IFSA Ramjas

The Financial & Geopolitical Weekly

VOL . 1 · ISSUE 03 · WEEK OF APRIL 12 , 2026 · RAMJAS COLLEGE UNIVERSITY OF DELHI

ENERGY & TRADE | EQUITY & CURRENCY | MERGERS & BONDS

WEEKLY INSIGHTS: GEOPOLITICS AND EQUITY

FOREX BRIEF · TRADE WATCH · GEO UPDATE · MARKETS ALERT

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Groww shares surge to ₹197 — nearly double IPO price of ₹100 — as JPMorgan initiates with "overweight" and ₹210 target

Zoho crosses ₹12,000 Cr revenue milestone in FY25, but net profit dips 3.3% as AI investment costs surge 30.5%

EQUITY MARKETS | Stock Market & Indices | CURRENCY & FOREX | Zoho

NIFTY 50
▼ **-1.2 %**
22,980 pts · April MTD

GROWW (BILLIONBRAINS GARAGE)
₹197
+5.3% Nearly 2x IPO price

USD/INR
93.2 ▲
INR weakens on oil surge

ZOHO FY25 REVENUE
₹12,313 Cr
+17.8% YOY Bootstrapped

GROWW

Trailing PE 76×	Revenue CAGR 33%
Active users 14.38M	NSE mkt share 29%

WATCH LIST

■ SEBI F&O Framework
New restrictions on retail derivatives could reduce trading volumes and impact broker/platform revenues.

■ Retail Flow Momentum
Sustained SIP inflows and new demat additions will determine durability of platform growth.

■ Global Liquidity Trends
US rate outlook and oil prices remain key for equity valuations and risk appetite.

KEY DATA

NSE Active Investors
14 Cr +

India Demat Accounts Growth
+18% YOY

USD/INR (Low)
93.2

Sensex (April MTD)
+2.3%

LEAD STORY · BROKING & CONSUMER INTERNET

Platform, Not Broker: Groww Hits All – Time High

JPMorgan's initiation reframes Groww entirely — India's most lucrative consumer internet play, not a discount broker.

Built by ex-Flipkart engineers, Groww treats investing like e-commerce — zero AMC, paperless KYC, Aadhaar onboarding. It started with mutual funds in 2016, added equities in 2020, and now serves Tier-2 and Tier-3 India at scale.

> "We view Groww as a consumer internet platform rather than a traditional broker, with strong cross-selling capabilities and significant monetisation potential as its user base scales."
>
> — JPMorgan

TRANSMISSION: SIP / MF → Equities → Lending → Wealth = Platform

Groww trades at ~76× PE vs ~15.5% industry, reflecting its consumer internet positioning. Strong FY26 performance and bullish analyst views support the premium.

Risk to Premium- SEBI's tightening on F&O access could compress transaction revenue, while Zerodha, Angel One and new entrants threaten market share. At 76× PE, there is little room for error.

SOURCE: DATA SOURCE: https://groww.in/charts/ext/stocks/billionbrains-garage-ventures-ltd?exchange=NSE

Net profit
₹1,826 Cr

FY26 revenue
₹4,062 Cr

LEAD STORY · SAAS & ENTERPRISE TECH

Zoho Crosses ₹12,000 Cr — But the Cost of AI Is Showing

India's largest bootstrapped SaaS firm hit a historic milestone, yet rising AI investment is compressing margins at exactly the wrong moment.

Zoho serves 1 million paying customers and 150 million global users across 55 integrated apps — all bootstrapped, no VC funding. North America drives 41% of revenue. CY2025 saw 32% YoY customer growth. Founder Sridhar Vembu has publicly attributed the cost surge to massive AI deployment across the platform, betting productivity gains will compound over time.

COMPANY	REVENUE	PROFIT MARGIN	MODEL
Zoho	₹12,313 Cr ($1.5B)	26%	Bootstrapped
Salesforce	$37.9B	17%	Public
HubSpot	$2.6B	5%	Public
Freshworks	$0.7B	3%	Public

> *"AI is giving us massive productivity gains in software development. We are investing heavily and expect this to compound."*
>
> — Sridhar Vembu, Founder, Zoho Corporation

Zoho's 26% margin leads public SaaS peers at comparable scale — but the FY25 dip signals AI cost pressure ahead.

SAAS DILEMMA

Competing on 55 apps against Salesforce and Microsoft while staying bootstrapped gets harder as AI capex rises. If productivity gains from AI don't materialise at scale, margin compression could deepen in FY26.

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BOND MARKET: JGB 10-year yield hits 2.44% near 28-year highs as BOJ tightening bets force foreign yen issuers to price at a premium

M&A MARKET: Global M&A surges to a record $1.22 trillion in Q1 2026, with 22 mega-deals above $10 billion as corporates prioritize scale over cost of capital

JAPANESE YIELDS	Global PE Dry Powder	GLOBAL PHARMA M&A	US leveraged loan issuance
JGB 10-Year **2.44%** ▲ Near 28-year high	S&P 500 **$3.2 Trillion** Record wall of capital awaiting deployment	Increase in deal value **81% YoY** ▲ Total Value: $240B	US leveraged loan issuance **$1.46T** up 12% YoY

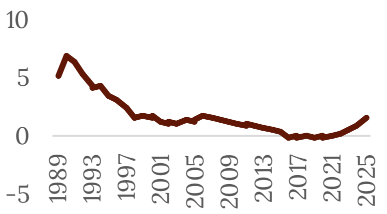
TICKERS ON WATCH LIST

JSDA (Bloomberg)
Foreign Yen Bond Issuance Volume to analyze foreign impact of this deal.

USD/JPY
Yen strength directly affects yen bond coupon costs in dollar terms and the value of Berkshire's Japan equity positions

8766.T
Tokio marine holdings share price tracks strategic value creation from the reinsurance partnership

Japan 10-Year Government Bond Yield



SUNPHARMA.NS
Direct read on market's view of deal risk.

OGN (NYSE)
Tracks deal premium expectations. Already surged 20%+ on bid news.

BAMLC0A0CM
Sun Pharma's bridge financing cost is sensitive to IG spreads. Wider means more expensive deal financing.

USD/INR
Sun Pharma's cash reserves are in INR. A weaker rupee raises the effective cost of an all-dollar deal.

LEAD STORY · INDIAN MARKET STRESS & CAPITAL OUTFLOWS

BOND MARKET

Berkshire sells $1.7bn in yen bonds in first deal under Greg Abel

A $1.7 billion yen bond sale and a stake in Tokio Marine signal that Greg Abel isn't deviating from Buffett's Japan thesis — he's scaling it.

In its first major capital markets move under new CEO Greg Abel, Berkshire Hathaway sold ¥272.3 billion ($1.7 billion) of yen-denominated bonds across six tranches which is its third-largest such issuance ever with the 10-year notes priced at 3.084%, notably higher than the 2.422% coupon on a similar November 2025 offering, that explicitly reflects broadly rising Japanese government bond yields.
The sale coincides with Berkshire's disclosure of a $1.8 billion stake in Tokio Marine Holdings, Japan's largest property and casualty insurer, structured as a 10-year strategic partnership covering reinsurance and global M&A collaboration.
The twin moves includes yen-denominated borrowing used to fund yen-denominated assets as well as mirroring the currency-matched strategy Buffett deployed when building stakes in Japan's trading houses. Abel's swift execution signals both continuity with Buffett's Japan thesis and a willingness to expand it, reinforcing Berkshire's long-term commitment to Japanese capital markets at a moment when global investors are closely watching whether the post-Buffett era will alter the conglomerate's strategic direction.

> "In this kind of environment, lesser-known issuers may find it difficult to come to market"
>
> Shunsuke Oshida, MD
> Manulife Investment Management

RISK FREE RATE	SPREAD COMPONENTS
return on an investment with zero default risk,	Yield of a bond MRR plus a credit spread and a liquidity spread.

M&A MARKET

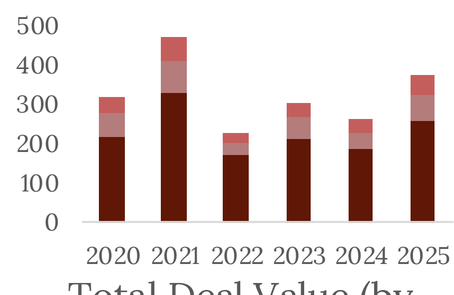
STORY FROM INDIAN PHARMA · GLOBAL MARKETS & STAGFLATION

India's Boldest Bet: Sun Pharma Eyes a $12 Billion Leap West

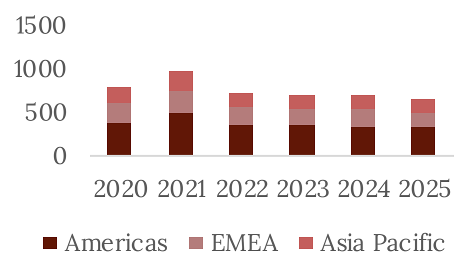
A distressed Organon offers Sun Pharma a once-in-a-generation entry into US branded drugs — if it can stomach the debt.

Sun Pharmaceutical Industries is finalizing an all-cash bid of approximately $12 billion for US-based Organon & Co., backed by bridge financing from at least three global banks, in what would be the largest-ever overseas acquisition by an Indian pharma company. Organon, spun off from Merck in 2021, carries roughly $8.9 billion in debt, has been without a permanent CEO since October 2025, and has seen its stock lose more than half its value over the past year, the precise distress that brought Sun Pharma back to the table after earlier talks stalled on valuation. For Sun Pharma, the deal would dramatically expand its US commercial footprint and accelerate its push into women's health and biosimilars, transforming it from a generics-led company into a global branded-drugs player. Markets have reacted with caution, Sun Pharma shares slipped roughly 4% on debt fears, while Organon surged over 20% on the prospect of a premium bid.

Total Deal Value (by region), in $ Billions



Total Deal Value (by region), by numbers



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SHIPPING: Geopolitical tensions drive freight costs higher, disrupting global shipping stability.

TRADE: Trade routes shift into strategic assets, reshaping global economic power dynamics.

Oil Shock	Inflation & Rates	Private Credit Stress	China EV Exports
Brent > $120	**4.48%**	**$2T Market**	**3.49L Units**
Strait of Hormuz disruption	*No rate cuts priced (2026)*	*5.8% to 15% default risk*	*+140% YoY*

WATCH LIST

Brent Crude
Watch for sustained breakout. This drives inflation second-order.

US 10Y Yield
Higher = tighter financial conditions, equity pressure.

High Yield Spreads
Early stress signal in private credit spillover.

China EV Exports
Proxy for global demand vs domestic slowdown.

KEY DATA

Brent Crude (Current)
$120+

US 10Y Yield
4.48%

US CPI (Latest)
3.2%

Dollar Index (DXY)
104.5

High Yield Spread
3.4%

China EV Exports (YoY)
+140%

Global PMI
49.8

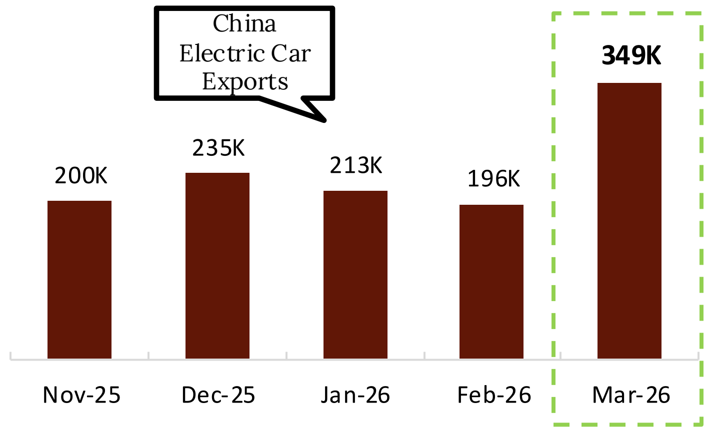
Baltic Dry Index (MTD)
+18%

LEAD STORY · SHIPPING

China's EV Export Surge

A sharp rise in overseas shipments reflects not just higher global demand, but a structural shift driven by excess capacity and weakening domestic growth.

China exported 349,000 electric and hybrid vehicles in March, marking a 140 percent increase year on year and the highest monthly level on record. While higher oil prices have supported global demand, the surge is rooted in domestic challenges, including market saturation, slowing sales, and intense price competition within China's EV sector. Manufacturers such as BYD have increasingly turned to overseas markets, with exports now accounting for 46 percent of deliveries and generating significantly higher margins than domestic sales. Trade barriers in Europe have prompted a strategic shift toward hybrid vehicles, allowing Chinese firms to maintain growth despite tariffs. The oil shock has acted as a catalyst, accelerating a structural transition toward export-led expansion already underway.

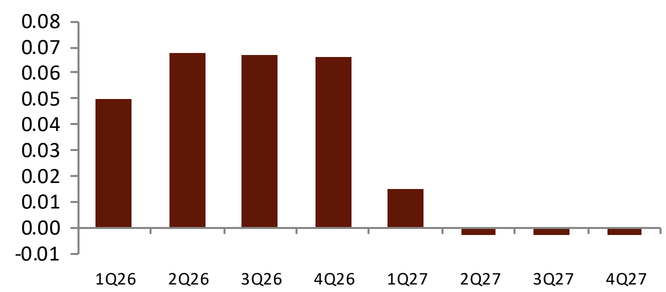


The Oil Shock That Shook Private Credit Markets

A disruption in global energy flows has tightened financial conditions, exposing structural vulnerabilities in private credit and raising questions about broader systemic risk.

The disruption of the Strait of Hormuz pushed oil prices above 120 dollars, triggering a surge in inflation and constraining central banks, with rate cuts pushed further out and US Treasury yields rising toward 4.5 percent. This tightening of financial conditions has exposed vulnerabilities in private credit, a two trillion dollar market largely built on floating rate loans that now place sustained pressure on borrowers as elevated rates persist. Companies that had anticipated lower borrowing costs are facing rising interest burdens and weakening cash flows, with default estimates already near 5.8 percent and potentially reaching 15 percent under stress. At the same time, major asset managers have begun restricting investor withdrawals amid rising redemption requests, highlighting liquidity mismatches. The risks extend further through linkages with insurance balance sheets, increasing the potential for broader financial contagion as regulators intensify scrutiny.

Impact of oil prices rising to $100 on core inflation, compared to consensus forecast



ICE BofA US High Yield Index Option-Adjusted Spread