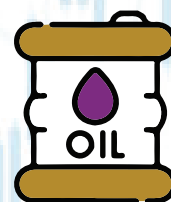


NAVIGATING UNCERTAINTY, BACKED BY FUNDAMENTALS

Dear Clients,

May was a month that tested market expectations rather than investor conviction. A sharp rise in crude oil prices, concerns around a weaker monsoon, a busy Q4 earnings season, and the release of India's provisional GDP data created a steady flow of developments for markets to absorb. Yet despite these headwinds, equities displayed notable resilience, supported by healthy corporate earnings and strong domestic economic indicators.



Globally, elevated geopolitical tensions in West Asia continue to dominate the macro narrative. Disruptions to energy supply routes have kept crude oil prices volatile, creating uncertainty around inflation and growth expectations. While any easing of tensions would be welcomed by markets, the impact on energy markets and supply chains is likely to linger, keeping global policymakers cautious in the months ahead.

Domestically, the environment remains balanced. The Reserve Bank of India has maintained a measured stance, keeping rates unchanged while closely monitoring inflation risks arising from higher energy costs and currency movements. At the same time, India's growth outlook continues to be supported by healthy consumption trends, robust GST collections, and improving corporate profitability.



As we move into June, investor focus is likely to shift towards three important variables - the progress of the monsoon season, the sustainability of economic growth, and the trajectory of the Indian rupee. The IMD's forecast of a below normal monsoon warrants monitoring given its implications for rural demand and food inflation. Meanwhile, continued rupee depreciation could exert pressure on imported inflation and corporate input costs. Despite these risks, urban consumption, government spending, and private sector investments continue to provide important support to the broader economy.



The recently concluded earnings season offered encouraging evidence of corporate resilience. Despite a challenging external backdrop, many businesses demonstrated their ability to protect margins, maintain growth, and strengthen balance sheets. This reinforces the importance of focusing on company fundamentals rather than short term market movements.

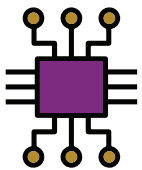
For equity portfolios, our approach remains unchanged. We continue to favour businesses

with strong competitive positioning, prudent capital allocation, and exposure to India's long term growth opportunities. Periods of volatility may create uncertainty, but they also create opportunities. While headlines will continue to drive short term sentiment, sustainable wealth creation remains anchored in earnings growth, business quality, and the power of patience.

REFLECTIONS ON THE MONTH GONE BY

Our standout performers for May were **Skipper Ltd** and **Syrma SGS Technologies**. Meanwhile, **Jain Resource** and **Blue Dart** experienced a phase of relatively subdued performance.

Skipper emerged as one of the month's strongest performers following a record Q4 and FY26 performance. The company reported robust growth across revenue and profitability, supported by strong execution and healthy demand in its power transmission and infrastructure businesses. Investor confidence was further strengthened by a record order book of over ₹8,500 crore, providing strong revenue visibility for the coming years.



Record profitability and strong revenue growth highlighted another impressive quarter for **Syrma SGS Technology**. The performance was driven by increasing scale in its EMS operations, supported by rising domestic electronics manufacturing, favourable policy support, and import substitution opportunities. The Q4 FY 26 results reinforced confidence in the company's ability to capitalize on India's expanding electronics manufacturing ecosystem.

Jain Resource Recycling faced pressure during the month after reporting a margin pressure driven by an unexpected cargo blockade and notional losses arising from its hedging policy. Importantly, these factors were largely one-time in nature and not reflective of any deterioration in the underlying business. The sharp correction appears to be a market response disproportionate to temporary operational disruptions rather than a structural concern.



Sentiment towards the logistics sector weakened during the month as rising crude oil prices raised concerns around transportation costs and profitability. Despite these macro headwinds, **Blue Dart** continued to demonstrate resilience, delivering 7% revenue growth in FY 26 while maintaining stable margins. The stock's underperformance was largely driven by sector-wide concerns rather than company-specific fundamentals.

During the month, we added **Muthoot Finance** and **Skipper Limited** to our stock universe after identifying attractive opportunities through deep fundamental research and strong business potential.

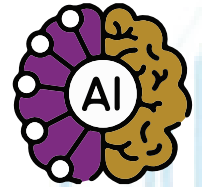
To increase exposure to the gold financing theme we added **Muthoot Finance** to our stock universe. Elevated gold prices, resilient demand for secured lending, and the company's strong market leadership position it well to benefit from favourable industry dynamics while providing a defensive element to the portfolio.



Skipper was added to the stock universe to strengthen exposure to India's power and transmission

infrastructure opportunity. The company is benefiting from rising investments in grid expansion, strong order inflows, and increasing execution capabilities, providing visibility into sustained growth as the country's power infrastructure buildout accelerates.

As artificial intelligence continues to redefine the IT and technology services landscape, we proactively exited **Inventurus Knowledge Solutions (IKS)** and reallocated capital toward opportunities with stronger growth drivers and well-defined risk-reward profiles.



Note: The stocks mentioned above are part of a broader stock universe of approximately 50 stocks that we actively track. Individual portfolio holdings may vary based on factors such as market conditions, portfolio strategy, and timing of entry. These stocks are highlighted for reference and may not be present in all client portfolios.

THE WAY FORWARD

As we enter June, markets may remain influenced by crude oil prices, monsoon developments, and the evolving growth outlook. While near-term volatility is likely, India's underlying fundamentals remain supported by healthy demand, improving earnings, and continued investment activity.

Our focus remains on businesses with strong fundamentals, resilient cash flows, and long-term growth potential. We will continue to approach opportunities with discipline and patience, using periods of uncertainty to strengthen portfolios where valuations are attractive.

Thank you for your continued trust and partnership. We remain committed to creating long-term value through a disciplined and thoughtful investment approach.

Warm regards,

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