

invest care

In unit linked policies, the investment risk in investment portfolio is borne by the policyholder



November, 2025



UNIT LINKED PRODUCTS FROM SBI LIFE INSURANCE CO. LTD.

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INVESTMENT OBJECTIVES AND VISION

(A) Investment Objectives:

The investment objectives of the Company are to maximize the risk adjusted returns and ensure reasonable liquidity at all times. Management of the investment portfolio is a crucial function as investment risk and returns, inter alia, determine the ability of the Company to competitively price its products, ensure solvency at all times and earn the expected profitability. The investment policy outlined in this document seeks to set the direction and philosophy for the Company's investment operations. The Policy outlined below conforms to the IRDAI Investment Regulations and the Insurance Act. The Policy covers investment parameters, exposure norms and other relevant factors that will assist in taking prudent investment decisions. The Policy framework also takes into account asset liability management, market risks, portfolio duration, liquidity considerations, and credit risk. To summarize the investment policy aims to achieve the following Investment Objectives:

- a. To acquire and maintain quality assets that will meet the liabilities accepted by the Company;
- b. To be able to meet the reasonable expectations of the policyholders taking into account the safety of their funds with optimum Return;
- c. To adhere to all Regulatory provisions;
- d. To conduct all the related activities in a cost effective and efficient manner; and
- e. To achieve performance in line with benchmarks identified for the different investment portfolios.

The Company has also defined the Investment Objectives for each Fund separately, on the basis of aforesaid broader Investment objectives.

(B) Investment Vision:

“To invest the funds on the prudent principles of Safety, Liquidity & Returns, with an overall vision of meeting reasonable expectations of policy holders”.

Source: SBI Life Investment Policy

Major Economic Indicators

Economic Indicators

Particulars	30-Nov-25	31-Oct-25	Change (%)	31-Mar-25	Change (%)
₹/\$	89.46	88.72	▶ -0.83%	85.46	▶ -4.68%
Forex Res.(Bn- 1 Wk Lag)	\$ 688.10	\$ 695.36	▶ -1.04%	\$ 658.80	▶ 4.45%
Oil Price (\$/Barrel)	\$ 62.39	\$ 64.80	▶ -3.72%	\$ 73.63	▶ -15.27%
FII inflows (Net) - Crs (₹)					
Equity (monthly)	-3765	-7587	▶ -50.38%	-3973	▶ -5.24%
Debt (monthly)	4674	1147	▶ 307.50%	37789	▶ -87.63%

Indices

Particulars	30-Nov-25	31-Oct-25	Change (%)	31-Mar-25	Change (%)
BSE Sensex	85,706.67	83,938.71	▶ 2.11%	77,414.92	▶ 10.71%
S&P CNX Nifty	26,202.95	25,722.10	▶ 1.87%	23,519.35	▶ 11.41%
Dow Jones Industrial Avg	47,716.42	47,562.87	▶ 0.32%	42,001.76	▶ 13.61%
FTSE 100	9,720.51	9,717.25	▶ 0.03%	8,582.81	▶ 13.26%
Hang Seng Index	25,858.89	25,906.65	▶ -0.18%	23,119.58	▶ 11.85%
Nikkei 225	50,253.91	52,411.34	▶ -4.12%	35,617.56	▶ 41.09%
B S E Metal Index	34,112.07	35,128.74	▶ -2.89%	30,824.72	▶ 10.66%
B S E Power Index	6,613.14	6,925.65	▶ -4.51%	6,588.41	▶ 0.38%
B S E Realty Index	7,014.79	7,360.12	▶ -4.69%	6,601.58	▶ 6.26%
B S E Auto Index	61,750.01	59,869.80	▶ 3.14%	47,704.03	▶ 29.44%
B S E FMCG Index	20,407.47	20,660.05	▶ -1.22%	19,447.48	▶ 4.94%
B S E Bankex	66,946.16	64,936.05	▶ 3.10%	59,542.38	▶ 12.43%
B S E Healthcare Index	44,883.80	44,529.77	▶ 0.80%	41,421.50	▶ 8.36%
B S E Capital Goods Index	69,208.59	70,404.39	▶ -1.70%	62,724.28	▶ 10.34%
B S E Information Technology Index	36,305.54	35,012.88	▶ 3.69%	36,122.71	▶ 0.51%
B S E Oil & Gas Index	28,207.28	28,640.52	▶ -1.51%	25,133.51	▶ 12.23%

Primary Key Rates

Particulars	30-Nov-25	31-Oct-25	Change (%)	31-Mar-25	Change (%)
Repo Rate*	5.25%	5.50%	▶ -0.25%	6.25%	▶ -1.00%
Reverse Repo Rate**	3.35%	3.35%	▶ 0.00%	3.35%	▶ 0.00%
CRR #	3.00%	3.25%	▶ -0.25%	4.00%	▶ -1.00%
SLR *#	18.00%	18.00%	▶ 0.00%	18.00%	▶ 0.00%
Call money rate	5.76%	5.40%	▶ 0.36%	5.80%	▶ -0.04%
Current Inflation Rate (WPI)	-1.21%	0.13%	▶ -1.34%	2.38%	▶ -3.59%
Current Inflation Rate (CPI)	0.25%	1.54%	▶ -1.29%	3.61%	▶ -3.36%
IIP (WPI) % Y-O-Y	4.00%	4.00%	▶ 0.00%	5.00%	▶ -1.00%
AAA spread (bps)	59.00	64.00	▶ -7.81%	40.00	▶ 47.50%

Particulars	2021-22	2022-23	2023-24	Q1 FY25	Q2 FY25
Real GDP % (New Growth No. by CSO)	-7.30%	7.20%	7.76%	6.65%	5.36%

Interest Rates (FIMMDA)

Particulars	30-Nov-25	31-Oct-25	Change (%)	31-Mar-25	Change (%)
91 days T - Bill	5.36%	5.46%	▶ -0.10%	6.45%	▶ -1.09%
364 days T - Bill	5.53%	5.58%	▶ -0.05%	6.54%	▶ -1.01%
5 Years G - Sec (Annualized)	6.38%	6.33%	▶ 0.05%	6.63%	▶ -0.25%
10 Years G - Sec (Annualized)	6.66%	6.61%	▶ 0.05%	6.78%	▶ -0.12%
30 Years G - Sec (Annualized)	7.44%	7.34%	▶ 0.10%	7.12%	▶ 0.32%

* w e f Feb 08, 2023

** w e f May 22, 2020

w e f May 21, 2022

*# w e f Apr 09, 2020

CSO (CHIEF STATISTICAL OFFICE)

CPI - Consumer Price Index

WPI - Wholesale Price Index

IIP - Index of Industrial Production

Data Sources

NSE

BSE

RBI

FIMMDA

Bloomberg & Reuters

DEBT MARKET REVIEW AND OUTLOOK

Market Review

November 2025 – Will rates be eased?

Benchmark 10-year treasury yields were lower at 6.50% in November 2025 from 6.53% in October 2025. The US 10Y yield was at 4.01% at the end November 2025 lower than 4.08% in October 2025. INR was much weaker by 0.77% at the end of November 2025 as it closed at 89.45 against October end's 88.78 versus the USD

India Macro Movers:

India's the year-on-year CPI inflation for October 2025 was 0.25%. This is lower than last month's 1.44% and the 9th consecutive month of sub-4% inflation making the markets very confident of imminent rate cuts by MPC.

Core CPI has been steadily staying close to 4-4.5%. Core inflation continued to move 0.3% month on month, but steadily if we look at 3mma, the movement is up from 0.3% to 0.5%. Without gold Core CPI is just hovering around 3%. India's goods and services tax (GST) revenues fell 6% year-on-year to Rs 1.71 lakh crore in November, according to government data.

Global:

Economic data in the US started weakening in the months of October and November, but the official US Govt shutdown has caused a delay in release of most economic data points. The jobs data has been the most deteriorating. The job revisions have been downgraded for 8-9 months continuously. The inflation however has been rising every month from a low of 2.3% to 2.9%. Even month on month rise has been uncomfortably picking up. The Fed had cut interest rates in September and October after maintaining a pause in 2025. Based on the inflation - growth dynamics, markets now expect the next cut to come in December 2025.

The data in Euro are, and UK continues to be that of weakness with central banks looking to do more cuts in 2025. US yields, Global bond yields, currencies and markets will continue to be volatile in the short term as Trump Administration continues to unveil more tariff. However, all developed markets are seeing higher fiscal deficits and hence long end bond yields continue to rise without any respite.

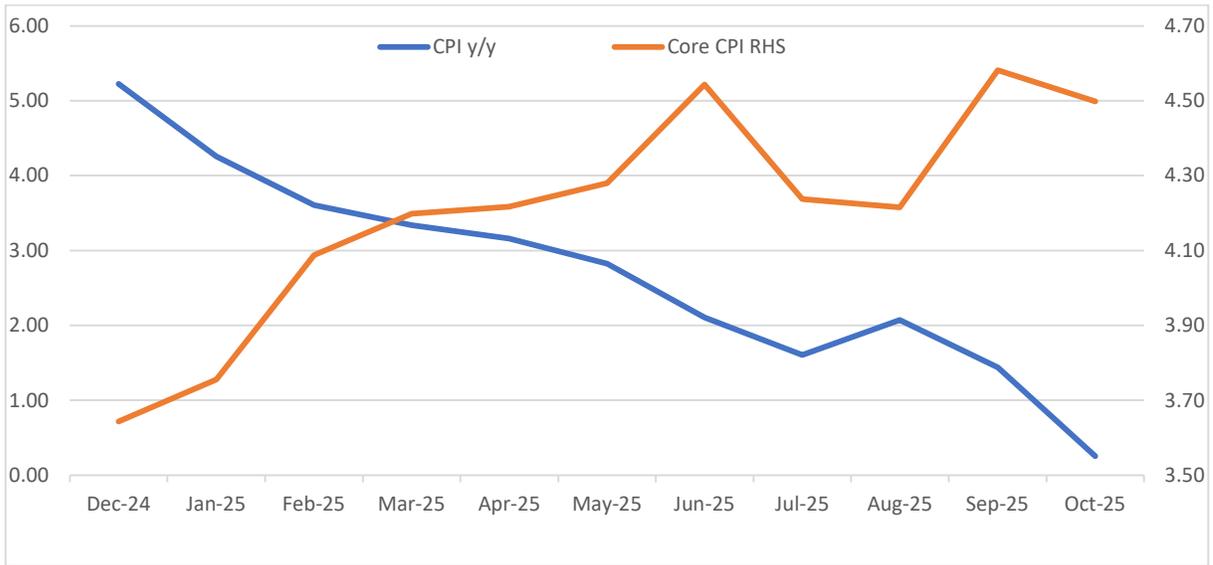
Outlook:

RBI has done 100 bps of rate cuts with 50 bps done in June, and a pause in August and October along with 100 bps of CRR cuts (effective Sept-Nov). The RBI stance has been maintained as neutral. The RBI has started indicating that rate cuts are imminent, as policy space had opened up.

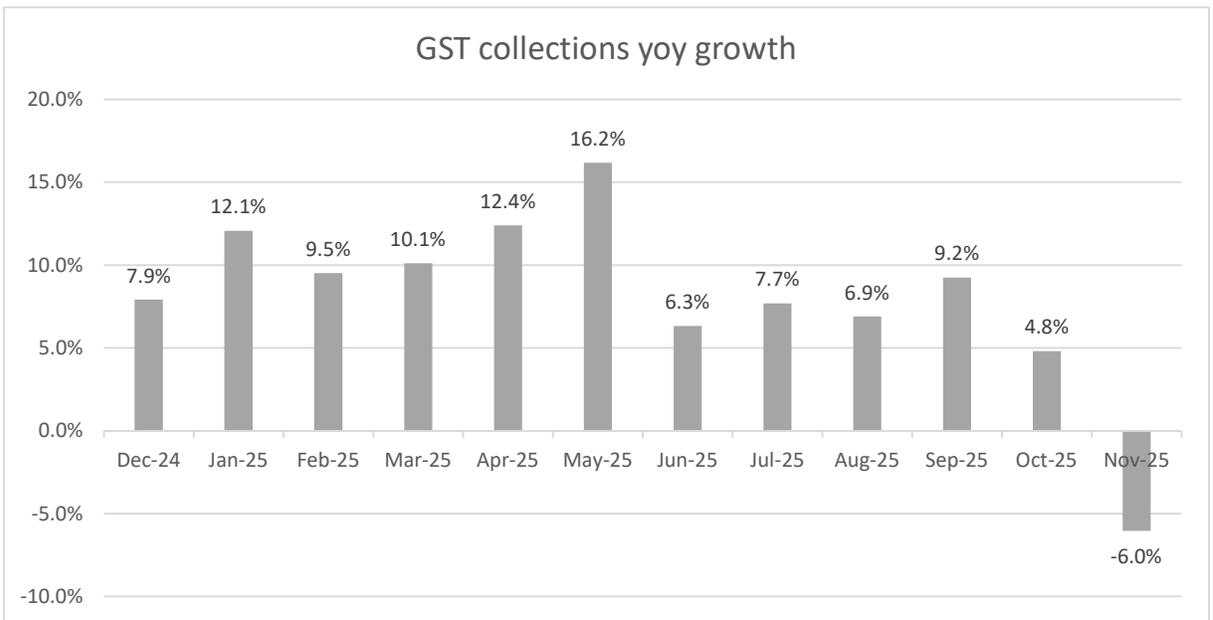
We don't expect anything more than one cut if at all, as the inflation looks moderate only on a y-o-y basis owing to base effects. We think 10 y has hit a low of 6.11 in this cycle and yields will remain in 6.25%-6.50% over the next few months based on growth and macro data. The lower end of this range could be seen if either RBI gives OMO buybacks in Q4, and/or we see one more rate cut in December 2025 or February 2026.

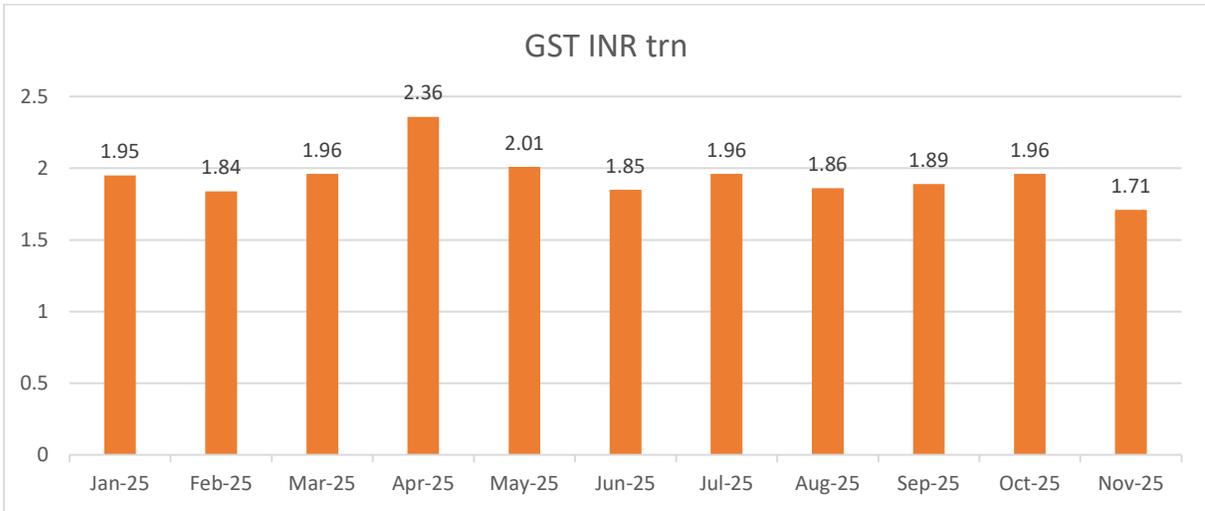
Our strategy given the above will be to add spread assets that offer better yield and carry in Non ULIP funds, while maintaining duration. We intend to keep cash levels at around 3-5%. In ULIP we aim to keep modified duration at around 6 in larger funds in debt.

India CPI has hit a multi-year low, but helped largely by base effects, Core stable

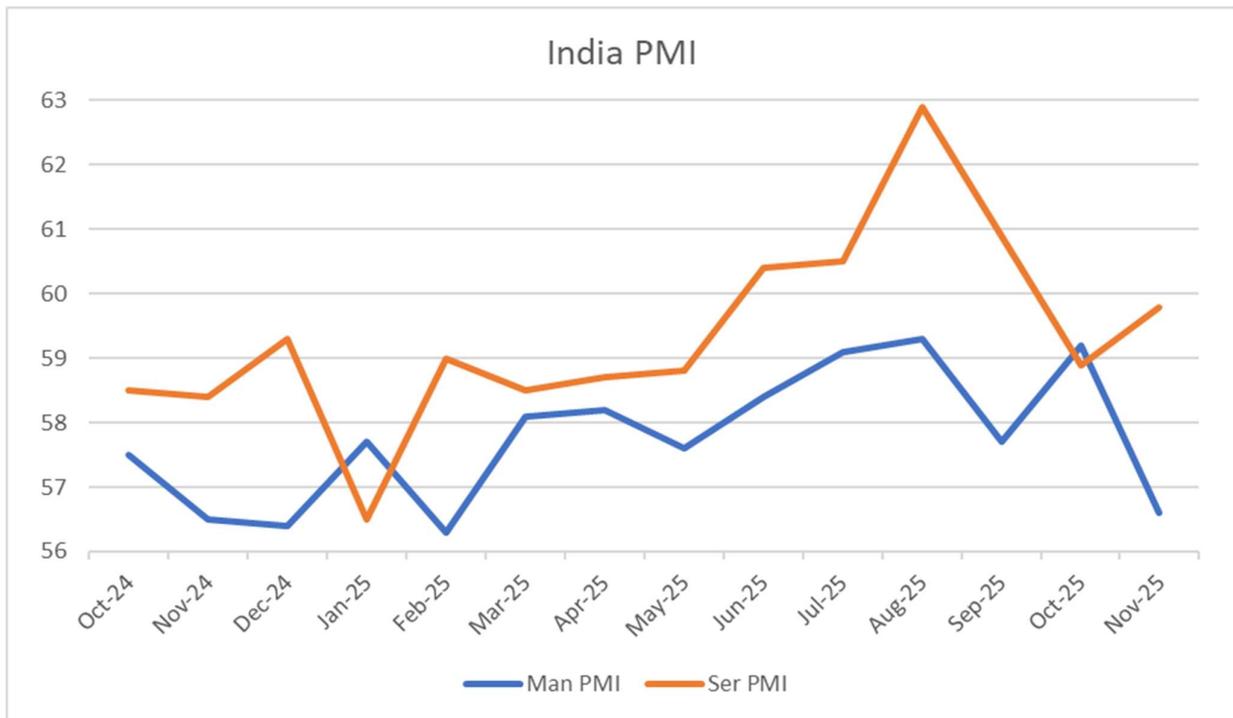


GST collections have stabilized





PMIs just dipped in the latest month, but still higher than most of Asia and EM



Equity Outlook

Equity Market Outlook for the month of December 2025

Nifty and Sensex ended at 26,203 and 85,707 respectively, up 1.9% and 2.1% respectively for the month of November 2025. Key events driving markets this month were the see-sawing of US Fed rate cut expectations, the conclusion of Q2 earnings, state elections in Bihar and negotiations to end the Russia-Ukraine war.

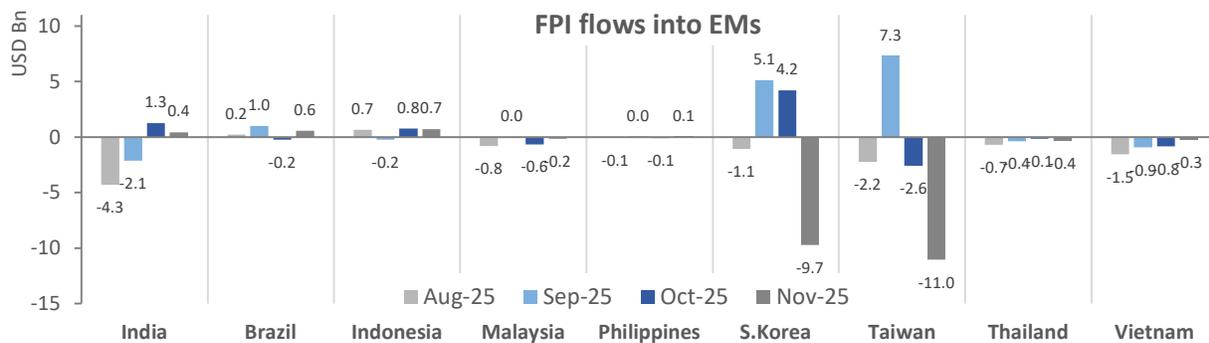
Broader markets in India posted positive mixed returns this month, with the NSE Mid-cap 100 index up 1.9% and NSE Small-cap 100 index down 3%. Our markets outperformed East Asian equity indices with South Korea, Japan and Taiwan falling 4%, 4.1%, 2.1% respectively in November – indicating fears in the AI trade that have been pushing these indices to record highs in previous months. The S&P 500 index was up 0.1%, with Nvidia falling 12.6% due to fears of an AI bubble and increasing competition. In India, IT was the best performing sector for the second month, gaining 6% in November, while Realty fell by 5% and was the worst performer, a reversal from last month's outperformance.

Fig 1. IT outperformed and Realty underperformed in November

	1M		3M		6M		9M		12M	
	Returns	Rank								
Midcap	2%	-	10%	-	6%	-	27%	-	8%	-
Smallcap	-3%	-	3%	-	0%	-	21%	-	-4%	-
Auto	3%	2	10%	5	18%	1	35%	1	17%	1
Banking	3%	3	12%	2	6%	4	22%	6	13%	3
Cap. Goods	-2%	9	6%	7	-3%	10	25%	3	-2%	8
FMCG	-1%	7	-1%	12	0%	8	11%	11	-4%	9
Healthcare	1%	5	3%	11	5%	5	17%	8	3%	6
IT	4%	1	5%	8	-2%	9	-1%	12	-15%	12
Metal	-3%	10	12%	1	11%	2	22%	7	12%	4
Oil & Gas	-2%	8	10%	4	4%	6	25%	4	5%	5
Power	-5%	11	3%	10	-3%	11	15%	9	-12%	11
Realty	-5%	12	4%	9	-4%	12	14%	10	-12%	10
Financials	2%	4	10%	6	6%	3	24%	5	15%	2
PSU	-1%	6	11%	3	3%	7	28%	2	2%	7

FII's bought USD 40.4 Mn of Indian equities during November, buoyed by another bumper month for IPOs. In fact, FIIs were net sellers in secondary equities to the tune of USD 1.3 Bn, which was completely offset by primary market flows of USD 1.34 Bn. DIIs continued their run of inflows with USD 8.7 Bn of equity purchases in November. Net FII flows into India's secondary equity markets this fiscal year stand at -9.0 Bn USD.

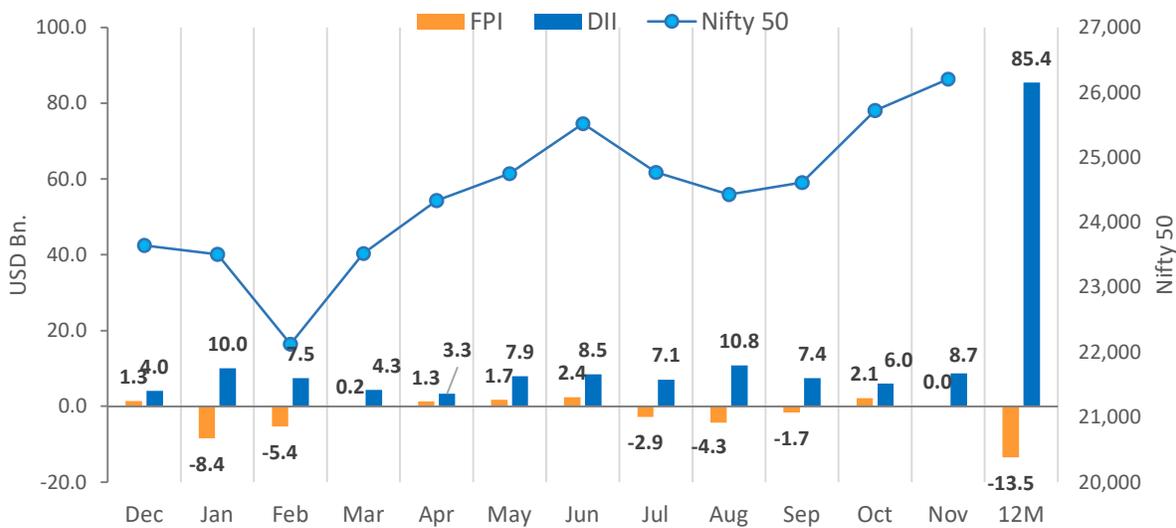
Fig 2. EM flows diverge across geographies – AI Bubble fears trigger massive outflows from Korea, Taiwan



India's CPI inflation moderated to 0.25% in October 2025, easing from 1.4% in September while WPI inflation was -1.2 % for October, compared to 1.4% in September. Food inflation crashed, falling to -5% in October. Gross GST collections for November 2025 rose 0.7% YoY, slowing down due to GST slab rationalization. GDP growth for Q2 FY25 stood at 8.2%, a positive surprise driven by private consumption and manufacturing.

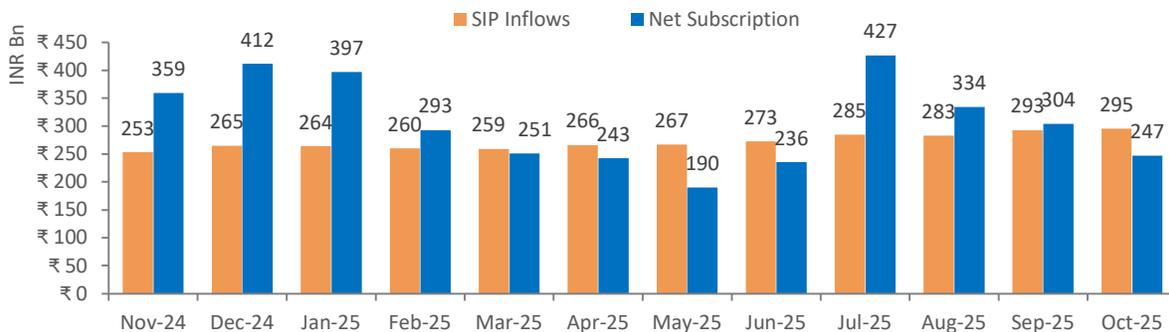
The low inflation and buoyant GDP growth have clouded expectations of a December rate cut by the RBI, and economists remain divided on the possibilities of a rate cut materializing in the MPC's December meeting. Meanwhile, Brent Crude ended October at USD 64/bbl, down 1.3% from October, while gold extended its rally, gaining 5.9% in October and up 61% YTD.

Fig 3. DII and FII flows from Dec '24 to Nov '25



Mutual fund inflows into equity-oriented funds in October fell from September levels, standing at 246 Bn INR, showing continuing the strength in equity fund inflows. SIP inflows in October remained steady at 295.2 Bn INR.

Fig 4. Total Net subscription to domestic equity-oriented mutual funds and monthly SIP flows



In the United States, the Federal Reserve implemented a 25-bps rate cut at its October FOMC meeting. Expectations of a December rate cut have seesawed as Jerome Powell's warning of a cut "not being a foregone conclusion", have been followed up by dovish commentary by members of the Fed Board of Governors. This has led to the market currently pricing in a probability of a December rate cut at 89%, up from lows of around 35%. Amid this, the record-setting US Government shutdown ended with the signing of a bill that extended funding until the end of January 2026.

Global equities faced a turbulent month as foreign funds exited Korea and Taiwan in droves, on fears of an AI bubble took hold amid circular deals between companies in the AI ecosystem and fresh debt raising by several hyperscale's. US Treasury yields gained, with the 10-year note closing at 4.01%, and the dollar index falling 35 bps ending at 99.46.

In geopolitics, a potential peace deal between Ukraine and Russia may have major implications on Crude oil prices. US military activities regarding Venezuela, another major oil producer, may also play a role in the future.

Fig 5. Performance of selected global assets since 2024 US elections - HK indices have outperformed



The latest economic data paints a mixed but largely positive picture: GDP numbers came in robust for the month, with a detailed breakdown of both GDP and GVA (growing at 8.1%) highlighting strong momentum in real activity. However, low inflation has kept nominal growth subdued, which could weigh on corporate topline expansion despite impressive real GDP growth. Credit growth is likely to stay robust, supported by healthy demand and banking sector resilience. Labour code reforms which were implemented this month are expected to improve flexibility and productivity in the job market. The anticipated implementation of the Eighth Pay Commission is also expected to provide a significant demand boost and support broader economic expansion.

Nominal GDP growth has been below 10-year average

Exhibit 1: India's nominal GDP growth, March fiscal year ends (% , yoy)



Notes:

(a) 10-year average growth is calculated excluding the Covid period.

Source: CEIC, Kotak Economics Research

2QFY26 real GDP growth surprised higher at 8.2%

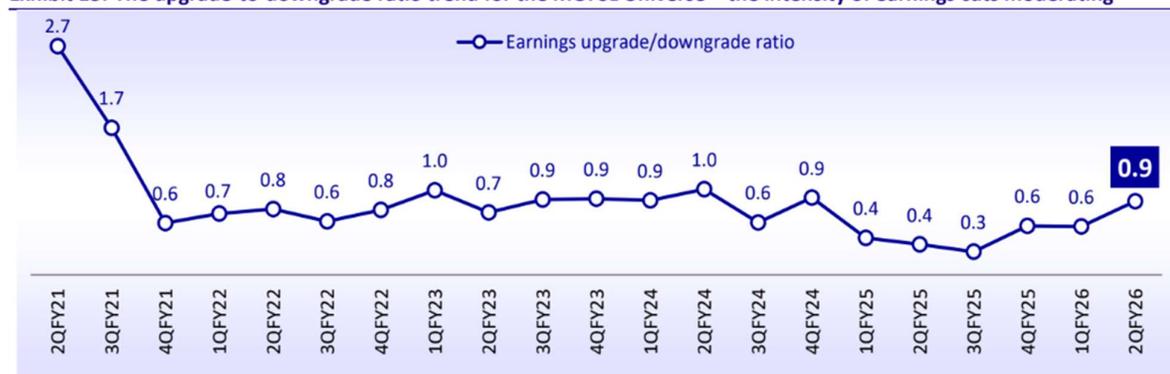
Exhibit 4: Real GDP and components growth, March fiscal year-ends, 2019-26 (%)

	2019	2020	2021	2022	2023	2024	2025	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Real GDP	6.5	3.9	(5.8)	9.7	7.6	9.2	6.5	6.5	5.6	6.4	7.4	7.8	8.2
Private consumption	7.1	5.2	(5.3)	11.7	7.5	5.6	7.2	8.3	6.4	8.1	6.0	7.0	7.9
Government consumption	6.7	3.9	(0.8)	0.0	4.3	8.1	2.3	(0.3)	4.3	9.3	(1.8)	7.4	(2.7)
Gross fixed capital formation	11.2	1.1	(7.1)	18	8.4	8.8	7.1	6.7	6.7	5.2	9.4	7.8	7.3
Inventory	27	(59)	(76)	525	24	53	4.5	7.5	2.1	3.5	4.8	5.9	7.4
Valuables	(9.7)	(14.2)	30	33	(17)	14.4	0.6	(23)	26	(0.5)	(30)	(23)	(23)
Exports	11.9	(3.4)	(7.0)	30	10.3	2.2	6.3	8.3	3.0	10.8	3.9	6.3	5.6
Imports	8.8	(0.8)	(12.6)	22	8.9	13.8	(3.7)	(1.6)	1.0	(2.1)	(12.7)	10.9	12.8

Source: CEIC, Kotak Economics Research

With all Q2 corporate results now, the overall trend points to solid growth with Nifty 500 PAT growing by 15% YoY. Equities have faced continuous EPS estimate cuts starting mid-2024 – a trend which has bottomed out now and is likely to be followed by upgrades.

Exhibit 15: The upgrade-to-downgrade ratio trend for the MOFSL Universe – the intensity of earnings cuts moderating



Risk reward considering a 3-year view favours equity as asset class. Depending on appetite to absorb the volatility a large cap-oriented fund should be appropriate. Earnings growth for Nifty companies with the FY 26 expectations as per broker research enclosed here.

Exhibit 41: BFSI, Telecom, Metals, O&G, and Technology to drive FY26E earnings for the Nifty

Sector	Review 2QFY26 PAT (INR b)					Growth YoY (%)				
	FY24	FY25	FY26E	FY27E	FY28E	FY24	FY25	FY26E	FY27E	FY28E
Automobiles	580	620	563	710	832	125	7	-9	26	17
BFSI	2,467	2,804	3,078	3,536	4,175	26	14	10	15	18
Capital Goods	170	200	240	285	338	27	17	20	19	19
Cement	134	110	136	173	209	16	-18	24	27	21
Consumer	416	390	413	465	506	14	-6	6	13	9
Healthcare	217	249	262	286	320	24	15	5	9	12
Logistics	89	108	135	158	178	16	22	25	17	12
Metals	595	600	706	875	962	10	1	18	24	10
Oil & Gas	1,261	1,081	1,172	1,227	1,319	18	-14	8	5	7
Retail	45	53	69	81	95	24	17	31	17	17
Technology	1,009	1,101	1,166	1,246	1,309	3	9	6	7	5
Telecom	113	176	304	409	533	Loss	LP	73	35	30
Utilities	341	357	382	446	487	6	4	7	17	9
Others	120	118	113	159	197	749	-2	-4	40	24
Nifty	7,559	7,965	8,738	10,055	11,459	24	5	10	15	14

Fig 7. Forward P/E levels across Large-Caps, Mid-Caps and Small-Caps – Small-caps back in overvalued zone

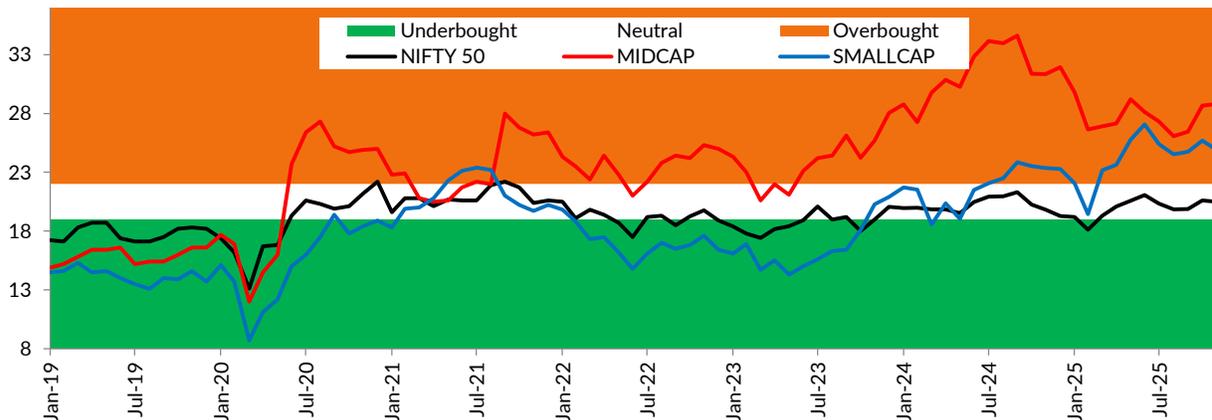


Fig 8. Major events and Nifty50 movements during November 2025

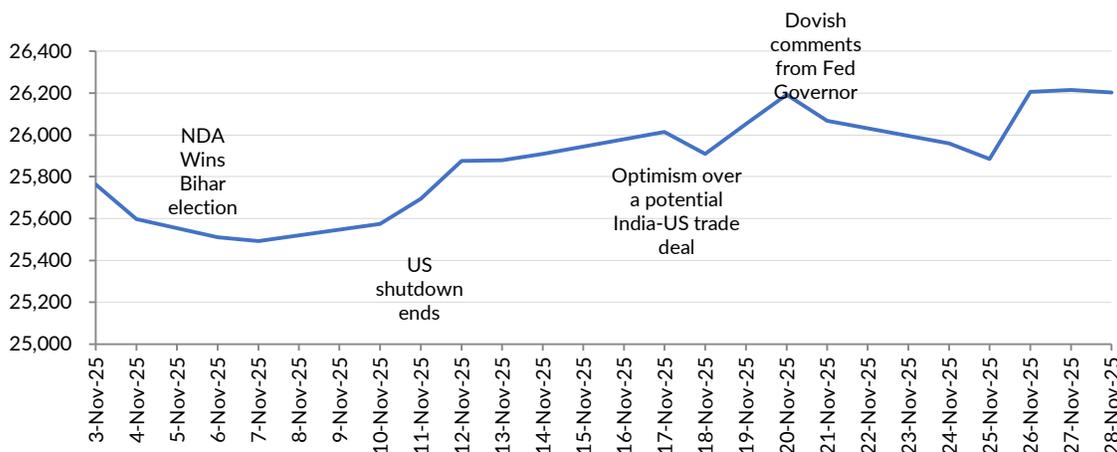


Fig 9. Fund Returns – AUM Mix and Performance (CAGR)

	Equity % in Fund	1M	1Y	3Y	5Y
Midcap Fund	95%	1.30 %	5.15 %	22.40 %	23.13 %
<i>Benchmark</i>		2.14 %	8.42 %	24.26 %	25.36 %
Bond Fund	0%	0.27 %	7.08 %	7.37 %	5.39 %
<i>Benchmark</i>		0.30 %	7.31 %	7.73 %	5.80 %
Equity Fund	99%	0.48%	4.41 %	13.05 %	14.93 %
<i>Benchmark</i>		1.03 %	8.31 %	12.18 %	15.10 %
Balance Fund	51%	0.58 %	7.77 %	10.04 %	10.24 %
<i>Benchmark</i>		0.67 %	8.62 %	10.12 %	10.62 %

Fig 10. Major Index and Asset Class Returns

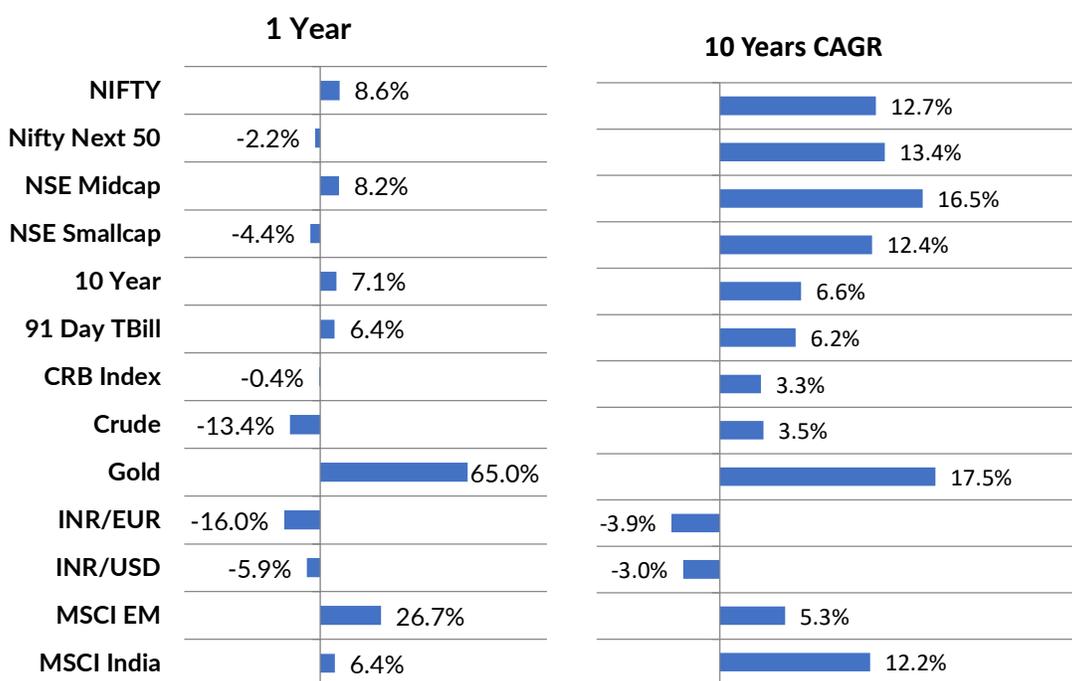
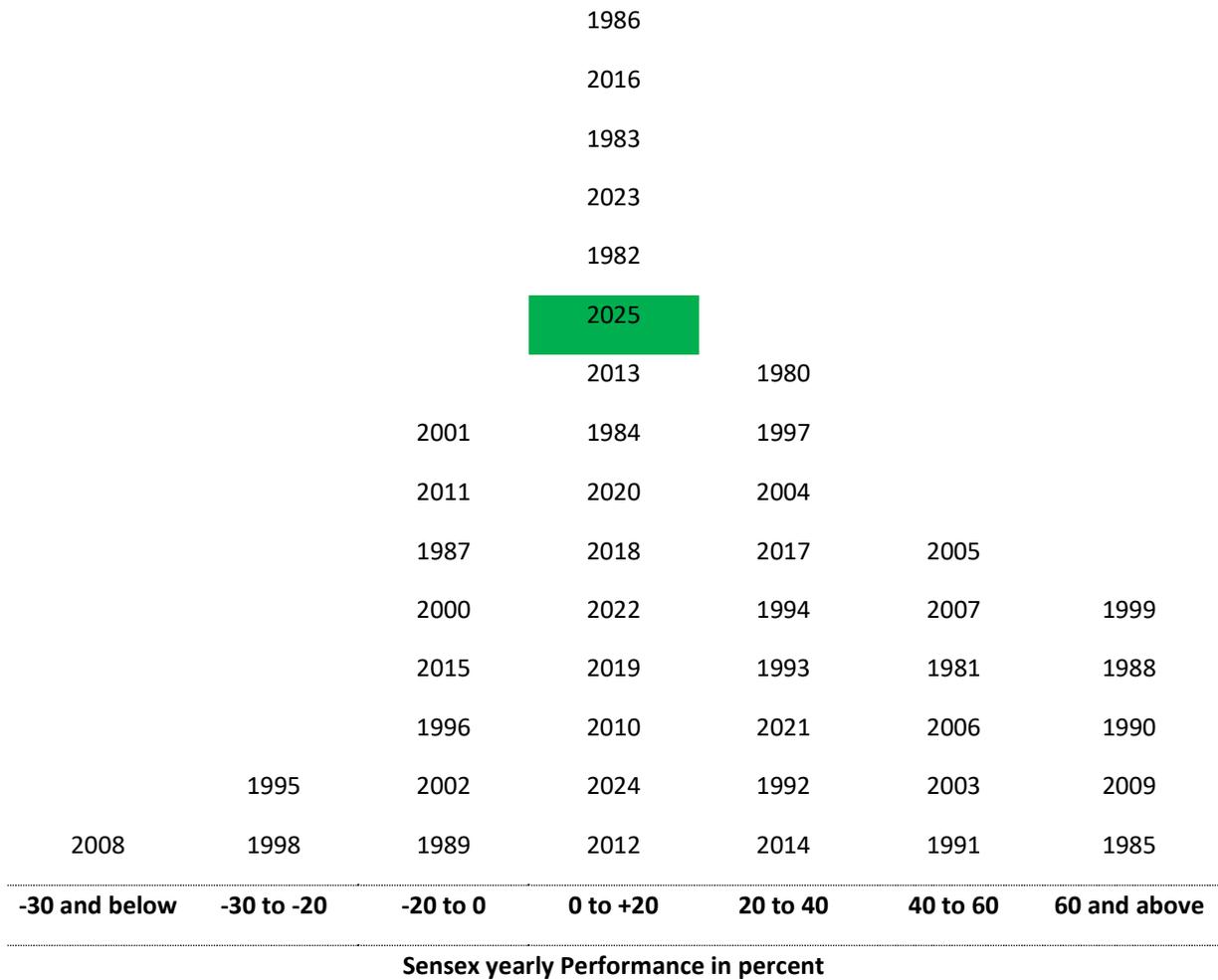


Fig 11. Sensex yearly Performance in November (percent)



RISK MANAGEMENT PRACTICE FOR UNIT LINKED PORTFOLIOS

Company's investment exposure to any sector is as per limits prescribed by IRDAI under Investment Regulations and the same is monitored on a daily basis. In addition, the company also follows stringent asset allocation metrics as per policy features communicated to the policy holder and the same is adhered to while making investment decisions. In case of guaranteed products, investments are made in suitable asset classes taking into account market and credit risk, and liquidity of the investment to ensure fulfilment of guarantee promised. There is an efficient stop loss policy in place, which is triggered every time the stock price breaches a specific threshold level. This warrants review of investment decision and establishes the rationale for continuance or discontinuance of the specific investment thus preventing sharp fall in value of our holdings and prolonged underperformance of the portfolio. Significant importance is given to asset liability management and accordingly, portfolios are reviewed on a monthly basis to ensure adherence.



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