THE INVESTOR'S NOTE
| Issue 04
1st – 15th Oct 2026

योगस्थः कुरु कर्माणि सङ्गं त्यक्त्वा धनञ्जय । सिद्ध्यसिद्ध्योः समो भूत्वा समत्वं योग उच्यते ॥

भगवद्गीता (2.48)

Yogasthaḥ kuru karmāṇi saṅgaṁ tyaktvā dhanañjaya | Siddhyasiddhyoḥ samo bhūtvā samatvaṁ yoga ucyate || Bhagavad Gita (2.48)

Stay steady, do your work, and let go of attachment to the result. Stay balanced in success and in failure. This balance of mind is called yoga.

Falling markets test our discipline. A calm, informed mind makes better decisions.

1. Can You Reduce the Decline in Your Portfolio Using Hedging?

Yes. Hedging means taking a planned step that limits how much your portfolio can fall. There are many ways to do it.

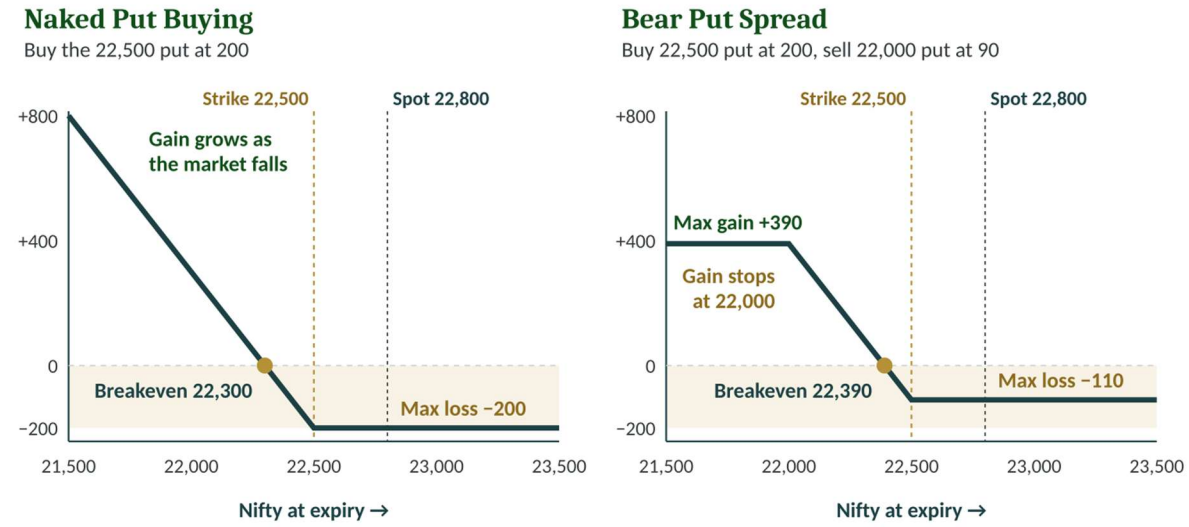
One of them is using various combinations of Put Option.

A put option gains value when the market falls. It works like insurance: you pay a premium, and it pays if the market drops. It helps most when your portfolio moves with the Nifty.

Sharing two samples in next page.

How Each Hedge Pays at Expiry

Profit or loss of the hedge alone, in Nifty points (hypothetical prices)



Hypothetical prices for illustration only. Figures are per Nifty point; multiply by lot size for rupees.

Figure 1 • Hedge gains help offset losses on your portfolio

Upside and Downside at a Glance

Example with Nifty at 22,800 (hypothetical prices, in Nifty points)

Naked Put Buying

Cost	Max loss	Max gain
200	200	Not capped

Upside

+ Full protection in a deep fall
+ Gain grows as market falls

Downside

− Costliest way to hedge
− Premium lost if market holds
− Time decay works against you

Bear Put Spread

Cost	Max loss	Max gain
110	110	390

Upside

+ Cheaper: sold put pays part of cost
+ Best and worst case known upfront

Downside

− Protection stops at 22,000
− Premium lost if market holds

Figure 2 • Illustrative example (hypothetical prices)

> ***Hedging does not remove risk. It decides, in advance, how much risk you carry.***

2. What Should You Do With Your SIP?

The market is down and your SIP statement shows red. A quiet voice says, “Pause it till things settle.” Most investors hear that voice. Let us see what pausing costs.

What a Fall Does to a SIP

Your monthly amount stays the same, but it buys more units when prices are low. A fall is when your SIP works hardest.

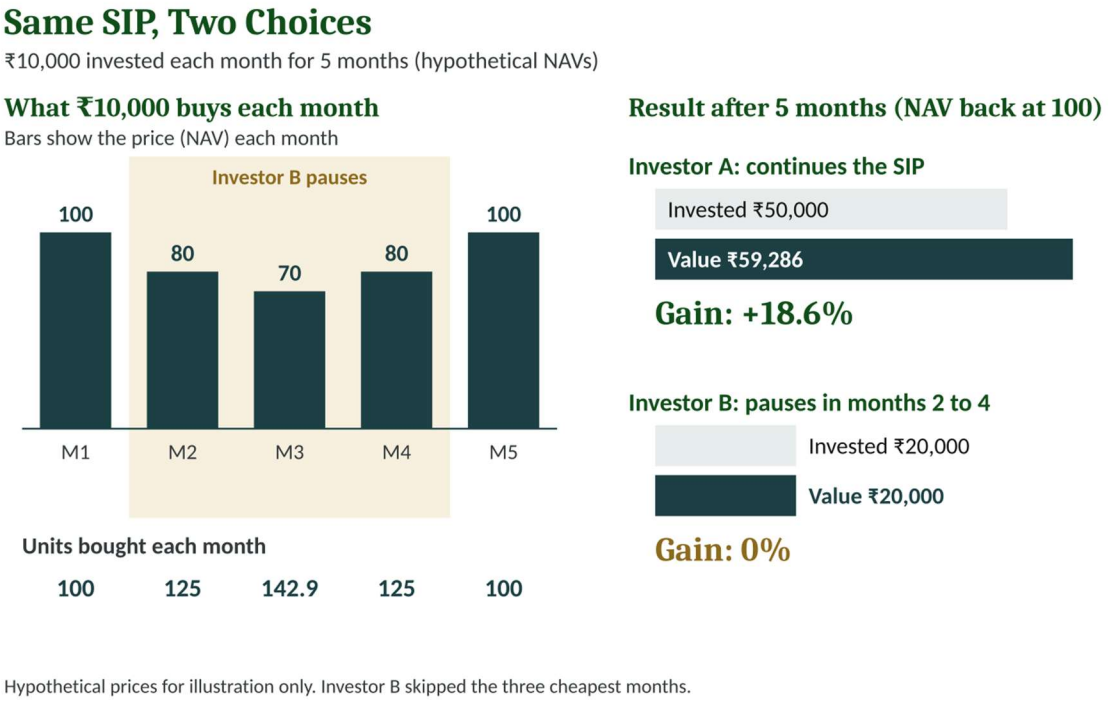


Figure 3 • Same SIP amount, two choices (hypothetical prices)

Same market, different result. Both investors saw the NAV end at 100. Investor B skipped the three cheapest months and missed the gain.

What You Should Do

1 Continue your SIP

If you must change, reduce the amount. Do not stop it.

2 Add a top-up

Have spare cash? Falls give you more units per rupee.

3 Check your comfort

If falls make you panic, the amount may be too high. Fix it calmly.

> ***A SIP does its best work when it feels the worst.***

3. Rebalancing: The Habit That Protects You From Yourself

Every portfolio has a target mix — say 70% equity and 30% debt. A market fall does not touch that target, but it quietly changes what you actually hold.

When equity falls faster than debt, equity becomes a smaller share of your portfolio, exactly when it is cheapest to own more of it. Left alone, your portfolio drifts away from the mix you chose.

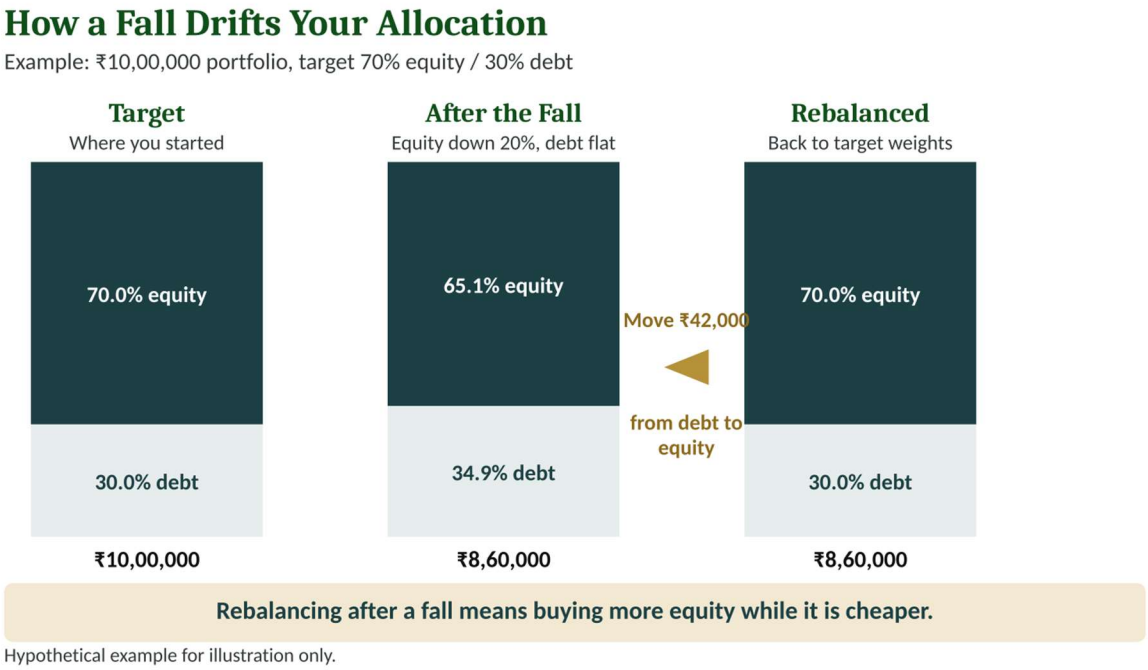


Figure • Hypothetical example. Equity falls 20%, debt is unchanged.

Rebalancing means moving money from the part that grew (in weight) to the part that shrank, to restore your original target. In a fall, that means buying more equity with money from debt — a disciplined way to buy low, without predicting where the market goes next.

How Often Should You Check?

1 Pick a rhythm

Review once a quarter, or once a year. Not every time markets move.

2 Set a trigger band

Rebalance when an allocation drifts more than 5 percentage points.

3 Rebalance, don't react

Move the difference back to target. No need to guess where the market goes.

> ***Rebalancing does not ask you to be right about the market. It only asks you to stick to a plan you set when you were calm.***

CA Rajesh Sureka

I have three decades of experience across Corporate Banking and Investments. Every wealth journey is unique. We offer personalized wealth solutions along with curated learning programs designed to build clarity and consistency in investing. I am also founder of Ananta (www.anantafinance.com)

I can be reached on WhatsApp at **+91 9560750867** or by email at **rajesh@anantafinance.com**

This publication is for information and educational purposes only and does not constitute investment advice or a recommendation to buy or sell any security or investment product. Investments are subject to market risks. We are not responsible for any financial loss you incur by following the content of this newsletter.