Amid Wars and Geopolitical Fears.

8th Letter to Investors
Date: 9th March 2026
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This letter is an extension for our 7th letter to investors - [‘Indian Market Structural Resilience: The Case for Equities Over Gold’.](#) Following feedback, we're presenting this investor letter graphically, prioritizing charts over text.

This letter synthesises our previous thesis on structural resilience with the current geopolitical "sentiment shock." This letter concentrates on the idea and historical observation that while geopolitical events trigger immediate fear, they have historically acted as catalysts for significant long-term wealth creation.

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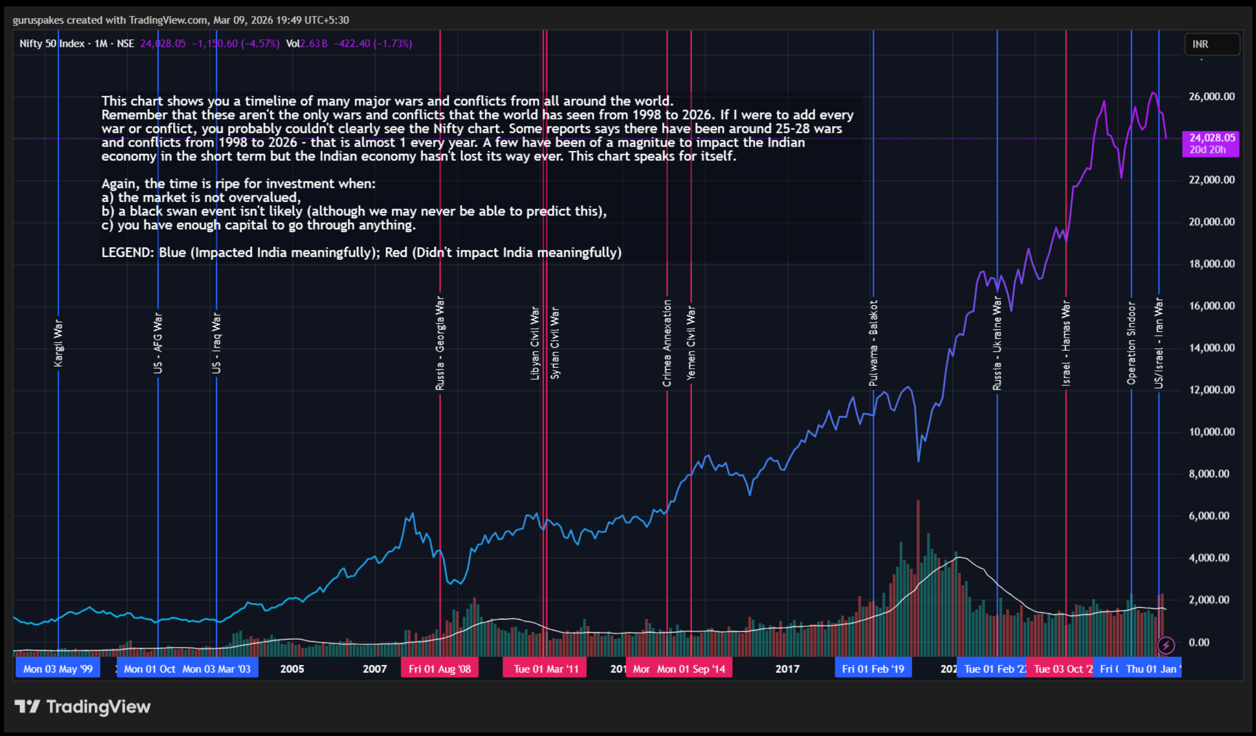
1. Wars are Temporary

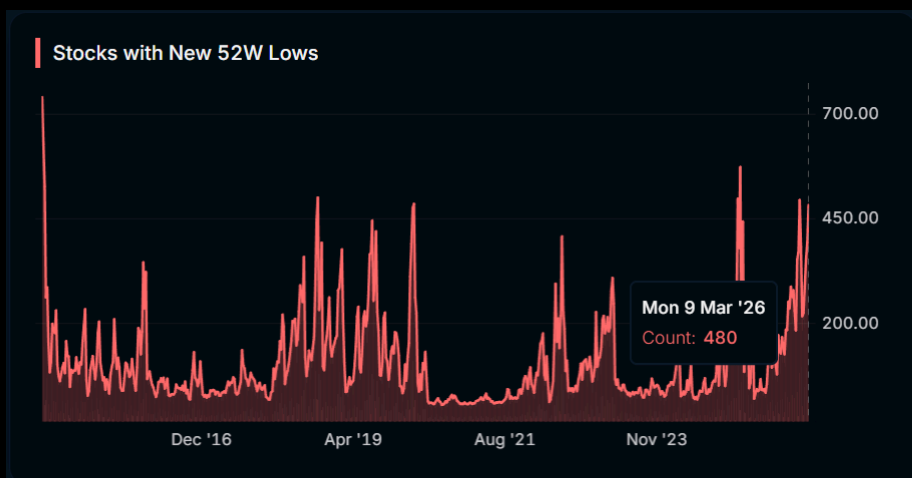
The current US-Iran conflict, just like every other conflict barring the World War, is a **Sentiment Shock**, not a structural collapse.

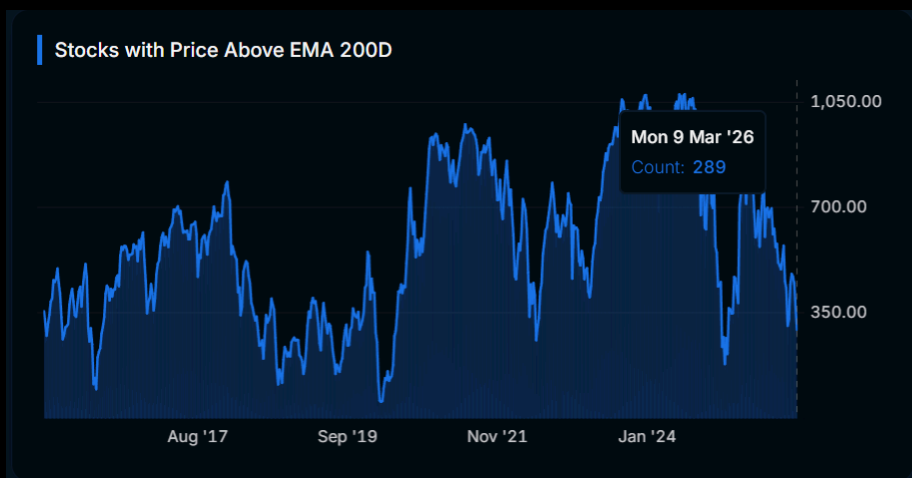


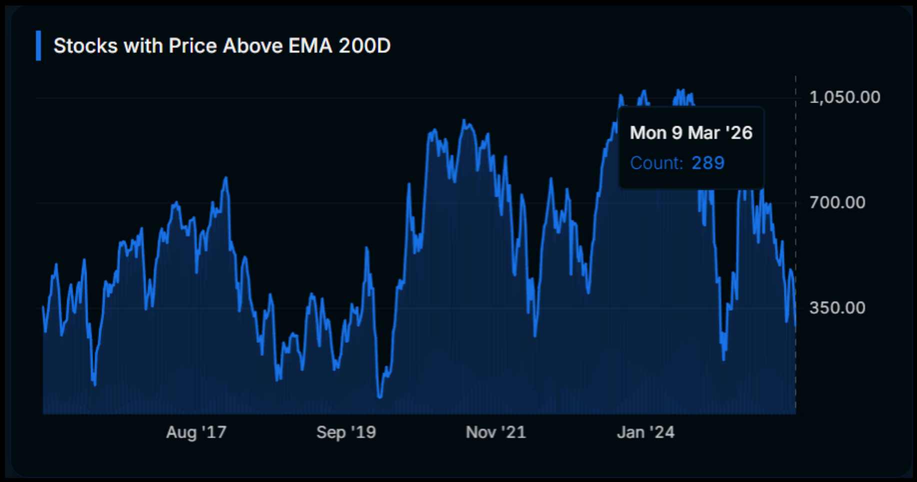
2. The "Final Washout": Peak Panic is Here

Technical indicators are screaming that the selling is reaching an exhaustion point as of **March 9, 2026**.

- **The Fear Gauge**: 480 stocks hit New 52W Lows today - a classic signal of a "Final Washout".
- **Breadth Bottom**: Only **289 stocks** remain above their 200 EMA, reaching the deep accumulation zone we previously identified.
- **Momentum**: Weekly RSI has cooled to "near-oversold" levels, which has historically rewarded patient entry.







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3. The "Time Correction" Thesis

We remain in a structural **Time Correction**, where earnings grow while prices stay flat.

- **The 18-Month Rule**: Stagnant periods like the one from August 2024 to January 2026 have historically been the "springboard" for Nifty's next major multi-year rally.
- **Demand Zone**: Breaking a demand zone due to geopolitical news which is likely temporary and gives a sentiment shock is historically **not a signal to sell**, but a point to buy with confidence.

Build wealth by thinking beyond the short term

EDELWEISS ASSET MANAGEMENT

When Nifty stagnated for ~18 months, how did the next 3 and 5 years play out

Start Date	End Date	18M return	Next 12M Return	Next 36M Return
31-Jul-01	31-Dec-02	1.92%	72%	159%
31-Aug-01	31-Jan-03	-1.13%	74%	188%
31-Oct-01	31-Mar-03	0.65%	81%	248%
31-Jan-07	30-Jun-08	-1.03%	6%	40%
31-Mar-08	31-Aug-09	-1.53%	16%	13%
30-Apr-08	30-Sep-09	-1.59%	19%	12%
28-Feb-11	31-Jul-12	-1.95%	10%	63%
30-Apr-11	30-Sep-12	-0.80%	1%	39%
31-May-11	31-Oct-12	1.07%	12%	44%
31-Dec-14	31-May-16	-1.48%	18%	46%
30-Jun-15	30-Nov-16	-1.72%	24%	47%
30-Sep-21	28-Feb-23	-1.78%	27%	48%
31-Oct-21	31-Mar-23	-1.76%	29%	47%
31-Aug-24	**31-Jan-26**	**0.34%**	**?**	**?**

Past performance may or may not be sustained in the future.

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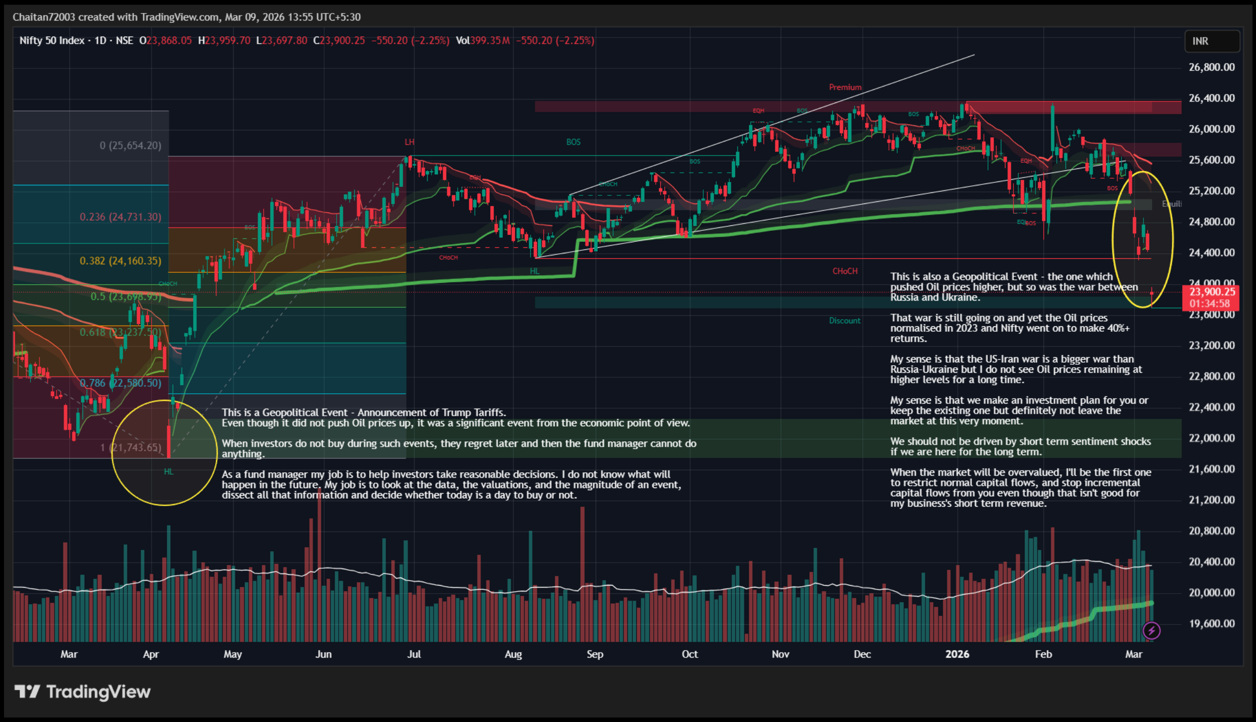
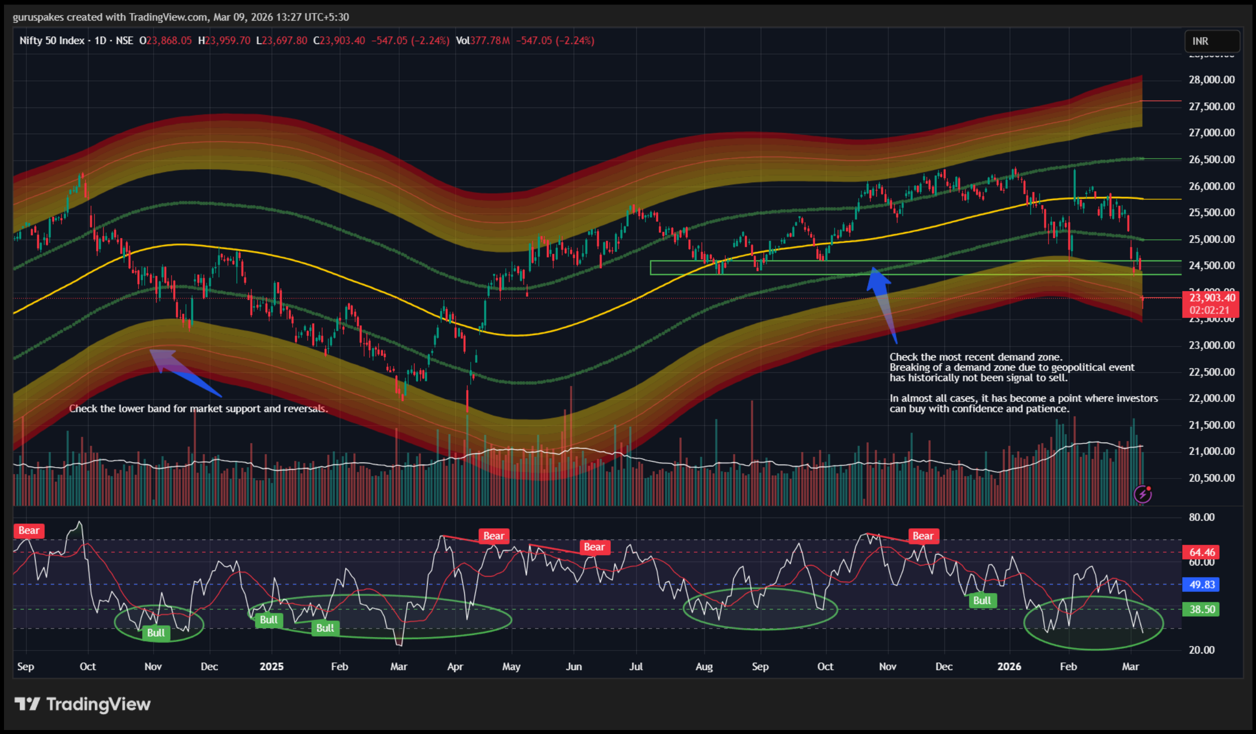
4. Detailed Chart Images

We will now let the charts do the talking. We have added comments and clearly highlighted the data points so that you can understand them easily. We hope you will love this!



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Nifty 50 Index · 1W · NSE O23,868.05 H23,959.70 L23,697.80 C23,874.00 −576.45 (−2.36%) Vol416.57M −576.20 (−2.36%)
Sentiment shocks do not last long. Investments done during these shcoks do.
Until the world doesn't experience an Black Swan Event like the Covid 19, the Great Depression, or World War.
6,942.20 (38.49%), 138,844
67 bars (469d), distance: 309 px
38.22°
7,560.05 (76.69%), 151,201
62 bars (434d), distance: 306 px
42.82°
BOS
CHOCH
INR
23,874.00
4d 2h
TradingView


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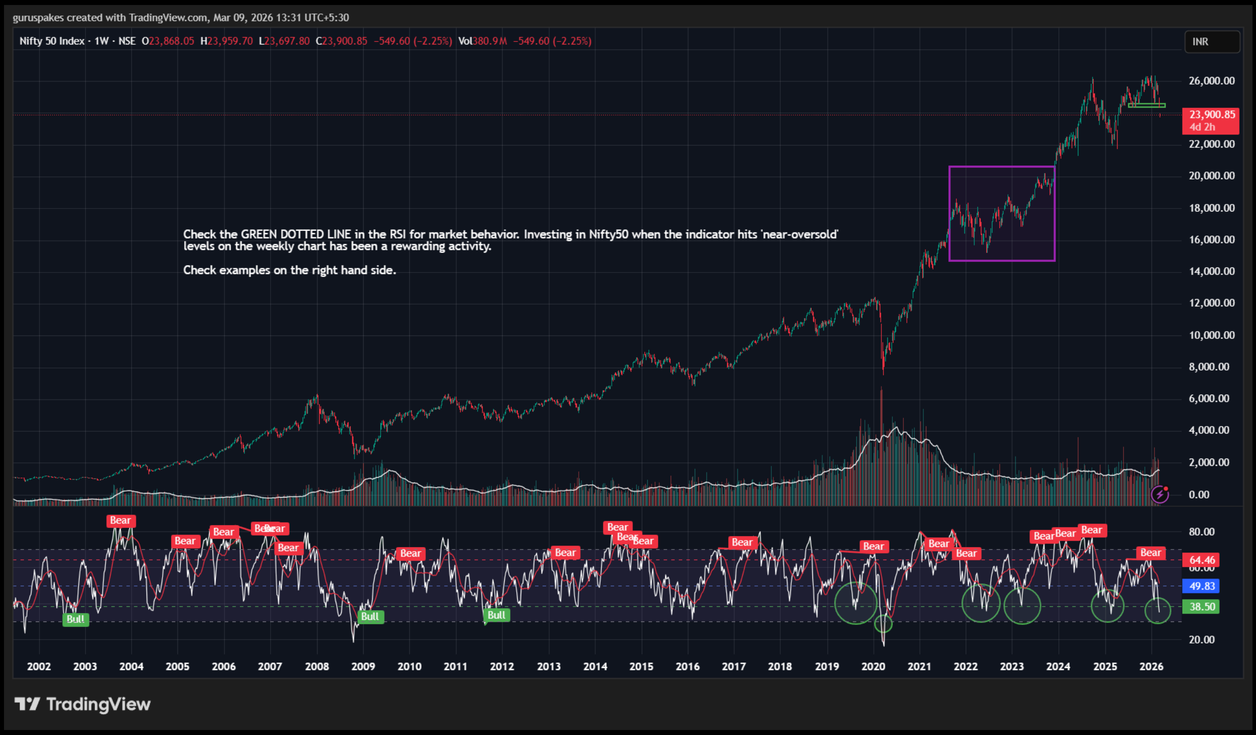
Nifty 50 Index · 1W · NSE O23,868.05 H23,959.70 L23,697.80 C23,865.30 −585.15 (−2.39%) Vol369.47M −585.15 (−2.39%)
2022-2023 correction that lasted about 18 months
Check the market behavior around Yellow Line.
Bear
INR
23,865.30
4d 3h
64.46
49.83
38.50
TradingView



The Verdict

While the headlines focus on the **US-Iran war**, the data focuses on **structural resilience**. With the Nifty/Gold ratio under 2.0 and market breadth at extremes, the risk-reward is skewed toward Equities.

Stay patient, stay safe, and let compounding do the job.
We are just a text away from you 🙏