

## ETMarkets Smart Talk

## Large caps, phased investing, global exposure: Nitin Rao of InCred Wealth's roadmap for volatile markets

23<sup>rd</sup> Mach 2026ET Markets- [Link to the article](#)

### Synopsis

Global investors face uncertainty from geopolitical tensions and oil price swings. **Nitin Rao** of **InCred Wealth** advises discipline, focusing on large caps for stability.

Phased investing helps manage volatility. Measured global exposure diversifies risks. Market corrections offer opportunities. Investors should monitor inflation and macro risks shaping the investment landscape.

Amid rising **geopolitical tensions, oil price volatility,** and an increasingly uncertain global backdrop, investors are being forced to rethink **portfolio strategies.**

Nitin Rao, CEO of InCred Wealth, believes that navigating such phases requires discipline rather than reaction.

In an interaction with Kshitij Anand of ETMarkets, he outlines a clear roadmap—focus on large caps for stability, adopt phased investing to manage volatility, and maintain measured global exposure to diversify risks.

Rao also highlights the importance of using market corrections as opportunities, while staying cautious of **inflation, supply shocks,** and evolving **macro risks** shaping the investment landscape. Edited Excerpts –



### Nitin Rao

CEO, InCred Wealth

**Q** Geopolitical tensions seem to be escalating across regions. How should global investors interpret these developments from a macro and market perspective?

**A** Geopolitical tensions in West Asia have added uncertainty to an already fragile global backdrop of trade frictions and AI-led disruptions. A prolonged conflict could raise energy prices, disrupt supply chains, and pressure inflation, current account balances, and global growth in 2026.

With central banks on a “long hold,” such shocks could derail the soft-landing path. Investors may need to temper return expectations and reassess exposure to energy- intensive and trade-sensitive sectors.

While investors should reduce overexposure to oil-sensitive regions, a cautiously optimistic medium-term view on risk assets remains. Staggered investing is prudent, with market corrections offering selective long-term opportunities.

**Q** Historically, markets tend to react sharply to geopolitical shocks but recover quickly. Is it time to diversify globally and which markets are looking attractive?

**A** Heightened geo-political tensions, trade frictions amplify the need for geographic spread to avoid overreliance on one economy, and investors must consider decent geographical diversification to mitigate downside risks.

History has taught us that such periods of heightened volatility don't last forever & so in hindsight these disruptions provide deployment opportunities for long term compounding.

We prefer markets where valuations, earnings breadth and macro resilience are most supportive—global EMs (incl. India) and select US segments, while being cautious on expensive DM pockets like Europe and narrow US mega cap tech.

**Q** How could rising crude oil prices and commodity volatility reshape the global investment landscape?

**A** Rising crude and broader commodity volatility could push the globe towards 'stagflationary risks' - higher inflation and softer economic growth which could complicate the central bank policies and eventually feed into downward spiral on growth and riskier assets.

Higher oil raises input costs for energy intensive sectors & compress margins and depress valuations of growth firms. Widening current account balances & fiscal deficit could propel hardening in fixed income yields & flare up borrowing costs.

Given the far-reaching consequences of crude oil shocks, the West Asia war needs a quicker resolution for the benefit of global community.

**Q** What role does rebalancing play during volatile periods when asset prices move sharply due to geopolitical shocks?

**A** Periods of Heightened Volatility don't last forever, and so investors must utilise the opportunities to re-align their portfolios during such 'tactical windows'. Those under-allocated in equities may increase equity exposure during these opportune times.

Staggered investing would be the right way to invest in markets with focus on Largecaps with long term perspective. Longer-term agile investors could also get sudden opportunities on sharp falls to take aggressive long-term exposures for extraordinary returns, especially in small and midcap stocks.

**Q** How can investors use ETFs to achieve better asset allocation across equities, debt, gold, and international markets?

**A** ETFs offer low cost, diversified single wrapper portfolios that can serve as building blocks for asset allocation across domestic equities, debt, gold, and international markets, with systematic rebalancing over time.

They provide broad based, cap weighted equity and fixed income exposure, while international equity ETFs help diversify country risk and access unique thematic opportunities.

Gold and silver ETFs are low cost, tax efficient, digital ways to own bullion, which tends to have low correlation with major asset classes and thus enhances portfolio diversification.

**Q** Which global ETF themes—such as technology, semiconductors, or global indices—do you believe investors should track in the current environment?

**A** We remain positive on International ETFs that provide unique thematic exposures in long term Megatrends such as those in Artificial Intelligence, Robotics, Semiconductors, Power Infra, BioMedicine, DataCentres and Defence

Several global ETFs also provide diversified exposure in Emerging Market themes (ex-India) which may also be contemplated at this point in time.

**Q** Ideally what percentage of capital should be diversified globally for someone who is 30-40 years? And if someone wants to deploy fresh capital, what would you advise?

**A** Investors should stay well diversified across sectors, segments, themes, and geographies, while avoiding over allocation to limit concentration risk.

Based on our in house, scientifically designed proprietary framework, Balanced to Aggressive investors should typically keep global and thematic exposure within 5-10% at any time.

For equity allocations, we prefer Large Caps at around 60% of the equity bucket, with the balance in broader markets, deploying over 2-3 months in Large Cap strategies and 3-4 months for mid and small caps. Alternative solutions such as MLD ideas can also be considered for principal protection with accelerated participation.