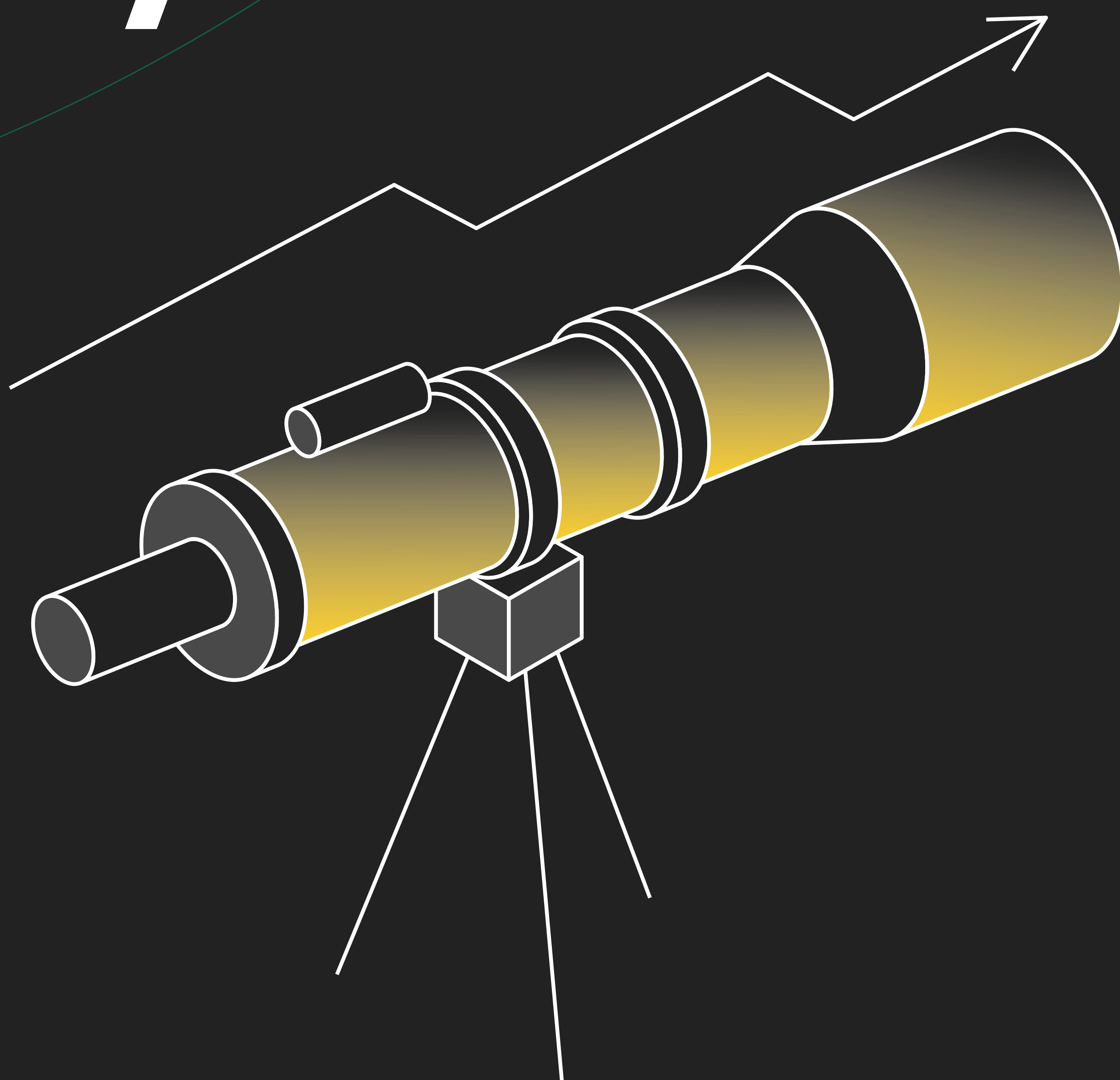


Edition 2 · August 2026 · Markets, decoded.

JainamTM

The Maxima Monthly



Welcome back to The Maxima Monthly. Last month we set out how we read the big picture. This month we have something we did not have then — a stretch of actual portfolio performance to look at, and the harder question of what to make of it.

Let us begin with the number, since it is why many of you opened this note. Since inception (15 May 2026), the Nifty 50 has risen 3.1%, from 23,644 to 24,384. Over the same period, the Jainam Value Maxima portfolio is up 9.9%. The 6.8% difference between the two is our alpha, the portion of a return that did not come from the market simply going up. That first 3.1% was available to anyone who owned the index and did nothing else. The remaining 6.8% came from what we chose to own, and just as much from what we chose to leave out. That is the only part we can claim. Since inception, it has shown up.

One holding did more of that work than any other. The single biggest contributor was JG Chemicals, a business most people have never heard of, which is usually where we end up looking. It makes zinc oxide, is India's largest producer of it at roughly a third of the market, and runs with almost no debt. A new plant at Dahej, paid for out of the company's own cash rather than borrowing, takes capacity from about 70,000 tonnes toward 115,000 as it commissions through this year. That gap, between what it can make today and what it will make tomorrow, is what we did not think the price was paying for. Since May, some of it has been.

Two and a half months is not a track record. It is a data point, and it arrived in a rising market during a part of the cycle that flatters almost everyone. Your money took years to earn, and we are not going to behave as though one good quarter had earned it back for you. What we are looking at instead is the process of doing our things - the prices we paid, the reasoning, the thesis behind this and whether we passed on the things we should have passed on. Results are the score. Process is the game.

Rates remain the quiet support beneath all of this. The RBI has held the repo rate at 5.25% and has declined to raise it simply to defend a weak rupee, choosing instead to open several doors for foreign money to flow into Indian government bonds — scrapping capital-gains tax for foreign investors in government securities, widening their access, and lifting limits on short-term holdings. Bond yields have eased in response. When rates fall, a company's future profits are worth more today; and for smaller manufacturers, who run largely on borrowed money, cheaper loans land straight on the bottom line. Since our 31 July cut-off the RBI has held the repo rate steady once again, and has marginally improved both its growth and inflation projections for the year. We will cover that properly next month.

Crude has gone the other way, and we would rather say so plainly. Having fallen back below USD 78 in June as shipping resumed, Brent climbed through July and ended the month above USD 90 after renewed attacks on tankers transiting the Strait of Hormuz. For an economy that imports most of its oil, that pushes the import bill back up and puts fresh pressure on the rupee. It also means the easier backdrop we described last month has partly reversed. We would keep two things separate, though: the RBI's stance and the price of oil are not linked to one another, and the central bank's decision to hold rates was not a response to crude.

None of which means the market owes anyone a quick reward. Markets often drift sideways for six or seven quarters before the next move up, and the year following a national election tends to be one of hard decisions, with the rewards arriving some way behind them. That is roughly where we think we stand today. The right response to a consolidating market is not to chase trades but to hold good businesses patiently — which is why we keep returning to three to five years as the minimum honest horizon for this asset class.

Holding that line, patient and fact-first, is how we run the Jainam Value Maxima portfolio: a disciplined search for strong small and mid cap businesses while they are still under the radar, held long enough for the work to count for something. We will be back next month. And if anything here made you curious, or raised a question, we would genuinely love to hear from you.

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