharp style rotation, and renewed interest in hard assets and global diversification. While frontline indices delivered moderate returns, stock selection and category choice became critical, leading to wide dispersion across mutual fund categories.

Diversified equity strategies with flexibility and valuation discipline clearly outperformed, while excessive exposure to frothy segments hurt returns.

Total number of unique mutual fund investors reached 58.4 million as of November 2025. Monthly SIP inflows stood at ₹29,445 crore in November 2025, up from ₹17,610 crore in December 2023. This trend reflects the growing preference for systematic investing, even during periods of market volatility.

Total Demat accounts increased from 139 million in December 2023 to over 210 million as of October 2025. These additions mean more investors have got wealthier through equity-oriented investments.

Indian Indices Performance

Equity markets delivered mixed returns during the year. The Nifty gained 10.51%, while Large-cap mutual funds posted modest returns of around 8%. In contrast, Mid-cap and Small-cap segments underperformed, with average returns of 2.22% and -6.30% respectively, reflecting valuation corrections and increased market volatility during the year.

IPOs

A total of 104 Mainboard IPOs were listed in 2025, with 71 listing above the issue price, 21 opening below it, and 12 listing at par. Mainboard IPOs raised ₹1.75 lakh crore during the year, while 267 SME IPOs mobilised ₹11,429 crore. The IPO pipeline for 2026 remains active, with companies such as Reliance Jio, NSE, Flipkart, PhonePe, Zepto, OYO, Boat, and SBI Mutual Fund expected to access the capital markets.

Debt, Gold & Silver

In 2025, returns across asset classes varied. Long-duration debt funds delivered around 3.73%, while one-year fixed deposits yielded 6.5–7%. Precious metals outperformed, with silver appreciating 146% and gold 74%, surpassing most asset classes.

Cryptocurrency

Cryptocurrencies witnessed a negative year, with Bitcoin posting a return of -6.34%. The asset class continued to remain highly volatile and unpredictable, reinforcing the need for caution given its elevated risk profile and sharp price movements.

INDIAN INDICES IN 2025

Indices	1st Jan 2025	31st Dec 2025	Yearly Change %
Nifty 50	23,644.80	26,129.60	10.51
Sensex	78,139.01	85,220.60	9.06
Nifty MidCap 150	21,141.20	22,276.90	5.37
Nifty Smallcap 250	17,752.25	16,684.75	6.01
Nifty IT	43,337.80	37,884.05	12.58
Nifty Bank	50,860.20	59,581.85	17.15
Nifty Auto	22,834.00	28,189.60	23.45
Nifty Healthcare	14,951.70	14,639.90	2.09

FII & DII INFLOWS

- Calendar year 2025 was marked by unusually heavy foreign institutional investor (FII) selling in Indian equities, reversing the typically positive flow dynamics seen in recent years. Foreign investors pulled out a record amount of capital of ₹1.66 lakh crore,as global risk aversion grew, valuations appeared stretched, and macroeconomic headwinds intensified. The weaker rupee, rising bond yields, and geopolitical uncertainties diverted capital toward developed markets, moving away from emerging markets like India.

- Despite the sustained foreign selling pressure throughout the year, Indian equity markets demonstrated resilience. Domestic institutional investors (DIIs), buoyed by strong retail participation and systematic investment plan (SIP) inflows, stepped in to absorb much of the foreign exit, helping to support benchmark indices .

- Looking ahead, 2025 could be a turning point. While continued FII caution persists into early 2026, improving fundamentals, potential U.S. interest rate cuts, a trade deal between US-India, India's strong economic growth narrative and improved Corporate earnings are expected to gradually rekindle foreign interest in Indian equities.

GLOBAL INDICES IN 2025

Global Markets	Change (%)	Global Markets	Change (%)
Korea	75.6%	Japan (Nikkei 225)	26.2%
South Africa	37.7%	Germany (DAX)	23.0%
Brazil	34.0%	UK (FTSE 100)	21.4%
Hong Kong	27.8%	US (Nasdaq)	21.3%
Taiwan (TWI)	25.7%	US (S&P 500)	17.3%
Indonesia	22.1%	US (Dow Jones)	13.7%
China	18.4%	MSCI World	20%

- Global markets in 2025 delivered strong overall gains despite volatility from US tariffs, AI hype, and geopolitical tensions, marking the first year since the pandemic where all major asset classes posted positive returns.

- US markets in 2025 posted robust gains, with the S&P 500 delivering approximately 17% total return driven by AI profitability and earnings growth, while the Dow Jones rose around 12% amid volatility from tariffs and policy shifts.

- China's equities rebounded sharply on stimulus measures, as the Shanghai Composite climbed 18.4%, its best since 2019. Europe shone brightly, led by the FTSE 100 (+21.51%), DAX (+23.01%), and STOXX Europe 600 (+16.67%), fueled by financials, budget clarity, and sector rotations

- Globally South Korea's,Kospi was the best-performing Stock Market in 2025 and delivered 76%.

COMMODITIES & CURRENCY

Particulars	1st Jan 2025	31st Dec 2025	Yearly Change %
10 Year - G Sec	6.759	6.588	2.53
Gold (10gm)	78,580	1,36,750	74.03
Silver (per oz)	2,476.80	6,413.50	146.91
US/INR	85.78	89.96	4.87
Brent Crude	6,402.61	5,474.06	14.50

REPO RATE

REPO RATE	As on 31st December	5.25%

- Silver was the top performer in 2025, delivering a strong ~147% return, driven by robust industrial demand and investor participation, followed by gold.
- Gold followed with impressive gains of ~74% during the year, reinforcing its role as an inflation hedge and safe-haven asset.
- The RBI repo rate was cut from 6.50% to 5.25% during 2025, with four rate cuts implemented to support economic growth.
- The US dollar strengthened against the rupee, touching a peak of 91.08 before settling at 89.96, marking a ~4.9% depreciation in INR.

MUTUAL FUND INFLOWS

- India's mutual fund industry continues its strong expansion, with AAUM at ₹81.32 lakh crore and total AUM at ₹80.80 lakh crore as of November 30, 2025.

- Over the last decade, industry AUM has grown more than six-fold from ₹12.95 lakh crore in 2015, and nearly three-fold in the last five years from ₹30.01 lakh crore in 2020.

- The industry crossed key milestones of ₹10 lakh crore in 2014, ₹20 lakh crore in 2017, ₹30 lakh crore in 2020, and now stands at over ₹80 lakh crore, highlighting sustained investor participation and long-term growth.

- Notably, SIP investments crossed ₹3 lakh crore by November 2025 for the first time in a calendar year, highlighting the rise in disciplined long-term investing.

SCORECARD ON THE PERFORMANCE OF MUTUAL FUNDS

- Among the Mutual Fund Categories, going by category average, the top category by performance was Silver Funds. Following them in the order, starting with the highest were Gold Funds, International Funds, Auto & Transportation Funds and Banking Sector Funds.

- The Silver Funds delivered a category average return of 128%, gold funds-71%, Diversified International Funds- 28%, Auto & Transportation Fund-16% and Banking Sector Funds-14.5%.

- In a year when Equities struggled, Multi Asset Funds with their asset allocation turned out with some good performances.

- The diverse returns delivered by various categories in 2025 once again strongly made the point in favour of asset allocation across asset classes within the country and globally to construct a healthy portfolio.

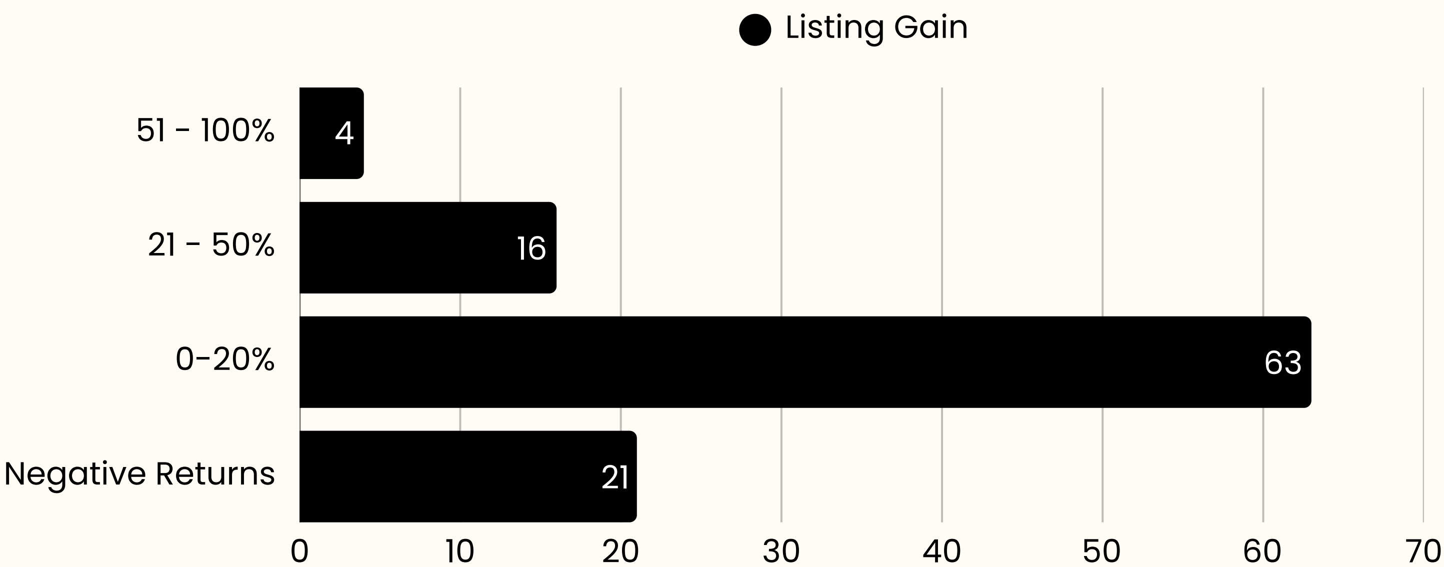
Mutual Fund Category Returns

Category	1 Year Return	Category	1 Year Return
Equity : Large Cap	8.38%	Hybrid : Aggressive	5.15%
Equity : Large & Midcap	1.87%	Hybrid: Arbitrage	6.11%
Equity : Flexi Cap	3.24%	Hybrid: Dynamic Asset	5.09%
Equity : Multicap	1.39%	Hybrid: Multi Asset	15.68%
Equity : Midcap	2.22%	Debt : Long duration	3.73%
Equity : Smallcap	6.30%	Debt : Medium duration	7.97%
Equity : Value Oriented	6.35%	Debt : Short duration	7.35%
Equity : ELSS	3.16%	Debt : Ultra short	6.68%
Equity : Sectoral Banking	18.68%	Debt : Liquid	6.16%
Equity : Sectoral Pharma	3.64%	Debt : Money Market	7.19%
Equity : Sectoral Technology	7.04%	Debt : Overnight	5.69%
Equity : Thematic Energy	8.47%	Debt: Corporate Bond	7.63%
Equity : Thematic PSU	8.07%	Debt : Credit Risk	10.35%
Equity : Thematic Infrastructure	0.82%	Debt : Gilt	5.17%
Equity : International	31.25%	Debt : Floater	7.67%
Commodities : Gold	73.74%	Commodities : Silver	156.97%

Returns as on 31st Dec 2025

Mainboard IPOs with Highest Listing Gains

Company Name	Issue Price	Listing Price	Listing Gain %
Highway Infrastructure Ltd	70	115	64.29
Urban Co.Ltd	103	161	56.31
Aditya Infotech Ltd	675	1,015	50.37
LG Electronics India Ltd	1,140	1,710	50.00
GNG Electronics Ltd	237	355	49.79



- Out of the 104 companies listed in 2025, 71 listed above the IPO price, 21 opened with a loss, while 12 companies listed at par (flat to the issue price).

- Mainboard IPOs raised ₹1.75 lakh crore during the year, while 267 SME IPOs raised ₹11,429 crore.

NEWS OF SIGNIFICANCE

January

In January, activity within the country's manufacturing sector reached a six month peak, driven by the most significant increase in exports in 14 years, alongside a rise in new orders that contributed to higher employment in the sector, according to a survey.

Donald Trump was sworn in as the 47th President of the United States on January 20, 2025.

February

In February, Prime Minister Modi visited the United States, where President Trump highlighted higher tariffs imposed by India on certain goods and stated that India would not be exempt from reciprocal tariffs.

India’s GDP grew 6.2% in Q3, with FY25 growth seen at 6.5%, while Maha Kumbh activity may lift Q4 growth to ~7.6%.

March

India's 10-year bond yield declined to a three-year low of 6.60% within March, driven by expectations of a possible repo rate cut and a change in policy stance anticipated in the forthcoming RBI monetary policy meeting.

April

In April, escalating tariff tensions between the US and China dominated headlines, with the Trump administration raising tariffs on Chinese goods to 145% and Beijing retaliating with 125% levies, keeping global markets on edge.

India led global markets by initiating U.S. tariff talks and becoming the first major equity market to recover.

May

The US and China agreed to a 90-day tariff pause, while Trump warned of 50% tariffs on the EU.

RBI approved a record surplus transfer of ₹2.69 lakh crore to the government, supporting improved fiscal management.

June

In a surprise move, the RBI cut the repo rate by 50 bps and CRR by 100 bps, boosting liquidity by ₹1.25 lakh crore, lowering borrowing costs, and prompting banks to cut FD and lending rates.

NEWS OF SIGNIFICANCE

July

India and the UK signed a CETA to double bilateral trade to over $100 bn by 2030, with 99% of Indian goods facing nil duty and single-window clearance.

The US imposed 25% tariffs on select Indian exports, likely denting India's GDP growth by ~20 bps.

August

S&P upgraded India's rating after 18 years and Fitch affirmed its outlook, reflecting global confidence in India's economic resilience despite US tariff pressures.

India is diversifying exports beyond the US, with improving ties with China marked by eased trade curbs, relaxed visas, and PM Modi's meeting with President Xi.

September

From 22nd September, GST cuts took effect across cars, consumer durables, cement, essentials and education utilities, with GST waived on term and health insurance, leaving only 5% and 18% slabs.

Trump imposed a $100,000 H-1B visa fee from Sept 21, potentially accelerating reverse brain drain to India.

October

India's festive e-commerce season saw a robust 27% year-on-year sales growth, fueled by GST cuts and strong demand from non-metro cities.

Google to make the biggest data centre spend outside US of $15bn in AI in Vizag, AP

November

NDA wins Bihar Assembly Polls with thumping majority affirming stability of the central government.

The Finance Minister indicated plans to further consolidate PSBs, potentially reducing the number from 12 to around four large, world-class banks.

December

RBI cuts repo rate to 5.25% Maintains neutral stance. GDP outlook raised to 7.3% from 6.8%

On December 5, 2025, Russian President Vladimir Putin assured India of uninterrupted fuel supplies during his visit to New Delhi.

Union Budget 2025- Important Taxation Changes

Particulars	Before Budget 2025	After Budget 2025
Short Term Capital Gains Tax (Equities)	15%	20%
Long Term Capital Gains Tax (Equities)	10%	12.5%
Long Term Capital Gains Tax Above 2 Years (Real Estate)	Varies	12.5% (no indexation)
Capital Gains Exemption Limit *	₹1 lakh	₹1.25 lakh
STT on Futures	0.0125%	0.02%
STT on Options	0.0625%	0.1%
Standard Deduction (New Tax Regime)	₹50,000	₹75,000
Family Pension Deduction (New Tax Regime)	₹15,000	₹25,000
NPS Contribution Exemption (80CCD(2)) **	10% of Basic Salary	14% of Basic Salary

* Capital Gains Exemption Limit applies only to equity assets under long-term capital gains taxation.

** NPS contribution by the employer has been increased to 14% of basic salary, from 10% earlier.

The additional sweetener is that the New Tax Regime which otherwise considers no exemptions, can provide for this particular exemption of 80CCD(2).

GST 2.0


GST 2.0
UNLEASHED
MASSIVE SAVINGS FOR ALL!
DAILY ESSENTIALS
Reduced from 12~18% to 5%
HEALTHCARE RELIEF
a) Insurance & Life
Reduced to 0%
b) Medical Kits, Oxygen
Reduced from
18/12% to 5%
AFFORDABLE EDUCATION
Maps, Charts, Stationery
Reduced to 0%
SUPPORT FOR FARMERS
Tractors, Pesticides, Equipment
Reduced to 5%
AUTOMOBILES MADE AFFORDABLE
Cars, Bikes, 3-Wheelers
Reduced from 28% to 18%
ELECTRONIC APPLIANCES
ACs, TVs, Dishwashers
Reduced from 28% to 18%

NPS gets more Investor-Friendly

Guidelines issued on 16th September and implemented from 1 October 2025

📌 Split NPS savings across multiple schemes through Multiple Scheme Framework (MSF)

📌 New products for women, youth, age groups

📌 Exit allowed after 15 years (from 50 onwards)

📌 Up to 100% equity allocation permitted

📌 One fee cap: To be set at 0.3% of assets

Guidelines issued on 10th December 2025

- Allowed NPS Fund Manager to invest in gold and silver ETFs, equity-oriented Alternative Investment Funds (AIFs), and Nifty 250 index stocks

- Removed Class A and moved its constituents, REIT to Class E along with Equities and InvIT to Class C

Guidelines issued on 16th December 2025

Reduced the cap on mandatory annuity purchase to 20%(earlier 40%) of the total corpus for non-government subscribers, subject to :
completion of minimum 15 years under NPS; or, completion of 60 years of age; or, attaining superannuation or retiring from employment

📌 Not required to purchase annuity if accumulated pension wealth is less than ₹8 lakh.

📌 For balances between ₹8–12 lakh, up to ₹6 lakh can be withdrawn upfront, with the rest paid through periodic payouts or annuity as per regulations.

📌 Non-govt subscribers may defer annuity purchase or lump-sum withdrawal up to age 85 by applying to NPS Trust or a PFRDA-authorised intermediary.

📌 Government subscribers will be allowed to remain within NPS even after retirement till the age of 85 years.

📌 The regulator has removed the mandatory five-year lock-in period and simplified exit norms, giving investors easier access to their retirement savings.

Investment Outlook 2026: Positioning for a Broad-Based Recovery

After nearly 15 months of time correction, 2026 is shaping up to be a far more constructive year for investors. The consolidation phase witnessed through most of 2024–25 has laid the groundwork for healthier market participation, improved earnings visibility, and better risk-reward across asset classes.

Equity Markets: From Consolidation to Recovery

- The past year tested investor patience. Muted corporate earnings, prolonged uncertainty around trade negotiations with the US, and persistent foreign institutional investor (FII) outflows kept market sentiment restrained. Despite these headwinds, the frontline index Nifty 50 managed to deliver low double-digit returns, while broader markets lagged—reflecting a classic earnings and valuation reset rather than structural weakness. The smallcap index disappointed with a -6% return.

- Encouragingly, the outlook for corporate profitability is improving. Consensus expectations point to a meaningful earnings recovery beginning Q1 of FY27, driven by operating leverage, easing input costs, and revival in domestic demand. Parallelly, India's accelerated push to sign bilateral and multilateral trade agreements with key global partners like EU, UK, Onan, New Zealand, Australia etc materially improves the medium-term export outlook.

- A potential India–US trade agreement, if concluded as expected, could act as a strong catalyst, both by improving trade flows and by restoring FII confidence in Indian equities. Additionally, the worst of the rupee depreciation appears to be behind us, reducing macro volatility and imported inflation risks.

- From a segmental perspective, mid-caps are better positioned for an earlier rebound, supported by earnings visibility and reasonable valuations. Small-caps, having borne the brunt of the correction, may require more time for fundamentals to catch up, making selectivity critical.

Investment Outlook 2026: Positioning for a Broad-Based Recovery

Precious Metals: Structural Support Remains Intact

- Gold and silver are likely to retain their upward bias in 2026. Heightened geopolitical risks, fiscal stress in developed economies, and expectations of easier global monetary conditions continue to reinforce their role as portfolio hedges.

- Silver, in particular, stands out even after a sharp rally in 2025. A persistent multi-year supply deficit combined with accelerating industrial demand from solar panels, electric vehicles, semiconductors, and 5G infrastructure provides strong structural support. Volatility notwithstanding, the medium-term case for silver remains compelling.

Global Markets: Selective Opportunities Beyond India

- Globally, equity performance is expected to remain uneven. South Korea, the standout performer of 2025, could extend its momentum, supported by technology exports and semiconductor demand. US equities may see relatively muted returns as elevated valuations, slower earnings growth, and fiscal constraints cap upside.

- China, however, presents an improving risk-reward equation. The government's clear commitment to revive growth through targeted stimulus, manufacturing support, and investments in advanced technologies alongside measures to improve household incomes and consumption, could translate into respectable equity returns

Asset Allocation: The Core Strategy for 2026

- Taken together, these dynamics strongly reinforce the case for disciplined, proactive asset allocation with global diversification. Multi-asset funds, which demonstrated resilience and consistency in 2025, remain well-placed to navigate cross-asset volatility while capturing opportunities across cycles.

- GIFT City–based funds are likely to gain further traction—among NRIs for tax efficiency and among resident Indians seeking seamless global exposure. Innovation in this space is expected to accelerate.

- Structured Investment Funds (SIFs), blending mutual fund structures with limited unhedged derivatives exposure, represent an evolving category though slower. While investor adoption may take time as familiarity and conviction build, the format holds long-term potential for sophisticated portfolio construction.

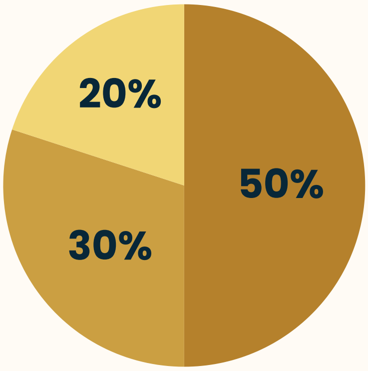
Primary Markets: IPO Momentum Continues

- The IPO cycle is expected to remain active in 2026, with several startups and growth-stage companies lining up to tap the capital markets. While liquidity conditions support this momentum, investors would do well to remain selective, focusing on business quality, profitability pathways, and governance rather than chasing issuance volume.

Closing View

- Overall, 2026 appears set to be a better year for investments—marked by improving earnings visibility, stabilising macro variables, and broader opportunity across asset classes and geographies. In such an environment, disciplined asset allocation, diversification, and selectivity—not aggressive risk-taking—are likely to be the key drivers of long-term portfolio success.

THE NAVARATNA THUMBRULES IN WEALTH MANAGEMENT



50% → NEEDS: RENT, GROCERIES, EMIS, UTILITIES, ESSENTIALS

30% → WANTS: LIFESTYLE EXPENSES, TRAVEL, ENTERTAINMENT

20% → SAVINGS & INVESTMENTS: EMERGENCY FUND, SIPS, LONG-TERM GOALS

1) MAXIMUM VEHICLE LOAN VALUE - 6 MONTHS SALARY
2) MAXIMUM HOME LOAN VALUE - 4 YEARS' SALARY
3) MAXIMUM EMI COMMITMENT - 40% OF NET SALARY
4) MINIMUM SAVINGS- 20% OF NET SALARY
5) MAXIMUM HOUSE RENT- 20% OF NET SALARY
6) ADEQUATE LIFE INSURANCE COVER - 10 TIMES OF ANNUAL CTC
7) EMERGENCY FUND- MINIMUM OF 3 MONTHS SALARY
8) MINIMUM MONTHLY MUTUAL FUND SIP- 10% OF SALARY
9) RIGHT TIME TO START INVESTING - 1ST MONTH OF EARNING

CONTACT US:

75/77, KG MARINA BAY, SANTHOME HIGH ROAD,
CHENNAI 600004

WWW.DHANAVRUKSHA.IN

+91 73058 88454
044 - 4506 6434

customerservice@dhanavruksha.in

DHANAVRUKSHA

Wealth Management | Equities, Mutual Funds, Portfolio Management Services, Alternative Investment Funds, NPS, Bonds, Deposits, Unlisted Shares. Insurance | Business Loans | Venture Capital

Your Gateway To Financial Wellness