

# Newsletter

**OUR FAVORITE HOLDING PERIOD IS FOREVER — GREAT BUSINESSES COMPOUND WEALTH OVER TIME.**

— Warren Buffett

Exclusive Coverage

**DEZERV**



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Presents

# GIFT CITY FUNDS CONCLAVE 2026

REDEFINING CROSS BORDER INVESTMENTS

# COMING SOON



INBOUND & OUTBOUND  
INVESTMENTS



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PANELS & PRESENTATIONS



GIFT CITY FUNDS  
EXHIBITIONS



### Global Economy

April 2026 was shaped by two key forces: escalating geopolitical tensions in the Middle East and a strong global equity market recovery, led by the United States. The ongoing Iran-US conflict and disruption in the Strait of Hormuz, through which nearly 20% of global oil supply passes, pushed Brent crude above \$100 per barrel, creating inflation concerns worldwide. Despite this, markets rebounded sharply, supported by ceasefire extensions, resilient corporate earnings, and steady economic data.

In the United States, economic momentum remained strong. The S&P Global US Manufacturing PMI rose to 54.5 in April from 52.3 in March, its strongest level since May 2022, while the S&P Global US Services PMI rose to 51 in April of 2026 from the three-year low of 49.8 in the previous month, signalling recovery in business activity. US equity markets delivered exceptional gains, with the S&P 500 rising 9.64%, the NASDAQ surging 13.97% , and the Dow Jones gaining 6.63%.

Europe saw mixed conditions. While economic activity remained stable, the region faced higher energy costs due to dependence on Middle East. The S&P Global Eurozone Manufacturing PMI climbed to 52.2 in April 2026, its highest in nearly four years, up from 51.6 in March. Even so, equity markets recovered from March losses, with the FTSE 100 gaining 0.14%, the DAX 4.26%, the CAC 40 1.67%, and the EURO STOXX 50 2.60%.

Asian markets also posted strong recoveries. The Rating Dog China General Services PMI increased to 52.6 in April 2026 from March's three-month low of 52.1, The Rating Dog China General Manufacturing PMI climbed to 52.2 in April 2026 from 50.8 in March, above the expected 51. Chinese markets were more moderate, with the Shanghai Composite rising 4.14% and the Hang Seng gaining 1.91%.

Japan's Manufacturing PMI climbed to 55.1, the highest since January 2022, while the Nikkei 225 advanced 10.32%. South Korea's KOSPI surged over 20.44% showed recover.



## Indian Economy

April 2026 was a constructive yet volatile month for the Indian economy, shaped by global geopolitical tensions, elevated crude oil prices, and uncertainty arising from the Iran–US conflict. Despite these external challenges, India remained resilient, particularly across business activity and capital markets, supported by strong domestic fundamentals and steady investor confidence.

According to the IMF's April 2026 World Economic Outlook, India's GDP stood at USD 4.15 trillion in 2025. Although India moved from the 4th to the 6th position in global GDP rankings, the decline was primarily due to currency depreciation and revisions in GDP methodology rather than any structural weakness in the economy.

Inflation remained well managed during the month, with the annual inflation rate inching up marginally to 3.48% in April 2026 from 3.4% in March, while staying comfortably below market expectations of 3.8%.

Business activity continued to show strong momentum. The HSBC Flash India Composite PMI rose to 58.2 in April from 57.0 in March, reflecting sustained expansion in private sector activity. Manufacturing PMI increased to 54.7, driven by stronger output, new orders, exports, and hiring, while Services PMI improved to 58.8, highlighting the continued strength of India's services-led economy.

India's capital markets demonstrated remarkable resilience and recovery despite global volatility. The BSE Sensex gained 6.93%, while the Nifty 50 advanced 7.49%. Broader markets outperformed significantly, with the Nifty 100 rising 8.86%, the Nifty 500 gaining 10.52%, the Nifty Midcap 150 increasing 13.24%, and the Nifty Smallcap 250 emerging as the top performer with an impressive 17.1% rise.

Institutional participation remained active throughout April. FIIs recorded a net outflow of around Rs 70,000 Crore amid global uncertainty, while DIIs provided strong support with a healthy net inflow of around Rs 51,000 crore, reflecting sustained domestic confidence and reinforcing the resilience of India's market ecosystem.

**Happy Investing!!**

*PMS Bazaar Research Team.*

## About Dezerv and Fund Management Team

### DEZERV

In 2020, after spending years in the industry, Sandeep Jethwani, Sahil Contractor, and Vaibhav Porwal realised that Indians are creating wealth faster than the industry can serve them.

They founded Dezerv in 2021 convinced that technology could close that gap, making institutional-quality portfolio management accessible to India's new wealth creators.

Dezerv works directly with clients, and manages portfolios on a fully discretionary basis. On fees, clients choose between a fixed structure or a profit-share arrangement where Dezerv earns only when they do.

Dezerv's PMS investment approaches primarily invest in mutual funds and operate within a SEBI-registered PMS framework, combining the benefits of professional portfolio management and customised allocation with the diversification offered by regulated mutual funds.

The technology layer is what makes the model work at scale. Dezerv's proprietary platform has tracked and analysed over ₹2.5 lakh crore in assets across 7 lakh Indian portfolios, feeding directly into how client portfolios are constructed and monitored.

Today, the firm manages approximately ₹16,000 crore across PMS, AIF, and distribution assets, serving over 6,000 clients from 900+ pin codes across India.

### Investment Team



#### **Sandeep Jethwani (Co-Founder) Dezerv**

Sandeep has over 19 years in wealth management. An IIM Bangalore alumnus, he spent 13 years at IIFL Wealth as a Senior Managing Partner and founding team member, scaling the advisory platform to \$3.5 billion in AUM. He also serves on the Board of the Association of Portfolio Managers in India (APMI).



#### **Vaibhav Porwal (Co-Founder) Dezerv**

Vaibhav brings over 21 years in financial services. A Chartered Accountant by education, he spent 13 years at IIFL Wealth as Senior Managing Partner, leading investment solutions, asset allocation, and family office advisory. Earlier, he was Senior Vice President at Anand Rathi Wealth Management.

## About Dezerv and Fund Management Team



### **Sahil Contractor (Co-Founder) Dezerv**

Sahil has 19 years in wealth and portfolio management. He was part of the IIFL Wealth founding team, rising to Director and Head of Business Alliances, managing relationships with some of India's wealthiest families. Prior to IIFL, he was at Kotak Wealth Management.



### **Pratik Bagaria (Principal Officer – PMS) Dezerv**

Pratik has over 12 years across investment research and fund management. Before joining Dezerv in 2021, he was Vice President – Investment Products at Motilal Oswal, with prior stints at J.P. Morgan, IIFL, and Anand Rathi. He holds an MBA from IIM Ahmedabad.



### Investment Approach & Process

Dezerv's investment approach runs on a four-step framework called ASAR: Access, Selection, Allocation, and Rebalancing.

- **Access** begins with the full universe of Indian mutual funds, 2,500 funds across 40+ AMCs, evaluated on merit, without commercial bias.
- **Selection** is where PRISM, Dezerv's proprietary fund evaluation engine, does the work. Running 2,500 funds through five sequential filters, it arrives at a few mutual funds. Each filter screens for a different dimension of fund quality :
  - Portfolio Construction.
  - Risk and Return Quality.
  - Investment Environment.
  - Style and Sector Exposure.
  - Momentum and Drivers.
- **Allocation** builds a custom strategy across equity, debt, REITs, InvITs, and precious metals, weighted to each client's goals, risk appetite, and time horizon. Asset allocation comes first; fund selection follows from that.
- **Rebalancing** the portfolio is continuously monitored against the client's strategy and adjusted when markets cause the allocation to drift. The process is designed to be cost-efficient, with no unnecessary churn.

### Strategy Performance

#### **DEZERV EQUITY REVIVAL STRATEGY FUND PERFORMANCE & PORTFOLIO SNAPSHOT**

*Data as on 30 April, 2026*

**About the Investment Approach :** Equity Revival aims to generate long-term capital appreciation for investors with a high-risk appetite through a diversified equity portfolio. This strategy primarily invests in equity mutual funds and ETFs, allocating dynamically across Large-Cap, Mid-Cap, Small-Cap, Value, Growth, Contra funds. Asset allocation is driven by the fund manager's analysis of economic factors, market conditions, and security-specific factors, with periodic rebalancing.

### TRAILING RETURNS VS BENCHMARK (BSE 500 TRI)

Period	Equity Revival Strategy	BSE 500 TRI
1 Month	9.23%	10.38%
3 Months	- 2.48%	- 1.73%
6 Months	- 4.69%	- 4.33%
1 Year	3.58%	3.64%
2 Years	5.47%	4.67%
3 Years	16.95%	14.94%
Since Inception (Inception: 14 Jun'22)	16.53%	15.31%

Strategy performance mentioned above is the aggregate performance of all Clients in the Strategy using the Time Weighted Rate of Return (TWRR) methodology. Returns for one year or less are on absolute basis, while returns more than one year are on annualized basis.

### DEZERV DYNAMIC DEBT PLUS STRATEGY FUND PERFORMANCE & PORTFOLIO SNAPSHOT

Data as on 30 April, 2026

**About the Investment Approach :** Dynamic Debt Plus aims to generate stable returns for investors with a moderate to high risk appetite through a diversified fixed income portfolio. This strategy primarily invests in debt mutual funds, bonds, debentures, REITs, and INVITs. The fund manager actively determines Duration Risk and Credit Risk targets based on economic conditions and market outlook, then evaluates securities on parameters including net yield, liquidity, and issuer quality.

### TRAILING RETURNS VS BENCHMARK (CRISIL COMPOSITE BOND INDEX)

Period	Dynamic Debt Plus Strategy	CRISIL Composite Bond Index
1 Month	1.09%	0.87%
3 Months	2.52%	0.38%
6 Months	4.94%	0.87%
1 Year	12.01%	2.78%
2 Years	12.15%	6.68%
3 Years	11.10%	6.69%
Since Inception (Inception: 27 Apr'23)	11.05%	6.68%

Strategy performance mentioned above is the aggregate performance of all Clients in the Strategy using the Time Weighted Rate of Return (TWRR) methodology. Returns for one year or less are on absolute basis, while returns more than one year are on annualized basis.

## About Investment Philosophy, Investment Approach and Process

### DEZERV INFRA YIELD ASSETS FUND PERFORMANCE & PORTFOLIO SNAPSHOT

Data as on 30 April, 2026

**About the Investment Approach :** Infra Yield Assets aims to generate regular income as well as capital appreciation for investors with a high-risk appetite. This strategy primarily invests in REITs, InvITs, and related securities, generating returns through income distribution and capital gains. The fund manager evaluates securities based on net yield, liquidity, and issuer rating, with allocation decisions informed by economic conditions and market outlook. Allocation: 100% alternate asset classes generating regular income.

#### TRAILING RETURNS VS BENCHMARK (NSE MULTI ASSET INDEX 1)

Period	Infra Yield Assets	NSE Multi Asset Index 1
1 Month	2.21%	5.65%
3 Months	0.83%	0.00%
6 Months	3.68%	- 0.60%
1 Year	22.56%	7.33%
2 Years	17.07%	7.37%
Since Inception (Inception: 13 Jul'23)	16.76%	11.33%

Strategy performance mentioned above is the aggregate performance of all Clients in the Strategy using the Time Weighted Rate of Return (TWRR) methodology. Returns for one year or less are on absolute basis, while returns more than one year are on annualized basis.



# Exclusive Interview



“**By the time a fund’s 3-year CAGR looks star-rated, the tailwinds have usually peaked but the investor ends up buying yesterday’s winner at today’s peak price.**”

## Excerpts from the interview:

**If an investor builds a disciplined portfolio using top Mutual Funds and PMS strategies, what incremental return or risk-adjusted benefit does Dezerv add that justifies its layer?**

The honest starting point is that “top” is a moving target. A large majority of funds in the top quartile over any rolling three-year period fail to stay there in the next three. Across most equity categories, 60 to 100 percent slip into lower quartiles. By the time a fund’s three-year CAGR looks star-rated, the tailwinds have usually peaked, fresh capital floods in, and the investor ends up buying yesterday’s winner at today’s peak price. With over 1,800 schemes in total and 70 equity NFOs in FY25 alone, even a disciplined investor is selecting inside enormous noise.

But the deeper issue is structural. A disciplined DIY investor with the best mutual funds and the best PMS still has no one sitting above all of the products, rebalancing across equity, debt, REITs and AIFs as a single portfolio, making manager-level entry and exit calls, harvesting losses or coordinating tax across strategies.

There is also an information gap retail cannot close. Our team is in constant dialogue with fund managers and AMCs. That access surfaces strategy shifts, capacity constraints and team changes well before they show up in performance data. An individual investor working through apps and distributors does not have that conversation.

What Dezerv adds is a layer that owns the aggregate view, acts on opportunities without delay, and operates across asset classes rather than inside a single product. The benefit shows up as lower drawdowns during corrections, lower deviation of outcomes versus goals, and the absence of portfolio errors due to behavioural biases.

**As you layer multiple managers and strategies into a single portfolio, how do you determine the optimal point where diversification continues to improve risk-adjusted returns, versus the point where it starts diluting high-conviction ideas and compressing alpha?**

We think about diversification not as adding more managers, but as adding differentiated return streams. The moment incremental diversification stops improving risk-adjusted returns, it usually means we are introducing redundancy, not diversification.

Our process works in two stages. The first defines the manager universe and is built to avoid false diversification. We apply three filters to ensure every added manager is genuinely differentiated. One, we require at least 50 percent low overlap between managers. Two, we cap the aggregate number of underlying stocks across the combined portfolio, and third, we currently hold the combined portfolio to more than 40 percent active share against the benchmark, which keeps the blend meaningfully different from the index and rules out closet indexing.

The second stage is where optimisation actually happens. Once we have a clean, differentiated set of managers, allocation becomes the alpha driver. Two levers do most of the work. First, market-cap allocation, where we tilt dynamically between large, mid and small caps based on where we are in the cycle. And the second is style allocation, where we adjust exposure to growth, value and quality depending on the prevailing environment. These decisions, driven by our internal data models, are what determine whether diversification translates into better risk-adjusted returns or diluted alpha.

The optimal point itself is something we monitor continuously. We would rather hold fewer high-conviction, differentiated managers than build a complete but index-like portfolio. Category completeness is not the goal. Outcome completeness is.

**How do you decide when to enter or exit a strategy or manager, and how frequently does that change?**

The framework is PRISM, our proprietary fund analysis model, and it is the most operationally important piece of how Dezerv runs money.

PRISM evaluates over 400 factors across five dimensions. Portfolio construction and fundamentals capture concentration, capacity, and quality of holdings. Risk-adjusted returns cover Sharpe, Sortino, Treynor and maximum drawdown etc. Macro indicators bring in the environment: repo rate, yield spreads, VIX, FII-DII flows etc. Style and sector exposure tracks the fund's true tilt across size, style and sector etc. Momentum scores measure sustained directional strength against benchmark and the broader equity universe.

A machine learning model uses these factors to identify funds with a positive forward outlook. Our investment team then reviews the output, checks for discrepancies, applies guardrails against extreme outcomes, and finalises the portfolio. A new manager earns a place in the portfolio only if it improves incremental Sharpe, reduces concentration risk without meaningfully reducing active share, or adds a distinct factor or style exposure the current blend lacks. If an addition does not move these metrics, it is diluting conviction rather than enhancing diversification.

Reviews run monthly. Most months, the framework confirms the existing allocation. When PRISM flags an early signal, a manager whose risk-adjusted profile is deteriorating, a style drift, or a macro regime shift that changes the case for an entire strategy, we act sooner. The frequency of change is an output of the data, not a calendar event.

### **If I had invested 10 crore with you right from inception, what would my portfolio look like today and how different would that outcome be from a disciplined mix of mutual funds and PMS?**

A ₹10 crore mandate with us does not start with a product. It starts with the allocation: corpus, liquidity needs, life-stage, risk capacity. From there, we build across our discretionary PMS strategies in equity, debt, REITs, precious metals and AIF strategies layered in where the allocation calls for it. A representative long-horizon portfolio might sit at roughly 55 to 65 percent equity across our PMS strategies, 25 to 30 percent debt & REITs and selective AIF allocations. The exact mix is calibrated to the client.

The substantive difference from a disciplined DIY mix is in the experience & returns over time, not only the labels on the holdings.

The DIY investor, even a sophisticated one, has by now likely chased one or two themes that ran hot, switched a fund or two on three-year ranking shifts, accumulated short-term capital gains from that churn, and made at least one allocation decision during a correction that they would unwind if given the chance again. None of that is a failure of discipline. It is the structural cost of being the person who has to make those calls.

The Dezerv client at the same point has had the portfolio rebalanced through corrections without their involvement, managers entered and exited in a timely & right way, losses harvested and gains coordinated across strategies for tax efficiency, and allocation tightened as life-stage and goals evolved. The drawdown profile is lower, the dispersion of outcomes against the original financial plan is narrower, and the tax drag is meaningfully lower. That is the real comparison.

## Fire-Side Chat: How Smart Investors Should Approach Fund Selection?

“ Analysis of nearly 7.5 lakh investor portfolios revealed how behavioural biases often lead to benchmark underperformance despite access to quality investment products. ”

At the PMS Bazaar Bangalore Conclave 2026, held on May 9th at Taj MG Road, Susmit Patodia and Sandeep Jethwani shared valuable insights on “**How Smart Investors Should Approach Fund Selection.**” The discussion focused on retirement planning, investor behaviour, portfolio discipline, and the importance of long-term investing in wealth creation. The session highlighted how rising inflation, healthcare costs, and increasing life expectancy are reshaping retirement planning for modern investors.

The speakers emphasized that wealth creation is less about chasing quick returns and more about disciplined investing, consistent SIPs, asset allocation, and the power of compounding over time. They also discussed how investor behaviour continues to remain one of the biggest reasons for portfolio underperformance, especially during periods of market volatility and trend-driven investing. Practical insights were also shared on reducing unnecessary fund clutter, avoiding concentrated sector exposure, and building balanced portfolios aligned with individual risk appetite and long-term financial goals.



To explore PMS details, performance comparison, and top-performing PMS strategies,

Please visit : <https://pmsbazaar.com/Visitor/PMSComparison>

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*Dezerv Investments Private Limited (DIPL) is a Portfolio Manager with SEBI Registration no. INP000007377.*

*Please read and refer to : <https://www.dezerv.in/>*

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