TOP PICKS

The data is sourced from Motilal Oswal Financial Services Limited

Stock	ID	Rating	Upside	Last close	Target
Varun Beverages Ltd	VBL	BUY	+27%**	₹524	₹665*
JSW Infrastructure Ltd	JSWINFRA	BUY	+28%**	₹290	₹370*
Blue Jet Healthcare Ltd	BLUEJET	BUY	+20%**	₹723	₹865*
CEAT Ltd	CEATLTD	BUY	+13%**	₹3,376	₹3,818*
Nippon Life India	NAM-INDIA	BUY	+18%**	₹633	₹750*

* Target price has been calculated on the basis of fundamentals ** Upside refers to more value stock is expected to generate than its current price

Trump's 90-day pause: A tactical window for investors?

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The Trump administration's recently announced 90-day pause on tariffs has triggered a wave of uncertainty across global markets. For high-net-worth individuals (HNIs) and seasoned investors, this period of ambiguity isn't a time to sit idle. It's an opportunity to be tactical. Short-term, low-risk instruments like liquid ETFs and arbitrage funds offer a timely solution with capital protection, efficient taxation, and the flexibility to move swiftly once market clarity returns.

When markets wobble, the instinct for many is to pull back and hold cash. But holding cash in a savings account is an inefficient strategy, especially when smarter short-term instruments can deliver 6–7% annualised returns with minimal risk. The key lies in selecting vehicles that combine safety, liquidity, and operational ease, which is where liquid ETFs and arbitrage funds step in.

Liquid ETFs invest in overnight or ultra-short-term debt securities, offering investors returns in the range of 6–6.5% with the benefit of same-day liquidity. These funds can be bought and sold during market hours, allowing for faster deployment into equities or other opportunities as soon as sentiment shifts. For investors who want to keep their capital productive while staying ready to act, liquid ETFs present a compelling proposition.

Arbitrage funds, meanwhile, exploit pricing inefficiencies in the market by simultaneously buying and selling securities. These funds carry minimal risk and have delivered consistent returns around 7% in recent months. More importantly, they are taxed as equity instruments — a significant advantage in the current regulatory environment, especially for those in higher tax brackets. The reclassification of debt fund taxation in recent budgets has drastically altered the post-tax return landscape, making arbitrage strategies increasingly attractive.

This 90-day pause offers the perfect match for these instruments' maturity and liquidity profiles. Investors can allocate capital for the short term, capture stable returns, and be ready to redeploy once volatility subsides or market direction becomes clearer. Rather than letting capital stagnate, this approach ensures that the money continues to work even while broader portfolio decisions are temporarily deferred.

It's important, however, to evaluate liquidity requirements and fund structures before investing. While liquid ETFs offer near-instant liquidity, arbitrage funds may take slightly longer to redeem and could involve an exit load if withdrawn prematurely. Portfolio allocation should be planned accordingly, with a focus on aligning product selection with specific financial objectives and time horizons.

This isn't about abandoning debt instruments altogether though, they still serve a crucial role in portfolio stability. But in the face of shifting tax dynamics and geopolitical volatility, alternative vehicles like liquid ETFs and arbitrage funds provide a smarter way to navigate the near term.

The takeaway for investors is that don't let the next three months be a period of inaction. Use this pause strategically. Park idle cash in short-term instruments that offer both returns and readiness. In a climate where uncertainty is the only constant, flexibility and foresight will define portfolio success.

FPIs infuse Rs 4,223 cr in April; turn net buyers first time in 3 months

NEW DELHI, PTI: Foreign investors have injected Rs 4,223 crore in the country's equity market in April as they turned net buyers for the first time in three months amid a blend of favourable global cues and robust domestic fundamentals.

The inflow of foreign capital came last month following a back-to-back net outflow of Rs 3,973 crore in March, Rs 34,574 crore in February and Rs 78,027 crore in January.

Going ahead, FPI inflows could remain stable, but will be constrained by the modest earnings growth of around 5% in FY25, V K Vijayakumar, Chief Investment Strategist, Geojit Investments, said.

According to the data with the depositories, Foreign Portfolio Investors (FPIs) made a net investment of Rs 4,223 crore in equities in the entire April.

The latest flow has helped in narrowing the outflow to Rs 1.12 lakh crore in 2025 so far.

India's equity markets witnessed a sharp resurgence in FPI activity in April, signalling a marked reversal from the outflows seen earlier this year.

This renewed momentum was underpinned by a blend of favourable global cues and robust domestic fundamentals that bolstered investor confidence, Himanshu Srivastava, Associate director - Manager Research, Morningstar Investment, said.

One of the key catalysts behind this trend has been the improving outlook for a potential US-India trade agreement. Additionally, the weakening of the US dollar, alongside a strengthening Indian rupee enhanced the appeal of Indian assets to global investors, he said.

7 of top 10 firms see Rs 2.31 lakh cr jump in valuation last week

NEW DELHI, PTI: The combined market valuation of seven of the top-10 valued firms surged by Rs 2.31 lakh crore (Rs 2,31,177.3 crore) in a holiday-shortened last week, with Reliance Industries emerging as the biggest gainer amid a largely optimistic trend in equities.

While Reliance Industries, HDFC Bank, Bharti Airtel, ICICI Bank, State Bank of India, Infosys and ITC emerged as the gainers in the top-10 pack, Tata Consultancy Services, Bajaj Finance and Hindustan Unilever faced losses in their valuation.

Last week, the BSE benchmark jumped 1,289.46 points or 1.62%. Equity markets were closed on Thursday for 'Maharashtra Day'.

The market valuation of Reliance Industries jumped Rs 1,64,959.62 crore to Rs 19,24,235.76 crore. Bharti Airtel's valuation surged by Rs 20,755.67 crore to Rs 10,56,029.91 crore. ICICI Bank added Rs 19,381.9 crore to Rs 10,20,200.69 crore in its valuation.

The market capitalisation (mcap) of HDFC Bank rallied by Rs 11,514.78 crore to Rs 14,73,356.95 crore and that of Infosys zoomed Rs 10,902.31 crore to Rs 6,25,668.37 crore.

ITC's mcap climbed Rs 2,502.82 crore to Rs 5,38,294.86 crore and that of State Bank of India went up by Rs 1,160.2 crore to Rs 7,14,014.23 crore.

However, the market valuation of Bajaj Finance eroded by Rs 15,470.5 crore to Rs 5,50,726.80 crore. The mcap of Hindustan Unilever declined by Rs 1,985.41 crore to Rs 5,45,845.29 crore and that of Tata Consultancy Services dipped by Rs 1,284.42 crore.

How to plan transfer of wealth to your next generation

Thought needs to be given to financial goals of the family & the legacy to leave behind

DR ARINDAM BANERJEE

Simply put, intergenerational wealth transfer is the movement of money, property, and other assets from one generation to the next. This process keeps family inheritances safe and ensures that future generations are not deprived of their legacy wealth. Transferring money from one generation to another isn't the only thing that goes into transferring wealth. The social and mental aspects of the process are also critical.

To create a sound estate plan, one should first think about how wealth is distributed post one's death. Families need to give some thought to their own morals, their financial goals, and the kind of legacy they want to leave. In addition to giving back to the community, this could include ideas on how to assist heirs with their future financial plans. It's important to include all key family members in discussion so that the goals are clear and bring transparency in the discussion. This collaborative approach helps bridge any existing communication gap. It also ensures that the plan for transferring the wealth is built on shared values and helps the family reach their long-term financial and personal goals.

Trusts and wills are very important ways to pass on wealth in India. A will officially states how property should be distributed upon the owner's death. Trusts, on the other hand, let the people who set them up have more say over how, when, and why assets are distributed. Trusts are a great way to keep younger heirs safe and keep track of ownership of assets.

When families in India pass on wealth to their children and grandchildren, taxes play a big role. They influence finances and need careful planning to keep costs as low as possible. Indians don't have a straight estate tax, but other taxes may change how money is distributed to others. Someone inheriting stocks or real estate and then selling them can attract capital gains tax. Long-term capital gains on real estate are taxed after indexation benefits are considered.

In case of exchange of properties, it is essential to have the appropriate documentation for a smooth transition of the assets. According to Indian tax law, gifts given to family members during life are not taxed. This means that buying a house should be a part of plans to pass on wealth. Giving gifts while the source is still alive is one way to do this.

Life insurance also helps one save money on taxes when used to protect one's fortune. Tax experts can help families understand their specific position and make plans that work for them. These plans may include giving gifts, using trusts, or investing in avenues that save money on taxes. Getting life insurance is a great way to make sure that money stays safe as it moves from one generation to the next. It gives money that can be used to pay bills or estate taxes, so things don't need to be sold. People who get money from life insurance in India don't have to pay taxes on it.

Leaving money to charity as part of a will helps society move forward and begins a family tradition that could last for generations. Putting charity goals in will or trust can give children and grandchildren a sense of purpose and social duty. It's a good idea to set up a family foundation or donor-advised fund so that kids can help run charity projects. This activity not only keeps the family's charitable spirit alive, but it also helps heirs learn how to lead and get people to work together to reach shared goals. Further, people can avail tax breaks for giving to groups on a list in Section 80G of the Income Tax Act. That way, people can help others and make money at the same time. There should be clear language in the will about charitable goals. These goals should be in line with the family's bigger goals.

It is important to teach kids how to handle money so that the passing on of wealth goes smoothly and the right way. Being honest about your estate plans builds trust and makes it less likely that you will disagree in the future by setting clear standards. Getting advice from an older family member can be very helpful because it is based on real-life experiences.

Setting up family government systems, such as a family council or a family constitution, tells everyone in the family how to handle their money. This makes people more likely to be responsible, work together, and agree on something. By getting kids involved and teaching them about money, families can protect their wealth and give their kids the tools they need to uphold family values and duties. This will make sure the memory lasts and grows for many years to come.

(The author is Program Director - Master of Applied Finance & Wealth Management, SP Jain School of Global Management)

THE WEEK AHEAD

Markets to consolidate, positive bias seen

Earnings-heavy week to lead to stock specific actions

SIDDHARTHA KHEMKA

This week, we expect the Indian market to consolidate in a broad range with a positive bias. Optimism prevails in sentiments over a potential India-U.S. trade deal, sustained institutional inflows, strong rupee and record high GST collections in April.

FII buying continued for the eleventh consecutive day till April 30, resulting in a cumulative inflow of Rs 37,375 crore during the period. This turned the net FII flows positive for April at Rs 2,700 crore. DIIs were persistent buyers of over Rs 28,000 crore during the month. The foreign fund flows along with hopes of the US-India trade deal helped the rupee to gain past the 84 mark, its highest level in seven months.

Further, GST collections hit an all-time high to reach Rs 2.4 lakh crore in April 2025, growing 12.6% year-on-year. These positive factors are expected to support the domestic market, while some volatility may be anticipated due to geopolitical tensions. Stock/sector specific action would continue with Q4 (January-March) results from companies like Mahindra, Indian Hotels, Coforge, Godrej Consumer, BSE, HPCL, Coal India, Dabur, L&T, Titan, Asian Paints, and others this week. On the macro front, investors will watch out for interest rate decisions from the Federal Reserve and Bank of England and the Service PMI data of US and India.

Last week, Nifty 50 ended higher by 1.3% at 24,347 levels. Broader market indices were mixed with Nifty Midcap100 up 0.3%, while Smallcap100 was down by 0.6%. Amongst sectors, Nifty Realty was the top performer with gains of 2.6%, as the festival of Akshaya Tritiya which traditionally sees heightened property-buying activity, boosted sentiment for realty companies. Nifty Auto gained 1.3% as US President Donal Trump softened some of the automotive tariffs. Banking stocks witnessed modest gains after RBI's decision to inject Rs 1.25 lakh crore worth of liquidity in May. Metals and FMCG underperformed, ending with losses of 0.5% each.

The Nifty India Defence index surged by 6% during the week as defence stocks witnessed strong buying interest amid cross border tension between India and Pakistan. Meanwhile, India signed the mega deal to purchase 26 Rafael Marine aircrafts worth around Rs 64,000 crore from France for the Indian Navy, bolstering sentiments for the defence sector. As the government boosts spending on modernizing equipment and investing in new technologies, opportunities for Indian companies in defence manufacturing are set to grow exponentially.

In the auto sector, monthly sales numbers for April suggested that tractor demand was steady, while other segments remained weak. Tractor sales momentum is likely to remain healthy, given favourable demand indicators such as expectation of above-average monsoon season this year. Passenger vehicle wholesales grew 7%, in line with expectations. Two-wheelers and commercial vehicle segments posted mixed numbers..

On the global front, US GDP data for January-March 2025 showed a 0.3% contraction, first time in 3-years, down from 2.4% growth in October-December 2024. Brent crude declined 3% to $61/barrel after Saudi Arabia signalled a move toward producing more and expanding its market share, while the global trade war eroded the outlook for fuel demand. Global sentiment improved after US and China softened their stance on tariffs and agreed to begin negotiations, with reports suggesting that the Trump administration may soon announce the first round of trade agreements to reduce planned tariffs.

(The author is head of Research, Wealth Management, Motilal Oswal Financial Services Ltd)

Centralised KYC system in works: Sebi chairman

NEW DELHI, PTI: Markets regulator Sebi is actively working with the Ministry of Finance and other financial regulators on setting up a centralised KYC (Know Your Customer) system, chairman Tuhin Kanta Pandey has said.

The Central KYC is an online database that maintains KYC records of customers in a centralised manner, aiming to streamline compliance across financial institutions.

When asked about the common KYC system, Pandey told PTI, "Yes, I think we will move forward on that also. We're really trying to have a system which will be very, very effective."

He added that the finance secretary is chairing the committee responsible for this initiative, and efforts are underway to expedite the process. While no definitive timeline was shared, Pandey expressed optimism of it getting done early.

BRICK & MORTAR

Evolution of commercial realty in India: What investors should know

MOHIT GOEL

Over the last few decades, India's commercial real estate sector has undergone a major shift driven by economic reforms and urbanisation. What was once a fragmented, unorganised sector has now become a popular investment destination due to institutional participation, regulatory changes, and the demand for modern workspaces.

Current market landscape

A report from IMARC Group suggests that the commercial realty market is moving from $49.8 billion in 2004 to $253.22 billion by 2033, growing at a CAGR (compounded annual growth rate) of 19.81%. This expansion is a result of several macroeconomic factors:

Urbanisation & infrastructure development: Rapid urban migration has increased the demand for commercial space in metro cities and emerging Tier-2 hubs.

Institutional investments: Real Estate Investment Trusts have become more popular, increasing liquidity and transparency.

Regulatory framework: The Real Estate (Regulation and Development) Act (RERA) and government initiatives like the Smart Cities Mission have increased investor confidence.

Growth drivers

Office space is a strong segment driven by information technology, the banking, financial services and insurance sectorl, and global capability centers (GCCs). The sector recovered strongly despite a temporary slowdown due to the pandemic. India's office sector achieved historic milestones in 2024, reaching a record-breaking 89 million square feet (msf) in gross leasing volume (GLV) across the top eight cities, according to Cushman & Wakefield data. This marks the highest GLV ever recorded in the sector, exceeding 2023's peak by 14 MSF—a substantial 19% increase.

At the same time, retail real estate is catching up with the changing consumer behavior and the growth of omnichannel retail. While e-commerce has affected traditional retail, organised malls and high-street retail continue to flourish, especially in Tier-1 cities. The demand for premium retail space in places like Mumbai's Bandra-Kurla Complex or Delhi's Connaught Place is still strong.

The growth of e-commerce and the adoption of the Goods and Services Tax have led to a demand for large-scale infrastructure in logistics and warehouses. Global players are investing heavily in the sector. For instance, due to improved connectivity and government infrastructure projects, areas like Dwarka have emerged as the newest hotspot in Delhi for global companies and brands.

Investment opportunities & challenges

Institutional participation has grown rapidly since the launch of the country's first REIT in 2019, making commercial real estate more accessible to retail investors. Listed REITs provide a stable income stream, drawing strong interest from both domestic and foreign investors. Additionally, Grade-A office spaces continue to generate high demand. Investors targeting well-located, high-yield office assets in key business districts have seen strong returns. Another key trend is the rising focus on sustainability. ESG (Environmental, Social, and Governance) factors are shaping investment strategies, with green-certified commercial properties commanding higher occupancy rates and premium rental values.

However, the sector is not without challenges. Despite the Real Estate Regulation Act (RERA) transparency, regulatory complexities surrounding land acquisition and project approvals remain a concern. Market cyclicality also poses risks, as commercial real estate is susceptible to economic fluctuations. Moreover, while metro cities continue to be prime investment destinations, infrastructure bottlenecks, including poor urban planning and congestion, present long-term risks that investors must consider.

With technological advancements, increasing foreign investments, and proactive government policies, India's commercial real estate sector is set for sustained growth. Emerging hubs like Ahmedabad and Dwarka are attracting significant interest, driven by infrastructure development and rising business activity. While metro cities continue to dominate, Tier-2 and Tier-3 cities are witnessing a surge in demand for office spaces, retail developments, and industrial hubs. Investors who adopt a long-term strategy and diversify across high-growth locations will be well-placed to capitalise on this expanding market and achieve strong, stable returns.

(The author is Managing Director of Omaxe Ltd)