

# WEEKLY NEWSLETTER

24.08.2025



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| RVCC Parameters                            | 24/08/2025 | 17/08/2025 |
|--|------------|------------|
| <u>PE</u>                                  | 21.9       | 21.7       |
| PB   | 3.3        | 3.3        |
| Market Cap to GDP                          | 136.53%    | 135.34%    |
| RSI 65                                     | 51.66      | 50.6458    |
| FII Net open interest change for the Month | - 50,129   | -40,904    |
| NIFTY                                      | 24870.10   | 24,631     |
| Nifty 13EMA                                | 24,827.68  | 24,658.30  |
| VIX  | 11.73      | 12.36      |

Based on these historical valuations, we have divided market valuation into five zones:

| Ratio = Total Market Cap / GDP   | Valuation  |
|----------------------------------|--|
| Ratio ≤ 72%                      | Significantly Undervalued                        |
| 72% < Ratio ≤ 92%                | Modestly Undervalued                             |
| 92% < Ratio ≤ 113%               | Fair Valued                                      |
| 113% < Ratio ≤ 133%              | Modestly Overvalued                              |
| Ratio > 133%                     | Significantly Overvalued                         |
| Where are we today (2025-08-23)? | Ratio = 136.53%, <b>Significantly Overvalued</b> |

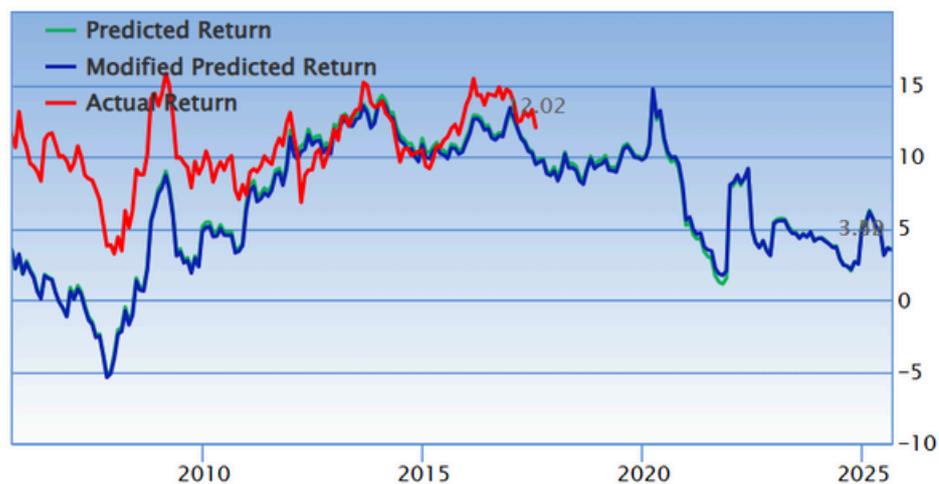
Based on these modified historical valuations, we have divided market valuation into five zones:

| Ratio = Total Market Cap / (GDP + Total Assets of Central Bank) | Valuation  |
|---|--|
| Ratio ≤ 64%   | Significantly Undervalued                        |
| 64% < Ratio ≤ 83%   | Modestly Undervalued                             |
| 83% < Ratio ≤ 101%  | Fair Valued                                      |
| 101% < Ratio ≤ 119%   | Modestly Overvalued                              |
| Ratio > 119%  | Significantly Overvalued                         |
| Where are we today (2025-08-23)?                                | Ratio = 122.26%, <b>Significantly Overvalued</b> |

### Predicted and Actual Returns of India

YTD 1Y 3Y 5Y 10Y 20Y All

Save Embed



Under the original buffett indicator, the stock market of India is expected to return 6.3% a year for the coming years. This is from the contribution of economic growth in local current prices: 6.86%, Dividend Yield: 1.53% and valuation reverse to the mean -2.1%.

Under the modified model, the contribution of economic growth and dividend yield stays the same while the valuation reverse to mean changes to -2.11%. Consequently, the stock market of India is expected to return 6.3% a year.

Source

<https://volatilitygame.com> | <https://www.valuestocks.in/en/niftytrend>

<https://www.investing.com/charts/live-charts>

<https://www.gurufocus.com/global-market-valuation.php?country=IND>

# US MARKET VALUATION



Based on these historical valuations, we have divided market valuation into five zones:

| Ratio = Total Market Cap / GDP   | Valuation                                       |
|----------------------------------|---|
| Ratio $\leq$ 87%                 | Significantly Undervalued                       |
| 87% < Ratio $\leq$ 111%          | Modestly Undervalued                            |
| 111% < Ratio $\leq$ 136%         | Fair Valued                                     |
| 136% < Ratio $\leq$ 161%         | Modestly Overvalued                             |
| Ratio > 161%                     | Significantly Overvalued                        |
| Where are we today (2025-08-23)? | Ratio = 213.3%, <b>Significantly Overvalued</b> |

## Notes & Observations

**Positive sentiments:** Start with new SIPs and STPs . Time to accumulate in such zone.

Investing in Business cycle funds can be a good idea now with 2-3 yrs view

**Current focus** - Large cap funds and Hybrid funds

Current sector focus

Banking , Finance, & Defence

## PARAMETERS

### & CONCLUSIONS IN LAST FEW YEARS



- Equity neutral or negative or positive
- 23rd Jan 2022- 17617 Nifty Negative Trend
- 8th March 2022- 15863
- 17th March 2022- 17287 Positive Trend
- 5th April 2022- 17957
- 18th April 2022- 17173 Negative/ Neutral Trend
- 29th May onwards positive/ neutral
- 19th June onwards positive
- 18th July onwards continuous positive
- 21st Aug onwards neutral to negative this week at least
- 27th Aug onwards Investing region
- 23rd Sep Very Negative for the markets.
- 14th Oct Closing Positive above 13EMA - invest
- 11th Nov Book gradual profit and Debt allocation recommended
- 9th Dec 1st closing below the 13EMA and 23rd Dec Confirms negative markets. Jan 2023 Continues to be negative.
- 5th Feb 2023 Budget positivity may not last if FII does not square off the short positions. April 2023 is the month to observe all asset classes.
- After Dec 23rd April 2023 first time the market turned positive for equity. Aug 18th markets turn Negative for the medium term. Positive always in the long term. 1st Sept Closing is a positive outlook. Positive continues. 20th Oct Closing signals negative trends for the coming week. From 10th Nov 2023 closing shows positive sign till date.
- Negative trend from 20th Dec 2024 continues . Trend reversal not see till now.
- Trend Reversal on 21st mar 2025
- Note - After a positive closing last week , Nifty closes negative and trend bearish in short term as on 4th April 2025 .
- Trend turn positive again after 18th April 2025 .
- Over 1 lakh outstanding negative Option contracts of FIIs in July 2025 , Market cap to GDP over 137% and nifty below 13EMA signal is negative for markets as of now.
- Nifty closing above 13EMA is a positive sign for trend reversal as on 22nd Aug 2025



## PARAMETERS

• & conclusions in last few years

- Nifty Small Cap 100 remains positive



- Nifty MidCap 150 also remains positive



# SECTORIAL INDEX

24 AUGUST 2025



| INDEX NAME                                   | LAST      | CHNG    | %CHNG | P/E   | P/B  | DIV YIELD |
|--|-----------|---------|-------|-------|------|-----------|
| NIFTY 100                                    | 25,495.60 | -209.5  | -0.82 | 21.68 | 3.38 | 1.35      |
| NIFTY 200                                    | 13,875.40 | -97.9   | -0.7  | 22.88 | 3.51 | 1.28      |
| NIFTY 500                                    | 22,991.30 | -145.85 | -0.63 | 24.05 | 3.6  | 1.19      |
| NIFTY MIDCAP 50                              | 16,306.85 | -9.75   | -0.06 | 36.65 | 4.8  | 0.85      |
| NIFTY MIDCAP 100                             | 57,629.75 | -79.2   | -0.14 | 31.41 | 4.32 | 0.94      |
| NIFTY SMALLCAP 100                           | 17,919.50 | -46.85  | -0.26 | 32.05 | 3.94 | 0.8       |
| INDIA VIX                                    | 11.73     | 0.36    | 3.12  | -     | -    | -         |
| NIFTY MIDCAP 150                             | 21,438.20 | -38     | -0.18 | 33.17 | 4.66 | 0.86      |
| NIFTY SMALLCAP 50                            | 8,628.05  | -23.65  | -0.27 | 33.85 | 3.94 | 0.79      |
| NIFTY SMALLCAP 250                           | 17,050.35 | -27.35  | -0.16 | 32.55 | 3.75 | 0.68      |
| NIFTY MIDSMALLCAP 400                        | 19,868.60 | -34.05  | -0.17 | 32.95 | 4.29 | 0.8       |
| NIFTY500 MULTICAP 50:25:25                   | 16,038.80 | -79.55  | -0.49 | 26.11 | 3.73 | 1.06      |
| NIFTY LARGEMIDCAP 250                        | 16,160.70 | -80.65  | -0.5  | 26.23 | 3.92 | 1.1       |
| NIFTY TOTAL MARKET                           | 12,940.85 | -81.9   | -0.63 | 24.05 | 3.58 | 1.17      |
| NIFTY MICROCAP 250                           | 23,634.85 | -141.45 | -0.59 | 24    | 3.14 | 0.72      |
| NIFTY500 LARGEMIDSMALL<br>EQUAL-CAP WEIGHTED | 17,706.25 | -68.55  | -0.39 | 28.03 | 3.86 | 0.96      |



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Key Note Speaker

**Chetan** Bhagat

Indian author and columnist



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Key Note Speaker

**Murlikant** Rajaram Petkar

India's 1st Paralympic Gold Medalist Swimmer & Padma Shri Awardee (Chandu Champion)



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Chief Guest

**SRI SURESH PRABHU**

CA || Policy Maker || Strategist || Change Leader || Senior  
Politician || Former Senior Parliamentarian



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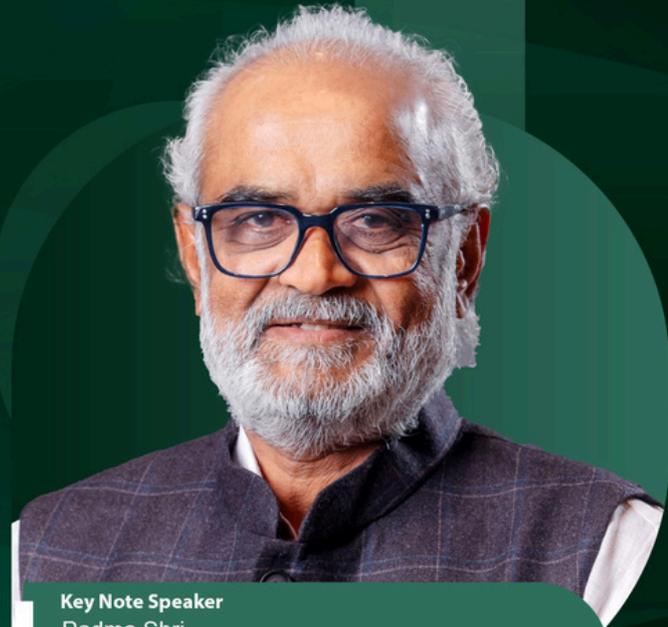
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Key Note Speaker

Padma Shri

**Savji Bhai Dholakia**

Founder and Chairman,  
Hari Krishna Exports Pvt. Ltd.



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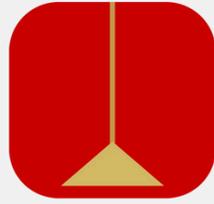
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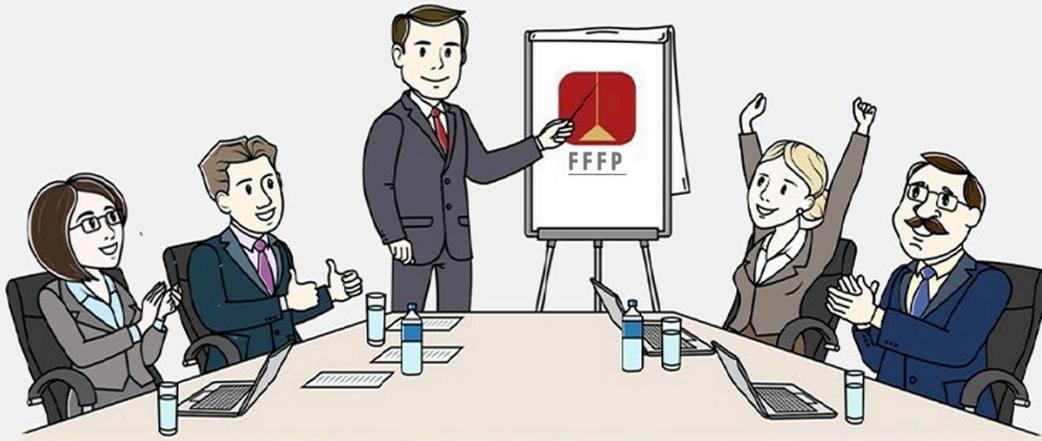
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- ✓ One Page Sustainability Matrix Software
- ✓ Equity Fundamental Analysis Software
- ✓ Mutual Fund Analysis Software
- ✓ Subsidised Fee for FFF Pro Residential Meet
- ✓ 20 Excel Calculators
- ✓ 10 Master Classes during the year
- ✓ Access to Beyond Classroom Events & One day FFF Professional Meets
- ✓ Tactical Asset Allocation & Transactions - TAAT Certification Subsidised
- ✓ FFF Pro Community Connect & Branding

