



Navigating Volatility with Vision

Market Data & Macros

MARKET SNAPSHOT

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| <p>BSE Sensex: 79,803 (-0.7 % MoM)</p> <p>Nifty 50: 24,131 (-1.37 % MoM)</p> <p>Nifty Bank: 52,056 (-0.51% MoM)</p> <p>Nifty Midcap: 56,393 (0.25% MoM)</p> <p>Nifty Small-Cap: 18,651 (2.48 % MoM)</p> <p>Nifty PE Ratio: 22.21</p> <p><small>** MoM" an abbreviation for "Month on Month Performance". Data as on 29th Nov.</small></p> | <p>Brent Crude: 71.84</p> <p>USD/INR: 84.49</p> <p>Gold (Rs/10 gms): 76,740</p> <p>10-year G-sec yield: 6.75 %</p> <p><small>Data as on 29th Nov</small></p> |
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In November 2024, global financial markets experienced significant developments. US saw some developments and surge fuelled by optimism surrounding President-elect's pro-business agenda, including anticipated tax cuts and deregulation amongst other factors. Conversely, The Nifty 50 fluctuated widely in November, driven by concerns over stretched valuations, weak performance by Indian Inc in Q2 and persistent selloffs by foreign investors, causing the index to oscillate consistently between gains and losses.

Goldman Sachs forecasts global GDP growth at 2.7% in 2025, with the U.S. leading at 2.5% due to higher productivity and policy support, while the euro area lags at 0.8%. India is highlighted as a key driver of global growth, leveraging structural shifts, resilient domestic demand, and increasing productivity. U.S. trade policies, including potential tariffs, are expected to have a more pronounced impact on China and the euro area. However, easing inflation, accommodative monetary policies, and targeted fiscal measures should bolster global economic stability despite rising geopolitical and trade uncertainties.

Given this landscape and potential consolidation with market going sideways in the short-term, investors can look to adopt a diversified investment strategy, balancing exposure across various asset classes and geographies to mitigate risks associated with market volatility and geopolitical uncertainties. Building portfolios in alignment with long-term goals and repositioning in to large caps vis-à-vis mid and small cap can help navigate volatility.



In The News:

- India's real GDP growth slumped to a seven-quarter low of 5.4% in the July to September 2024 quarter.
- GST collection for November rises by 8.5% to ₹1.82 trillion.
- India's forex reserves hit five-month low of \$656.5 billion, drops by \$47 billion in seven weeks; Rupee at all-time low.
- Manufacturing activity in India slowed in November, with the Purchasing Managers' Index (PMI) falling to 56.5, down from 57.5 in October.
- US economy grows 2.8% YoY in third quarter on steady consumer spending.



From Director's Desk

The Balanced Investor

Investing is often portrayed as a game of numbers, algorithms, and forecasts. However, I've learned that the true challenge lies within us. The interplay between Emotional Quotient (EQ) and Intelligence Quotient (IQ) is a delicate balance; it's not about which one is superior. Instead, it's about understanding yourself as an investor.

Years ago, I worked with a client panicking during a market crash. He was ready to sell everything, fearing further losses. Instead, we paused. I asked him to revisit his goals and the reasons behind his investments. Together, we created a plan to stay the course. Months later, the market rebounded, and his portfolio recovered. That moment taught me a crucial lesson: balancing EQ and IQ is essential. Managing emotions with

resilience (EQ) and making informed, logical decisions (IQ) are equally vital in achieving long-term financial success.

The stock market is a reflection of human behaviour, irrational at times and profoundly logical at others. It's where emotions like fear during a selloff or euphoria in a rally can cloud our decisions. Similarly, relying solely on IQ, crunching numbers, and analyzing trends without acknowledging human sentiment can lead to an incomplete perspective.

The truth is, that market movements don't just test your portfolio—they test your patience, your emotional resilience, and your discipline. Knowing yourself as an investor is the key to navigating this labyrinth. Are you someone who panics at volatility? Or do you thrive on the thrill of chasing trends? Do you pause to analyze data, or do you leap based on gut instincts?

Acknowledging your tendencies helps you craft a strategy that works for you. For instance, if you're prone to emotional decisions, implementing rules such as automating investments through SIPs can create discipline. If you tend to rely too much on data, you might benefit from stepping back to assess the broader emotional pulse of the market.

Successful investing isn't about erasing emotions or outsmarting the system. It's about creating harmony between the emotional and analytical aspects of your decision-making. When EQ and IQ work together, they empower you to stay calm in market downturns, avoid overconfidence during bull runs, and, most importantly, remain consistent in your journey toward financial goals.

As the year unfolds with its inevitable twists and turns, let's make 2025 the year we invest not just in markets but also in self-awareness. After all, the greatest asset you bring to the table is you.

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