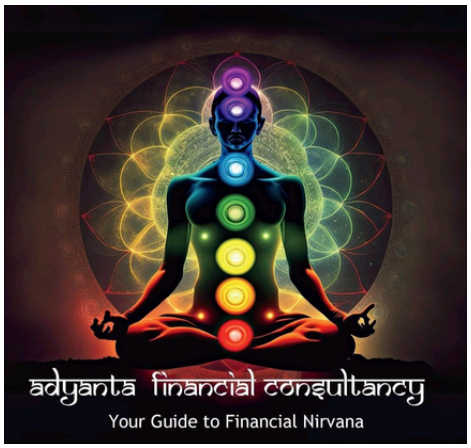
Monthly Newsletter

21st February2025





Our Awards & Honours

Market Outlook - February 2025

Equity Market Outlook

Indian equities ended January lower, this being the fourth consecutive month of negative returns. The BSE Sensex and Nifty 50 closed 0.8% and 0.6% lower, while the NSE Midcap 100 fell by 6.1% and the NSE Smallcap 100 declined 9.9%.

Foreign Portfolio Investors (FPIs) continued with their cautious stance in 2025, with outflows to the tune of U$ 9bn. In contrast, DIIs bought equities worth US$ 10bn.

The government's move to cut income tax rates is a strategic effort to boost disposable income, savings, and consumption, ultimately driving economic growth.

By putting more money in the hands of the salaried class, the government aims to stimulate demand, particularly in discretionary sectors like auto, retailing, travel and tourism, hospitality, and real estate.

Our Recommendations

1.With slowing Global growth, Weak U.S. Macros and Geo Political tensions in the middle east, investors should be mindful of potential market volatility ahead and rebalance their portfolios accordingly.

2.The existing Goal-Based SIPs to be continued and Lumpsum should be made in Multi Asset Funds if the horizon is 3 to 5 years. Market corrections to be used as opportunities for long-term investments.

Debt Market Outlook

The government's decision to stick to its fiscal consolidation path is a great move, with a budgeted estimate of 4.4% of GDP. Although this has come at the cost of reduced capital expenditure, it's a necessary step to ensure the country's financial stability.

The Reserve Bank of India (RBI) has taken some significant steps to boost the economy. They've lowered the repo rate by 25 basis points to 6.25%, which will make borrowing cheaper for banks and ultimately for consumers and businesses.

The Indian rupee has depreciated by 3-4% in the last quarter due to a stronger US dollar, foreign exchange outflows, and expected slowdown in India's GDP.

China is fighting back against the US tariffs, and it's getting intense. They've slapped tariffs of 10-15% on a range of US goods, including coal, liquefied natural gas, and crude oil.

Our Recommendations

1.Debt investors should continue to add duration with every rise in yields, as yield upside is limited.

2.A mix of 10-year maturity and 1–3 year maturity is the best strategy to invest in the current scenario.

Vipul Bane

In this newsletter you can expect:

Market Outlook

Article: Navigating the Dips in Your SIP Journey

Key Highlights: Union Budget 2025-2026

Financial Wisdom Quote

Adyanta Updates & Personal Finance Quiz

Client Testimonial: Mr. Satyajeet Bhosle



Investing Insight: Navigating the Dips in your SIP Journey ?

So, your SIP has been in the #red for the last few months. Should you panic or stay the course?

"Short-term struggles don't define long-term success."

Let's put this into perspective:

Imagine saving for a goal that's 15 years away. After the first couple of years, your portfolio dips into the red.

It's tempting to stop the SIPs and switch to the perceived safety of fixed deposits, right?

- **But let's draw a parallel with your child's education.**

  If your child faces challenges in primary school, would you abandon his/her education for a 'safer' route ?

  Or would you seek ways to support your child's growth and development?

- **Now, consider the journey of a startup.**

  Many successful companies faced years of losses before hitting their stride.

  Would you have given up on Amazon in its early years when it was struggling?

  Instead, investors who believed in its long-term vision reaped the rewards.

- **Let's also think about the world of sports.**

  Badminton debuted in Olympics in 1992 at the Barcelona Olympics.

  India went without a medal until Saina Nehwal won a bronze for India in the 2012 London Olympics, despite all the talent and potential.

  And when P.V Sindhu won 2 back to back olympic medals i.e. a Silver and Bronze in 2016 and 2020, it was a testament to perseverance and belief of Indian badminton Team in the long-term journey.

Call to Action:

Just like in parenting, entrepreneurship, and sports, investing requires patience and resilience.

Instead of letting short-term market fluctuations derail your strategy, consider staying invested, understanding market cycles, and allowing time to work in your favor.



Quiz on Personal Finance & Adyanta Updates



Answer 3 easy Questions correctly and Get your Personalized Financial Plan for FREE.

Q1. What is the difference between a mutual fund and an exchange-traded fund (ETF) ?

A. A mutual fund is a type of ETF.
B An ETF is a type of mutual fund.
C A mutual fund is actively managed, while an ETF is passively managed
D. A mutual fund is traded on an exchange, while an ETF is not

Q2. What is the purpose of a financial advisor??

A. To help you make investment decisions
B. To help you create a budget and track your expenses
C. To help you develop a comprehensive financial plan
D. To help you file your taxes

To *Answer this and 1 more simple question, Kindly* ***Click Here***



Key updates for February 2025

1. **Free Webinar -** Navigating the Dips in your SIP Journey, scheduled on **Sat, 22nd Feb. 2025** at **5 pm**. To Register, **Click Here**

2. **Financial Freedom BluePrint -**For all the young professionals who are just starting their financial journey, here's our **Free online 5 day Course** based on our 2.5 decades of Practical Wisdom. To Subscribe, **Click here**

Understanding the Union Budget 2025-2026

Mrs. Sitharaman presented the Union Budget 2025-26 on 1st Feb 2025 with the theme "Sabka Vikas" stimulating balanced growth of all regions.

In line with this theme, the Finance Minister outlined the broad Principles of Viksit Bharat to encompass the following:

- Zero-poverty.
- 100% good quality school education.
- Access to high-quality, affordable, and comprehensive healthcare.
- 100% skilled labour with meaningful employment.
- 70% women in economic activities; and
- Farmers making our country the 'food basket of the world'.



The Major Highlights of Union Budget 2025-26 are as below :

Tax relief

- Income tax rebate increased to ₹12 lakh for residents earning up to that amount.
- Marginal relief for incomes slightly above ₹12 lakh
- Rationalization of TDS and TCS regulations to simplify the taxation system
- Revised threshold for TDS on rental income



Infrastructure development

- Development of foundational geospatial infrastructure and data
- Modernization of land records, urban planning, and design of infrastructure projects
- Documentation and conservation of manuscript heritage
- Set up of a National Digital Repository of Indian knowledge systems

Climate action

- Significant funds allocated for renewable energy infrastructure, including solar, wind, and green hydrogen projects
- Concrete steps laid out to reduce carbon intensity in key industries

Other highlights

- Establishment of a National Institute of Food Technology, Entrepreneurship, and Management in Bihar
- Establishment of a National Manufacturing Mission to cover small, medium, and large industries
- Establishment of a Clean Tech Manufacturing Mission
- Launch of a National Mission on High Yielding Seeds
- Establishment of a framework for sustainable harnessing of fisheries
- Announcement of a 5-year mission to improve productivity and sustainability of cotton farming

To know the key features of this Union Budget, **click here**



"Goal-based investing isn't a one-time act but a disciplined, lifelong commitment to your financial goals."

~ Financial coach, Vipul Bane

Client Testimonial



Stories of impact: This month's story is about how Satyajeet Bhosle's Family realized their financial goals with the help of a well-designed Financial Roadmap

"I embarked on my financial journey with Adyanta FC after the Covid era, a time when my finances were in disarray, and I was under immense financial stress.

One of the biggest challenges I faced was managing high EMIs, which left little room for savings. However, when Vipul prepared a comprehensive Financial Plan for us, everything changed. We gained clarity about our financial future, and decision-making became much easier.

Fast forward four years, and our financial situation has improved significantly—

✅ Higher savings ratio
✅ Drastically improved portfolio returns
✅ All key goals on track, including our son's higher education and my retirement
✅ Achieved our dream of buying a bigger house and a car

Today, I feel far more confident about my financial future. Vipul and his team have been instrumental in this journey, guiding us at every step with expertise and unwavering support.

I wholeheartedly recommend Adyanta FC to anyone looking for expert financial guidance. Wishing them continued success in their journey!"

~ Satyajeet Bhosle- Principal Agile Coach, Mumbai.



Editor - Mrs. Shalini Kulshrestha, Sr. Financial Manager - **Adyanta Financial Consultancy**.

Do share your feedback on this Monthly Newsletter. Your feedback is valuable for us

Thank you for reading!

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