

INVESTOR MEMO : March 2025

This time it's NOT different!

- A swift correction has hit the Indian stock market. On 28 Feb 2025, the NIFTY was **-16%** from its Sep-24 peak, NIFTY MIDCAP100 was **-21%** and NIFTY SMALLCAP 250 was **-26%**...

- Everything was going fine till recently, and all of a sudden, everything seems to have changed!
- You can blame it on the slowing economy, heavy FPI selling, slack in 3Q earnings, the Union Budget or even Trump's shenanigans and tariffs but there's no escaping the fall.

- **In short, Mr. Market is throwing a tantrum, yet again...**

What does history teach us?

➤ Market corrections are ***an inescapable part of investing!*** The Sensex fell 46% from its previous peak in 2020, 64% in 2008, 43% in 2000 and 45% in 1992.

➤ What happened? Markets cracked and in each instance they recovered. It was a few months or a few years, but a new peak was scaled each time. ***This cycle repeats every few years in the market.***

- Every market crack induces panic selling by investors.
- Investor exits at (or near) market lows during a bear phase effectively 'locks in' their losses.
- This drastically ***reduces their lifetime returns*** from the managed (or advised) equity products they have invested in.

- The inverse of this is also true - ***investors allocate funds to equities at (or near) market tops.***
- They flock to invest when things look rosy and popular narratives build an air of euphoria (something that was visible in the recent bull rally).
- This, too, depresses lifetime returns of investors.

So, what should the rational investor do NOW?



Stay cool...

- Whenever there's a festival discount, we rush to the mall to buy stuff – be it apparel, appliances, footwear or furniture. *With markets offering a Holi discount in most stocks, how is it that most investors are unhappy?*
- The most important thing is not to lose your sleep over MTM (mark to market) losses in your equity portfolio, be it with any fund manager or advisor.
- Time **IN** the market is more important than **TIMING** the market. If you stay put through the stormy night, you will savour the dawn that is likely to follow. ***If you're not at the bus stop, you will miss the bus when it arrives.***

...it's a game of nerves!

- The only durable edge in the markets is NOT knowledge or expertise. **It is BEHAVIOURAL!**
- Mindset and temperament matter more than knowledge... buying (or increasing equity allocation) in panic-stricken times is VERY difficult, but vital to succeed in this game.
- That's why process-oriented people tend to outperform others.
- Nobody can time the bottom perfectly.

*We believe it's
time to gradually
INCREASE allocation
to equities, instead
of running away
from them!*

Portfolio positioning

1

Large caps are 47% of the portfolio, with financials (banks + NBFCs + insurance) at 37%

2

Cash equivalents are at 6%. We will deploy this opportunistically, soon enough.

3

The pain in broad markets is more than what's reflected in the indices. Many small/midcaps are at 52-week or even Covid lows.

4

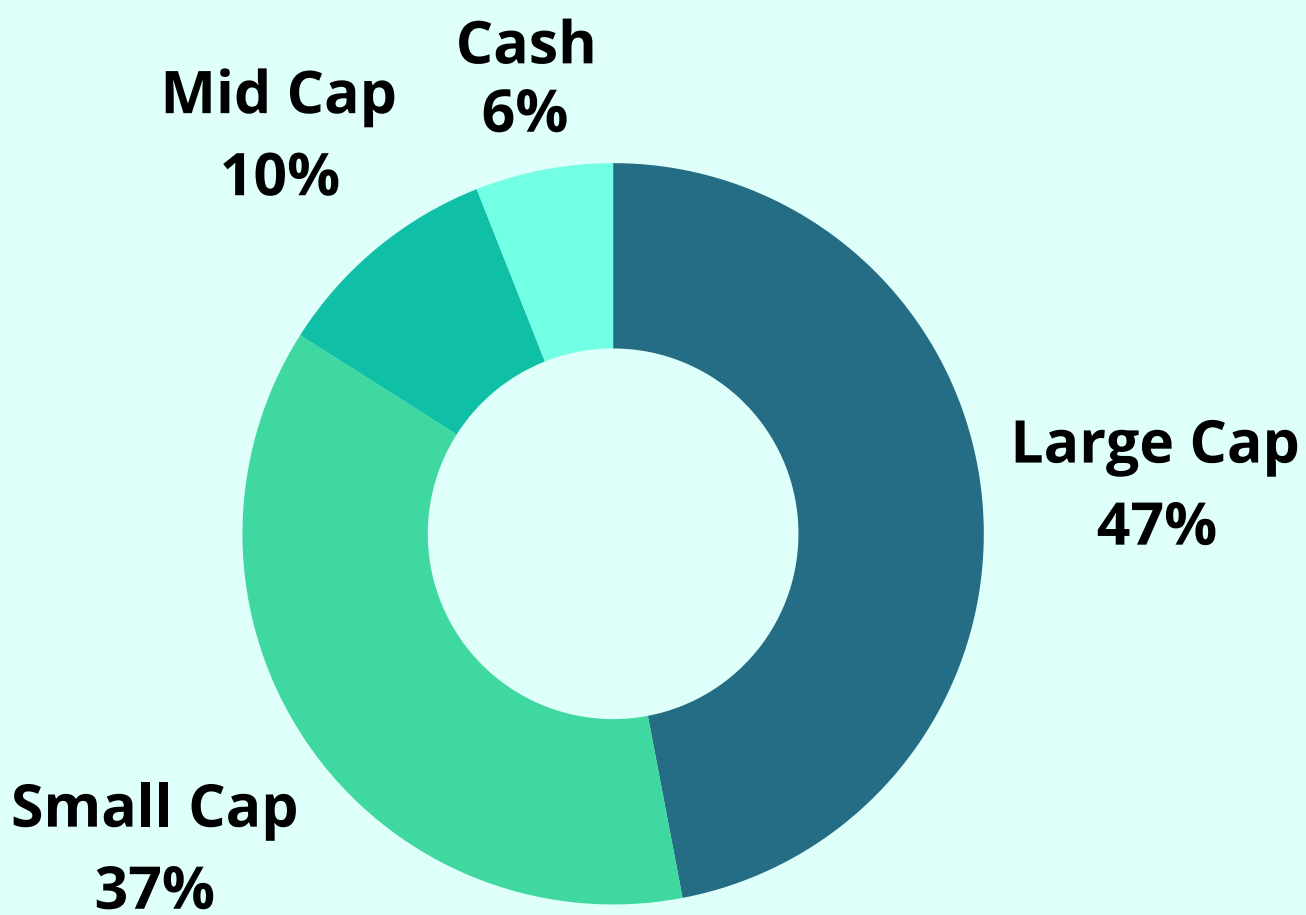
Prepare for significantly higher portfolio churn hereon.

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OPPORTUNITIES PORTFOLIO

MARKET-CAP ALLOCATION



Source : Buoyant Capital IA
Data as at end-Feb 2025

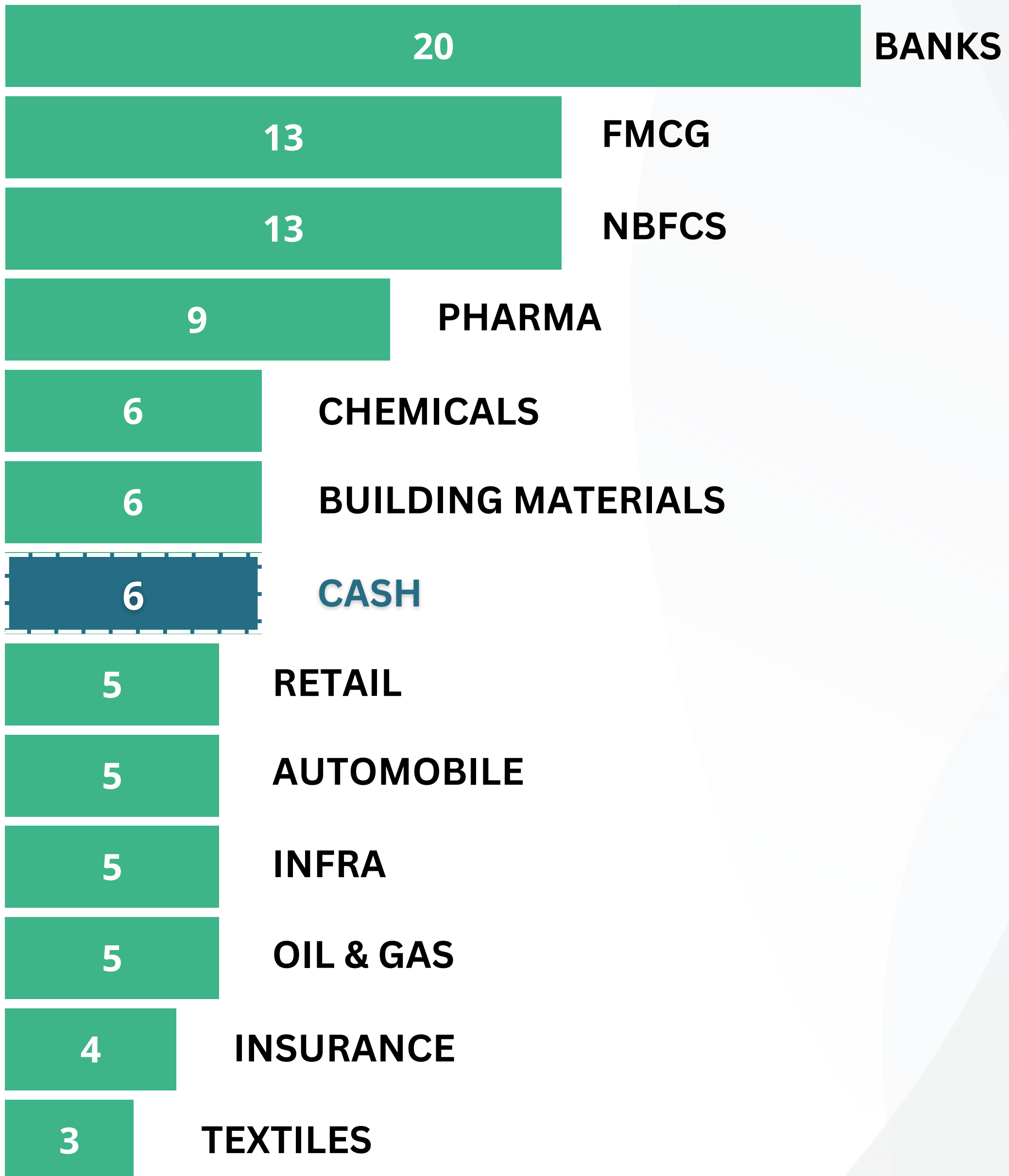
TOP 5 HOLDINGS*

ITC	8%
HDFC Bank	7%
State Bank of India	7%
Archean Chemical	6%
Axis Bank	6%

Source : Buoyant Capital IA

** Holdings may or may not be a part of all client portfolios. The securities quoted are for illustration only and are not recommended. Data as at end-Feb 2025*

SECTOR ALLOCATION



Data as at end-Feb 2025

Source : Buoyant Capital IA

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OPPORTUNITIES PORTFOLIO

- A **cross-cycle, flexi-cap, moderately diversified** portfolio of listed stocks benchmarked with a broad market index.
- Model portfolio advisory service by **Buoyant Capital**, a SEBI-licensed Investment Advisor.
- Available via our **digital advisory platform**.



PORTFOLIO STRATEGY

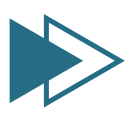
- Aggressive during good times / favourable cycle, defensive in tough times.
- **Cross cycle investing philosophy** to reduce volatility and manage risks in line with macro, market, market-cap and sector cycles.
- Flexible, bottom-up portfolio construction that is **industry and market cap agnostic**.
- No permanent bias towards market cap (large/mid/small), sector or theme.

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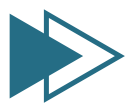
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DIGITAL, AFFORDABLE & CONVENIENT!



Investor, broker and advisor linked on a digital platform for trade execution with **minimal effort for the investor***!



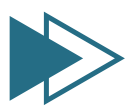
100% digital sign-up, risk profiling and onboarding via PAN & Aadhar OTP.



PMS/AIF-like portfolio strategy now available at min. Rs. 2 lacs ticket size with top ups in multiples of Rs. 50K.



REBALANCING STRATEGY



In line with Advisor's research view on cycles, stocks and sectors.



Churn will also follow a flexible dynamic, with heavy churn when cycles change.



****Disclaimer : Right of Execution of Investments remains with the Investor only.***



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Risk Category

Aggressive (high risk)

Advisor

Dipen K Sheth

Benchmark

NIFTY 500 TRI

Min. investment

Rs. 2 lacs

Advisory fees

2% p.a. of AUA + GST

Fees collection

Every six months

Investment Style

Cross cycle, Flexicap

Recommended Time Horizon

3-5 Years

No of Stocks

12-18

OPPORTUNITIES PORTFOLIO

USP

A cross-cycle strategy that uses a combination of aggressive or defensive stance depending on the cycle at play.

Flexi-cap portfolio construction across small, mid and large caps to balance risk vs. reward at different points of time in the cycle.



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Contact us

For more information on our cross cycle investing framework, or to start an advisory relationship with **Buoyant Capital Investment Advisors,**

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advisory@buoyantcap.com

or WhatsApp us at

+91-81695-15927

Start your Digital Advisory Portfolio today!



ria.buoyantcap.com





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Disclosures & disclaimers

Name of Investment Adviser as registered with SEBI: Buoyant Capital Private Limited.
Type of Registration: Non-Individual. **SEBI Registration number:** INA000016995.
Validity of SEBI registration: 13th June 2022 - Perpetual. **BSE IA Enlistment Number (BASL membership ID)-1844. CIN of the IA** U65990MH2014PTC253. **Registered office address:** 3501, B- Wing, Kohinoor Square, N C Kelkar Marg, R G Gadkari Chowk, Shivaji Park, Dadar West, Mumbai 400028. INDIA. **Phone:** +91-22-6931-9994. **Separately Identifiable division of IA/Trade name:** Buoyant Capital Investment Advisors (a division of Buoyant Capital Private Limited).

Standard Warning: Investments in securities markets are subject to market risks. Read all the related documents carefully before investing.

Standard Disclaimer: Registration granted by SEBI, enlistment as IA with Exchange and certification from National Institute of Securities Markets (NISM) in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

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