

 AngelOne Wealth

The Investing Pantheon

November 2024



"The Investing Pantheon", harmonizes timeless wisdom with modern innovation. Just as the ancient Pantheon stands as a sanctuary for all Gods, our Investing Pantheon embraces comprehensive topics in investing, across asset classes and styles.

What Are We Saying?: Let's Take Stock Of 2024

"In the business world, the rearview mirror is always clearer than the windshield." We use this edition to take stock of 2024 Historical context is important for shaping and understanding the future. 2024 is an interesting year with a sharp contrast between H1 and H2 of the year. It was also an iconic year, being the year of elections, year of tech transformation, and the year of geopolitics. New investing trends have emerged, some which will continue in 2025 and some of which will rather be tested.

So here's us looking back, before we look forward:

Global Financialization Of Savings

picked pace like never before. Global ETF flows exceeded USD 900 bn, with equity ETF flows close to USD 600 bn. Technology as a sector received most flows.

Central Banks Tried To Ease

with US giving 75bps rate cut. While Developed Economies have started to deliver rate cuts, EMs are on the wait and watch mode.

Inflation Eased BUT...

expectations of another spike have started to build in, given the strength of US economy and Fed rate cuts

Global Debt Grew To Unprecedented levels

We note India's prowess here with lower debt to GDP and extremely low foreign currency debt

Global growth slowed

owing to a)cooling off post a high growth period b)lagged impact of high inflation c)withdrawal of covid related stimulus and d)domestic issues with certain economies.

Geopolitical Tensions Heightened

across middle east, western Europe and southeast Asia. This led to increased volatility across asset classes.

What Are We Saying?: Let's Take Stock Of 2024

Crude Spiked And Then Eased

with volatility being caused by middle east tensions. We believe crude will be range bound hereon with Trump promoting US oil production and taking a non-interventionist stance in the war

Dollar Eased And Then Spiked

when Trump came into power. Trump's pro-US growth policy is dollar positive but history has seen dollar ease under Republicans.

FII Flows Turned In The Last Quarter

India received USD 30bn in FII flows till Sept-24 but approximately 50% of it was taken away in Oct and Nov.

Gold Was The Shining Star Of 2024

giving a stellar 33% return in the year. Equity volatility helped Gold outperformance, apart from strong fundamentals and increased demand from China.

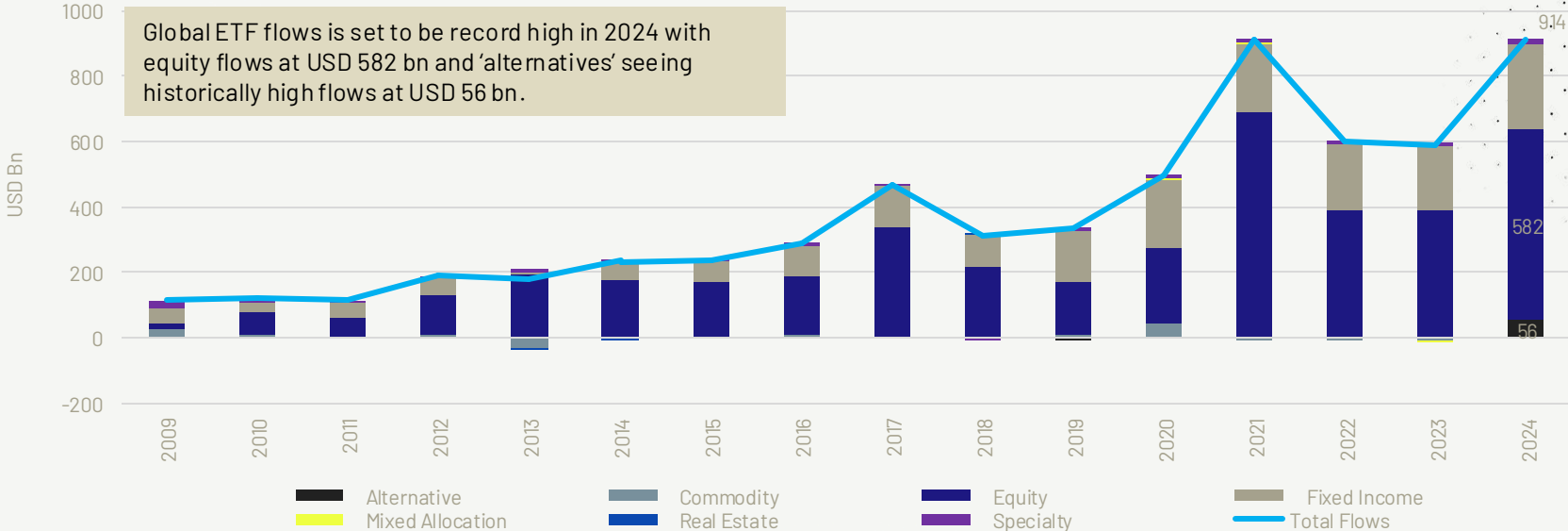
Equity Remained Dominant in Retail Portfolios

A study of MF AUM shows that retail portfolios are more concentrated on equity whereas HNIs are relatively more diversified.

We are keenly watching the economic cycle. The events of 2024 will pave the way for macros of 2025. We believe it will be a year where things to watch include a) Trump policy b) rate cut cycle c) equity valuations and earnings trajectory and d) geopolitical situation. Of course, there will be 'unknown unknowns' that can continue to shape the world.

Global ETF Flows On Track To USD 1 tn In 2024

Global Fund Flows Set to Surpass 2021 Records

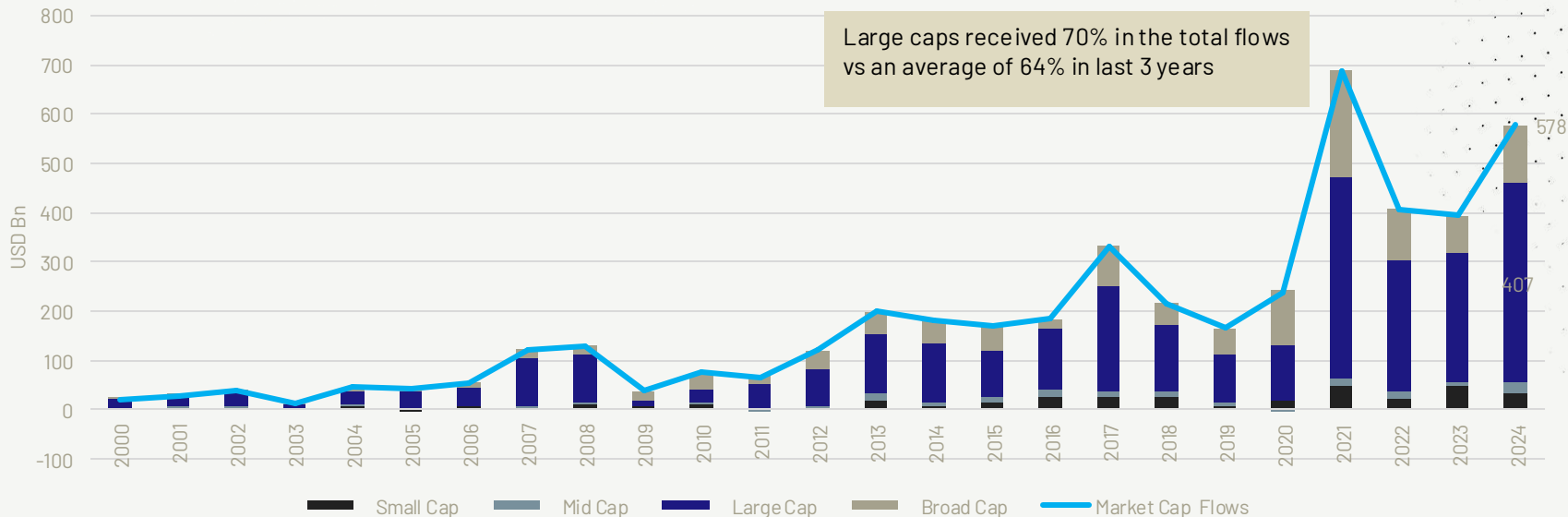


Source: Bloomberg, Angel One Wealth, Data as on Nov, 2024

The global ETF industry recorded net inflows of \$914 billion in 2024. ETF investors still prefer traditional equity and bond replicants, which accounted for 96 percent of total flows in 2024. However, some traction towards 'alternatives' is picking. Clearly, the financialization of savings is a major global theme that is playing across geographies.

Within Equity, Large Caps Received The Most Flows

Large caps witnessed the highest flows globally

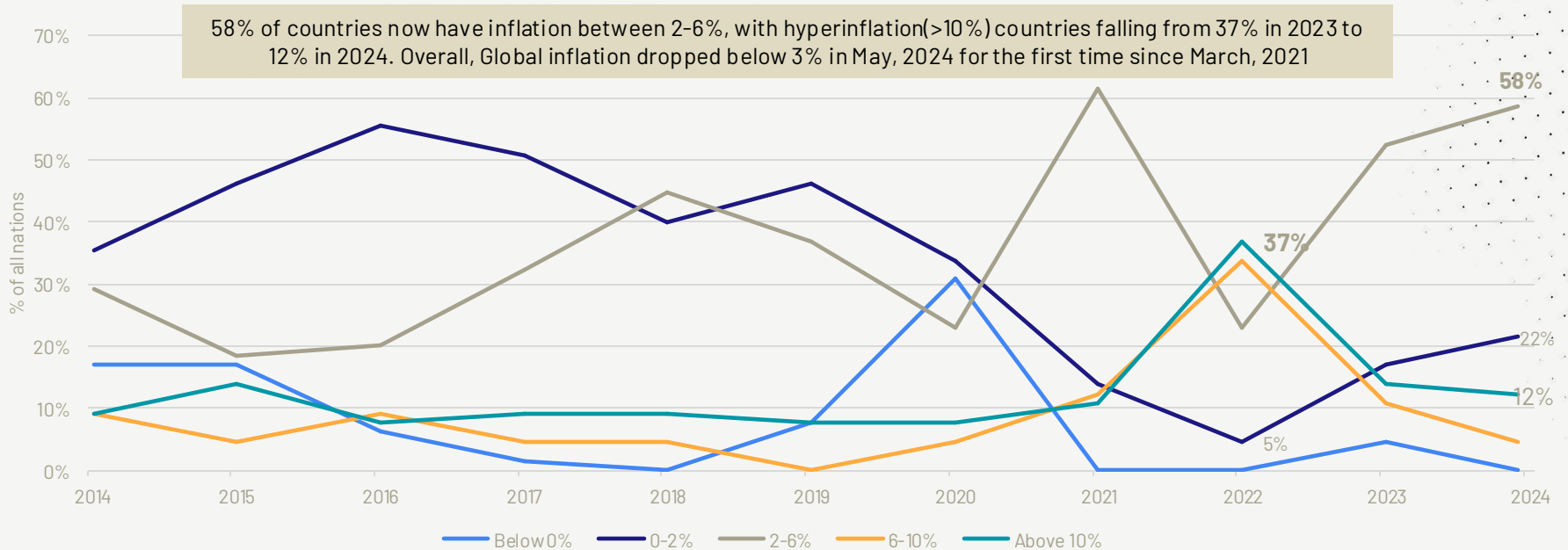


Source: Bloomberg, Angel One Wealth, Data as on Nov, 2024

As of the end of May 2024, there were over 12,000 ETFs listed globally, and total ETF assets under management (AUM) was around \$13 trillion, up from \$10.1 trillion in the previous year. Within this space, most flows were received under the large cap category. The performance of Big Tech and Big Banks validates the higher than usual flows in the category.

Inflation Cooled From Post-Covid Highs

Hyperinflation/Deflation both eased with most countries now having inflation between 2-6%



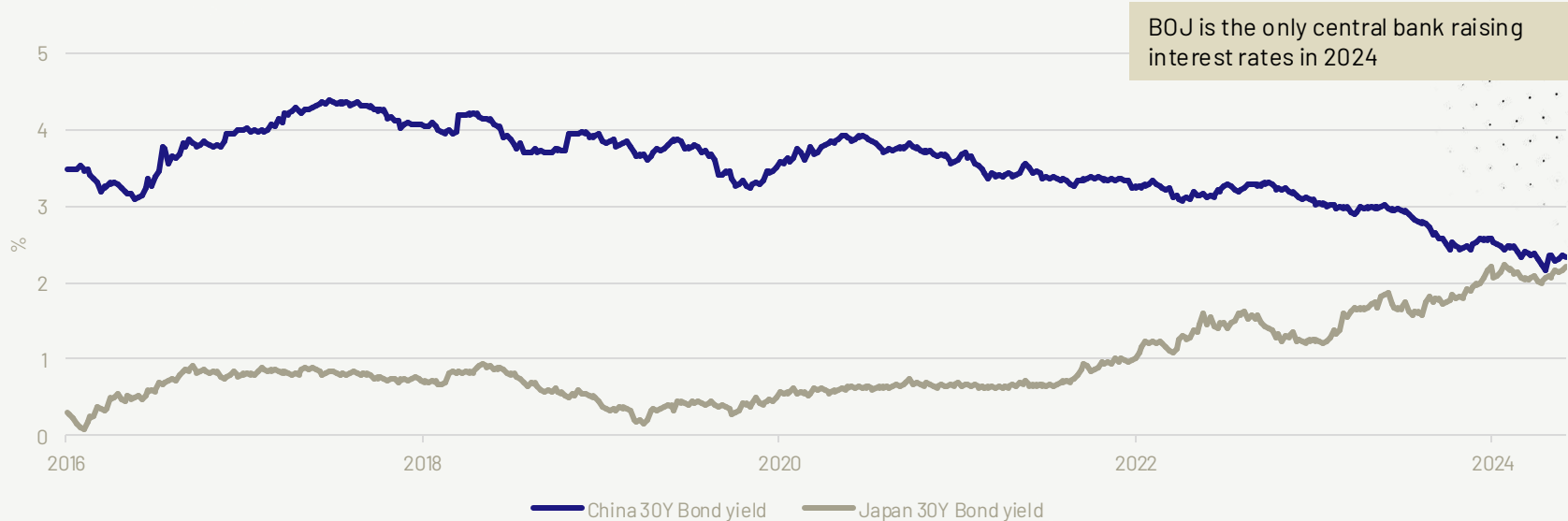
Note: Timeseries data for 63 countries was split based on inflation rate buckets as seen above

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Inflation rates peaked in mid-2022, with the U.S. experiencing its highest inflation rate since 1981 and the eurozone recording its highest since 1997. However, inflation rates have gradually declined since the post covid highs. Factors contributing to this decline include improved supply chain conditions, stabilizing energy prices, and coordinated monetary policy adjustments across central banks globally. 2024 marked the year of a significant downturn in inflation, with most countries finding comfort in their inflation numbers.

On the Other Hand, Japan Rose From Years Of Deflation

Deflation-mired Japan has provided everyone else with dirt cheap finance. It's ever clear that Japan is changing.

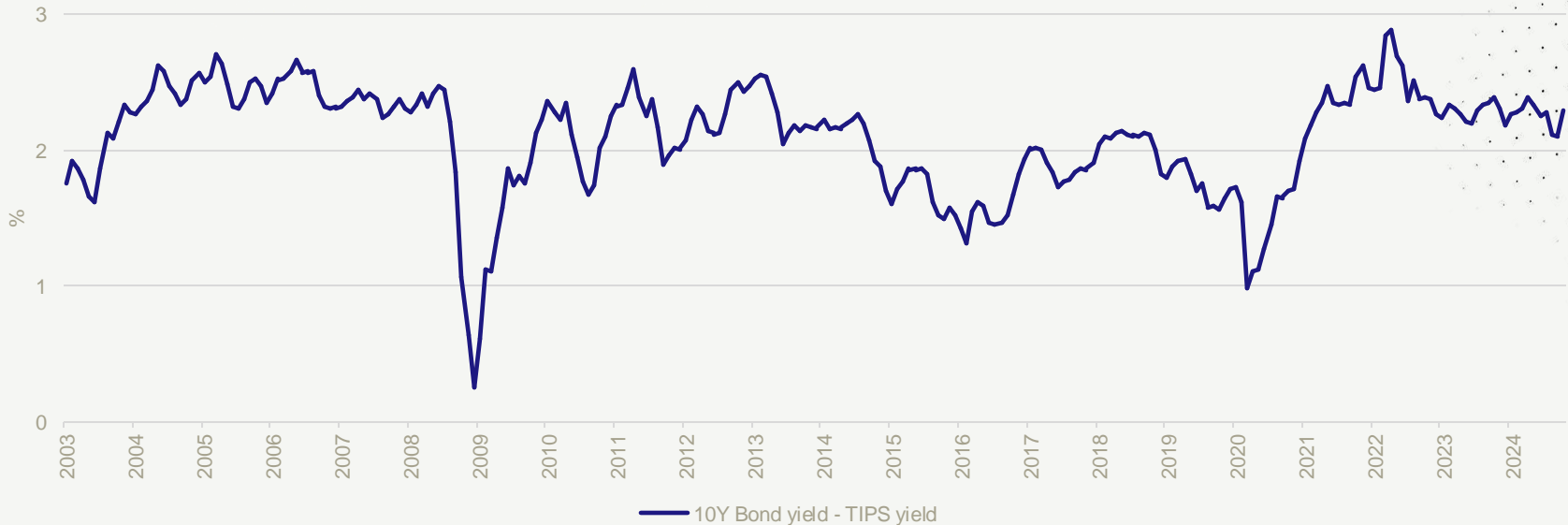


Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

The return of inflation to Japan led to an inconclusive general election last month, and very uncharacteristic political uncertainty that continues. It drove a sharp correction in the yen carry trade earlier this year. The two major Asian nations chartered an unprecedented territory in 2024, will it sustain in 2025 or will it reverse?

Worries Of Inflation Coming Back In 2025?

Implied inflation (Bond yield - TIPS yield) is seen to be inching up lately

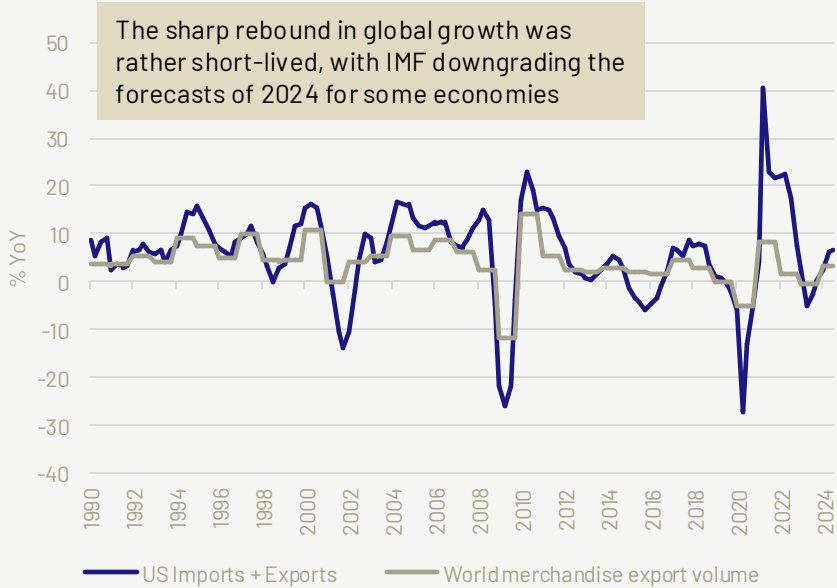


Source: fred.stlouisfed.org, Angel One Wealth, Data as on Nov, 2024

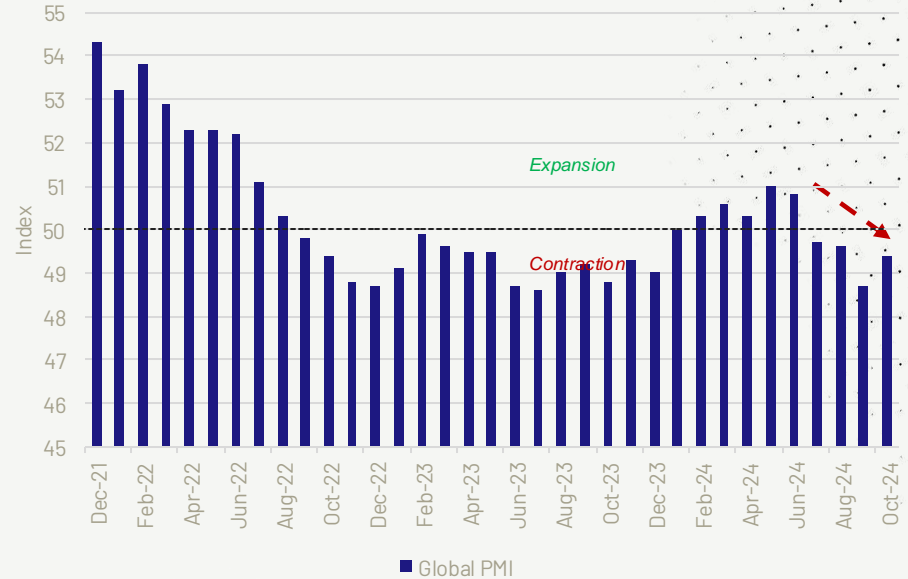
Since Trump's victory, the benchmark U.S. 10-year Treasury yield has risen nearly 15 basis points. That stems from expectations of his proposed policies of tax cuts and tariffs, which, could push up U.S. fiscal debt by \$7.75 trillion over the next decade. Coupled with continued resilience in U.S. economic data, expectations of inflation coming back are getting increasingly ripe.

Global Growth Rebounded But Then Moderated

After a solid uptick in 2023 and early 2024, Global growth slowed in second half of 2024...



... which reflected in the pace of growth of global high frequency data



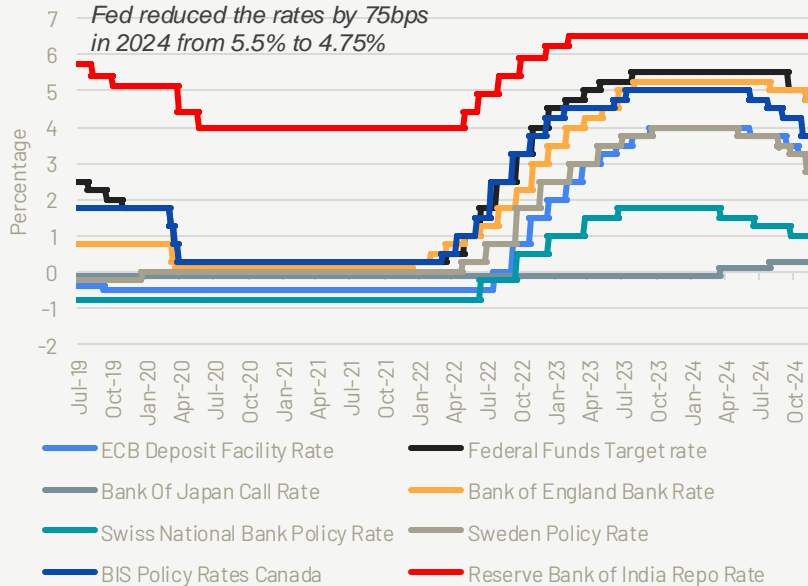
Source: fred.stlouisfed.org, Angel One Wealth, Data as on Nov, 2024

Source: Bloomberg, Angel One Wealth, Data as on Oct, 2024

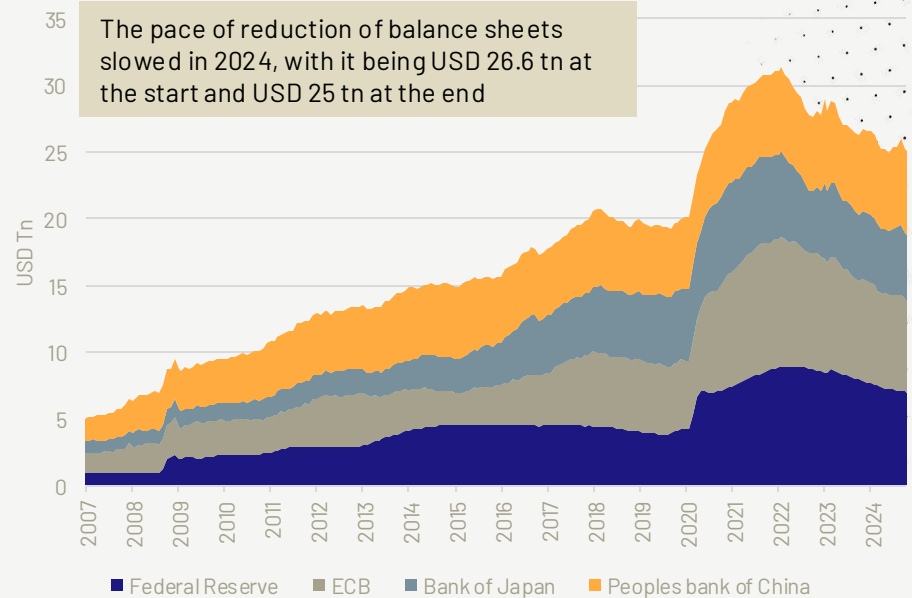
Global economies lost a bit of steam in the H2 of 2024. This can be a)colling off post a high growth period b)lagged impact of high inflation c) withdrawal of covid related stimulus and d)domestic issues with certain economies. All these factors culminated into a lower growth, which made policy makers opt for an easing cycle.

Consequently, Monetary Policies Tried To Ease

Rate cuts started to ease...



...with pace of reduction of balance sheet slowing



Source: Bloomberg, AngelOne Wealth, Data as on Oct, 2024

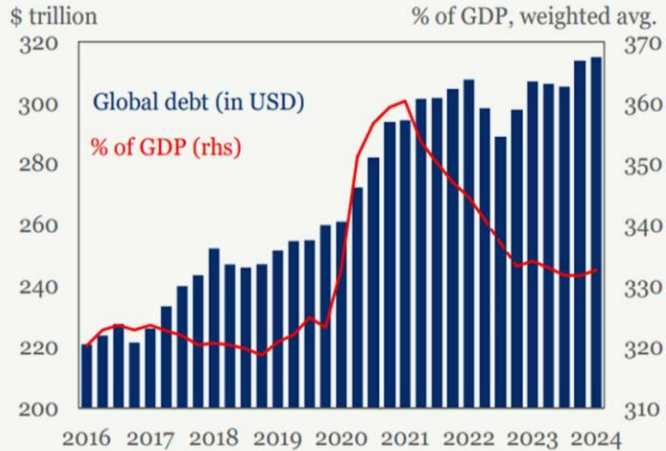
Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

With inflation finally starting to near central banks targets, interest rate cutting cycles have begun globally. While QE is out of question, the pace of reduction of balance sheet slowed. Monetary policies did try to take an easing stance towards the fag end of 2024, can that sustain in 2025? A lot will depend on the inflation data hereon.

Global Debt Grew To Unprecedented Highs

Global debt grew to unprecedented high of USD 315 trillion, more than 3X of the GDP

The growth in global debt is led by developed markets, India is rather in a sweet spot



Debt by sector (% of GDP)				
Area	Households	Non-financial corporates	Government	Financial Sector
Global	61.1	95	98.1	78.4
Mature markets	69.4	88.6	115	104.6
US	71.8	76.6	120	71.1
Euro area	53.2	93.6	93.2	109.2
Japan	63	114.8	231	197.9
UK	78.1	63.1	85.6	157.7
EM	47.2	105.6	69.8	34.7
EM Asia	59.7	137	78.9	42.4
India	38.1	56.2	83.9	3.1
EM Europe	20.2	61.2	32.1	15.8
EM LATAM	24.1	39.4	68.7	24.8

Source: IIF Global Debt Monitor, Angel One Wealth, Data as on Nov, 2024

Source: IIF Global Debt Monitor, Angel One Wealth, Data as on Q1 2024

Global debt continued to accelerate in 2024. Most developed economies will face pressures with interest servicing. Lower interest rate regime or high growth rate will help. A high global debt, however, keeps the vulnerability on the higher end. Asset class like Gold tends to do well when global debt accelerates.

Only 12% of India's Debt Is In Foreign Currency

Currency breakdown of EM sectoral debt (% of GDP)

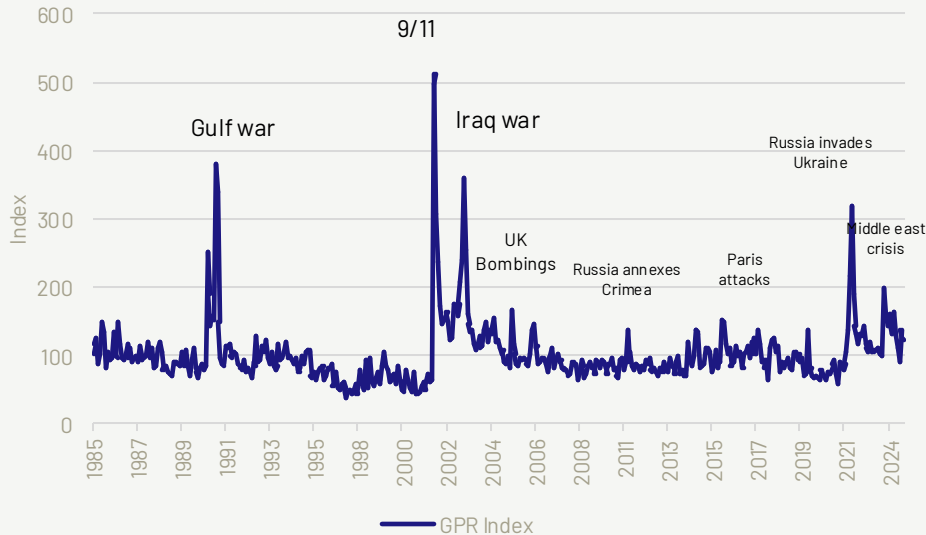
Region	Non-financial corporates				Government				Financial sector				Households	
	Local currency	Foreign currency	o/w USD	o/w EURO	Local currency	Foreign currency	o/w USD	o/w EURO	Local currency	Foreign currency	o/w USD	o/w EURO	Local currency	Foreign currency
EM Asia														
China	166.4	4.2	3.4	0.5	84.6	1	0.7	0.3	42.1	2.8	2	0.2	63.7	0
Hong Kong	53.1	207.9	160.4	25.4	72.8	8.4	4.5	1.7	42.5	87.2	66.1	7.7	89.7	2.7
India	49.2	7	5.9	1	81.6	2.3	2.3	0	0.9	2.2	1.8	0.2	38.1	0
Indonesia	15.7	7.7	7.2	0.4	30.6	8.1	6.5	1.3	2.7	4.4	4	0.1	16	0.3
Malaysia	71.4	18	15.1	0.1	62	2.5	2	0	16.3	13.9	11	0.7	68.8	0.3
S.Korea	101.9	21	16.8	3.5	46	1.1	0.5	0.5	68.3	18.8	14.6	2.3	98.1	0.8
Singapore	67.2	60	54.3	2.6	172	0	0	0	48.7	112	69.4	13.7	39.4	6.7
Thailand	73.9	12.4	11.3	0.4	54.8	0.4	0.4	0	27.4	7.8	6.8	0.3	91.6	0.2
EM Europe														
Russia	65.9	11.9	5.1	6.3	18.1	3	2.5	0.5	8.6	1.3	1.2	0.1	22.2	0
EM LATAM														
Brazil	38.3	13.3	11.9	1.1	79.7	4.1	3.4	0.7	33.5	5.6	5.1	0.1	33.2	0
Mexico	0.3	11.9	10.1	1.2	33.3	6.3	4.8	1.1	6.6	2.2	1.8	0.2	15.8	0

Source: IIF Global Debt Monitor, Angel One Wealth, Data as on Q1 2024

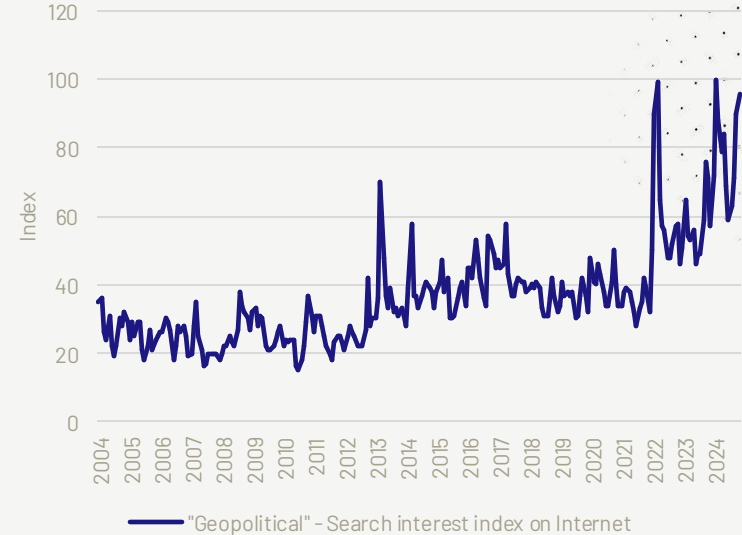
India has been prudent with debt management, borrowing more locally than internationally. Governments in many emerging market economies such as India have borrowed at home, protecting public finances from currency risk but also crowding out the private sector credit. Low dependency on foreign credit gives India's macros a lot more resilience.

Geopolitical Risk Heightened

Geopolitical tensions remained in limelight throughout 2024...



...with consumer search on the topic sky rocketing

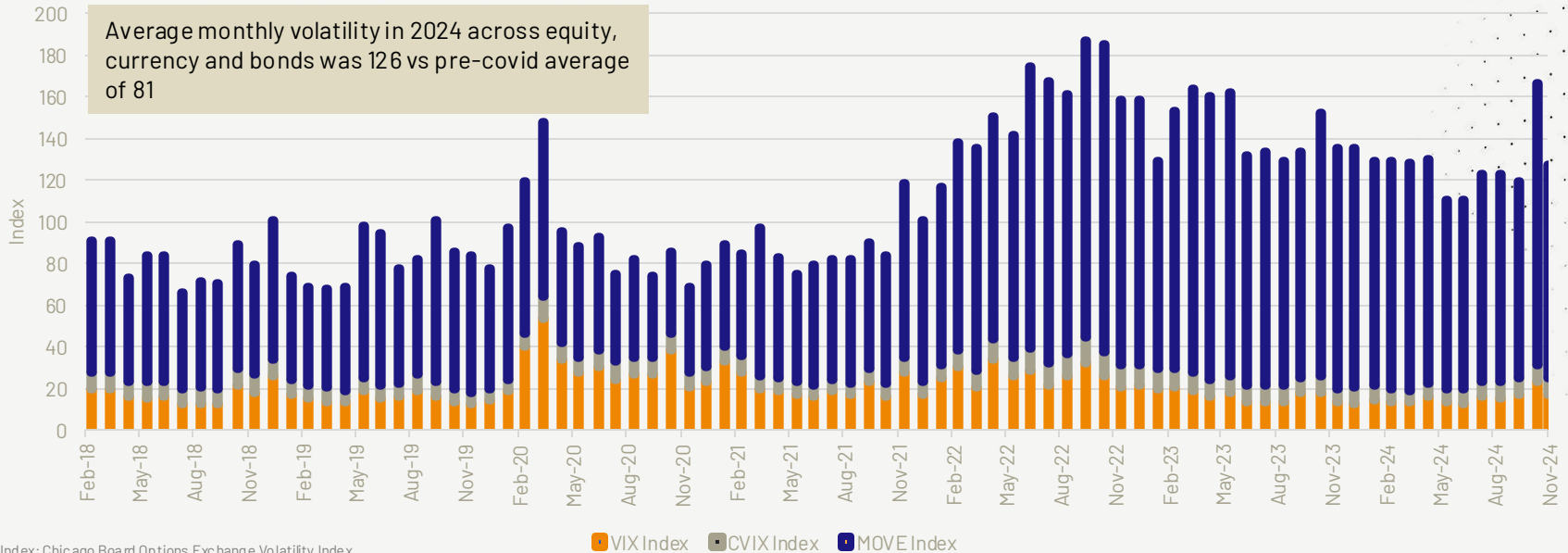


Source : Caldara, Dario and Matteo Iacoviello (2022), "Measuring Geopolitical Risk". GPR Index is calculated by counting the number of articles related to adverse geopolitical events in each newspaper.

Source : trends.google.com, Angel One Wealth, Data as on Nov, 2024

Geopolitical risks have inevitable knock-on effects on the economy. From the unrest in the Middle East to the continuing conflict in Ukraine and potential changes of government in Western democracies, the number of variables and how they will interact to shape geopolitics will test business strategies. Amid growing interest, the internet search for 'Geopolitics' has spiked more often in recent times. We believe some of this will continue in 2025.

Consequently, Asset Class Volatility Increased

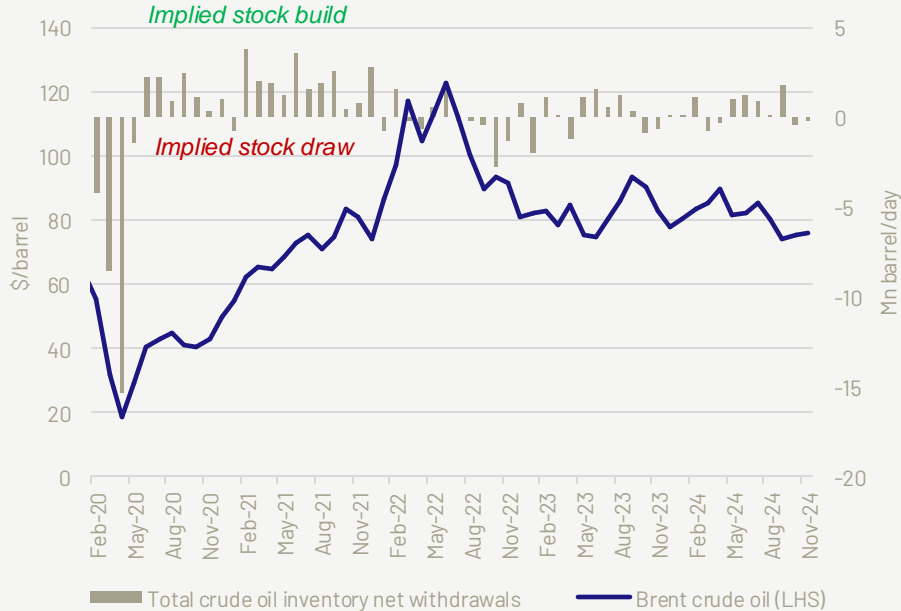


VIX Index: Chicago Board Options Exchange Volatility Index
CVIX Index: Deutsche Bank Currency volatility index
MOVE Index: Merrill Lynch Option Volatility Estimate Index by BofA
Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

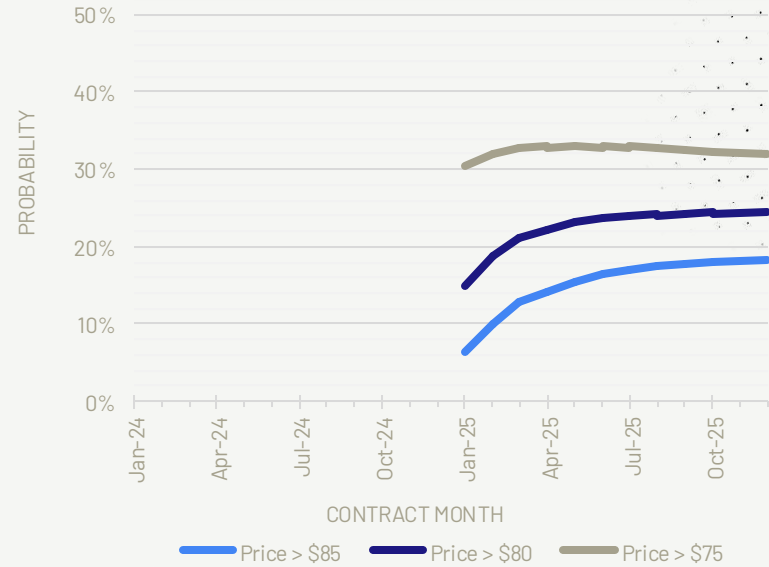
A “volatility shock” is when the VIX index goes up five points or more in a single day, and in the decade prior to the Global Financial Crisis (GFC), that had only ever happened five times. Since the GFC there’s been more than 70 days in which that occurred; also, the severity of those shocks has increased as well. 2024 saw volatility spike given the elections and the geopolitics.

Crude Prices Went Up To 90, Now At 76

Outlook for crude is rather optimistic ahead..



...with highest probability being between USD 75-80



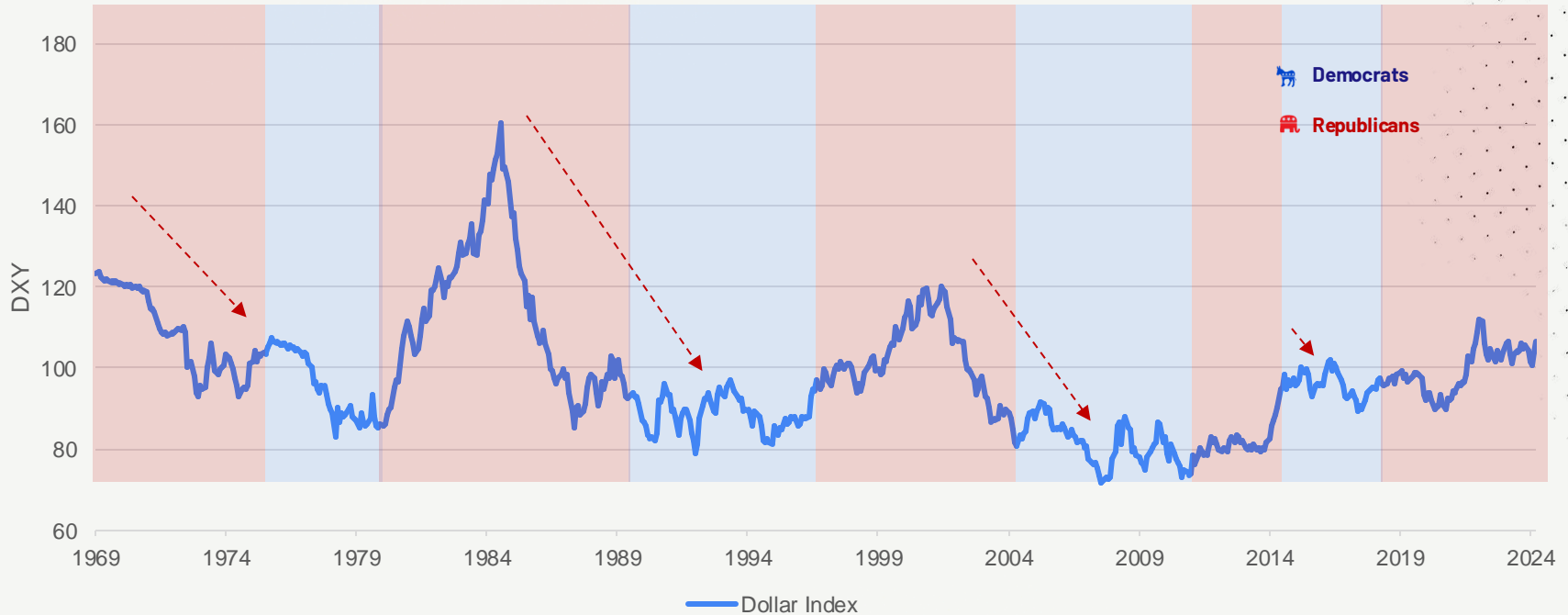
Source : www.eia.gov, Angel One Wealth, Data as on Nov, 2024

Source : Bloomberg, Angel One Wealth, Data as on Nov, 2024

Donald Trump is expected to maintain strict control over crude oil prices due to his consistent support for boosting domestic energy production, particularly through oil and natural gas drilling. His likely non-interventionist approach in conflicts may also allow war situations to resolve more quickly. However, he could still impose sanctions on Iran, which might introduce some volatility. On the other hand, OPEC loosening its grip on USD 100/barrel and weak global demand further adds. Of course, geopolitics will be a major threat to oil prices.

Dollar Index Weakened, Then Strengthened

The movement of Dollar Index has been of strength followed by weakness under the Republican regime.

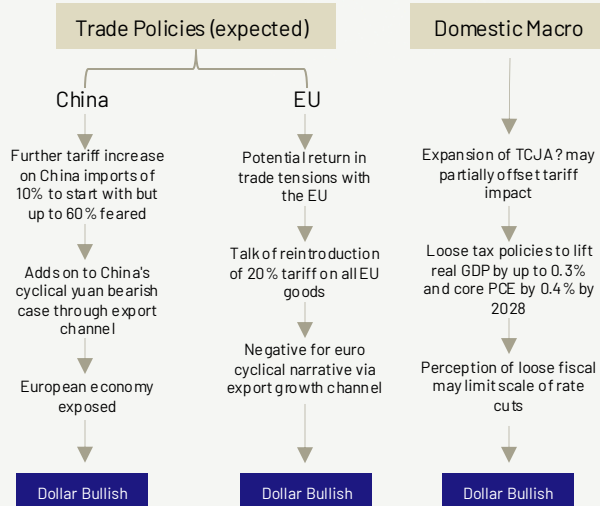


Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Dollar index touched 100 in 2024 but then bounced back after the Trump's victory. The case for dollar weakening lies in relative growth of rest of the world, lower inflation and easier monetary policy. However, expectations of pro-US policy have re-ignited the Dollar Index for now and the strength can spill over to 2025.

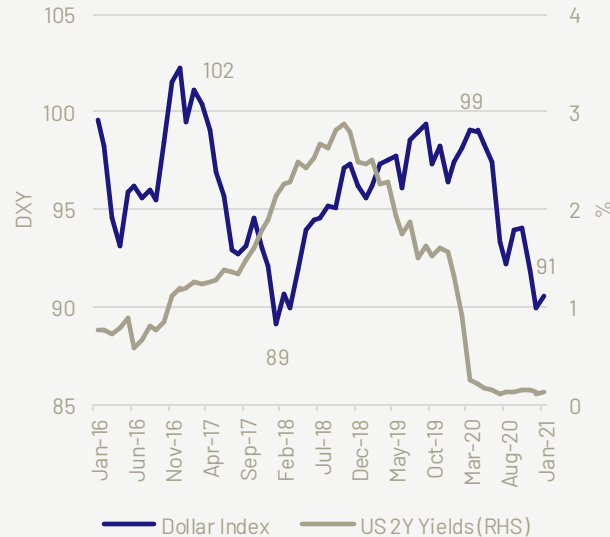
Where could the US Dollar go from here?

Trump 2.0 Expected Cyclical Impact Dollar Bullish

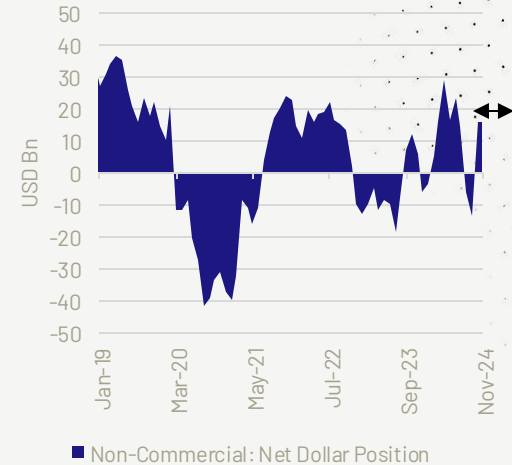


However, since a weaker dollar helps US, Trump can try policy alternatives such as FX intervention or jawboning to weaken DXY

...but in the last reign eventually the dollar weakened



Currently, the record long dollar positions have flattened



Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

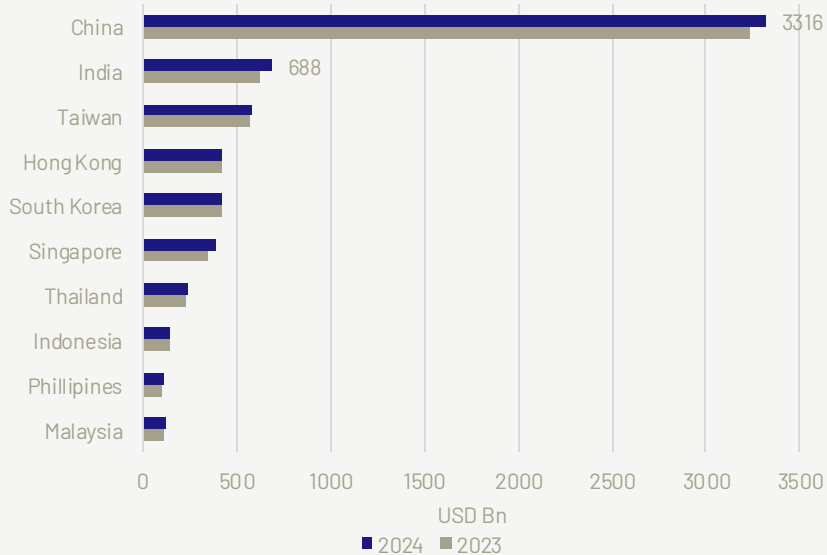
Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Trump's policies are pro-dollar but he's a supporter of weaker dollar. A weak dollar helps US and keeps its exports competitive. There are many ways to weaken dollar including FX intervention or jawboning. This would involve selling U.S. dollars and purchasing foreign currencies, likely through the Exchange Stabilization Fund (ESF). He could also pressure to keep rates lower or force trading partners to depreciate currency further. All of this can unfold in the year ahead.

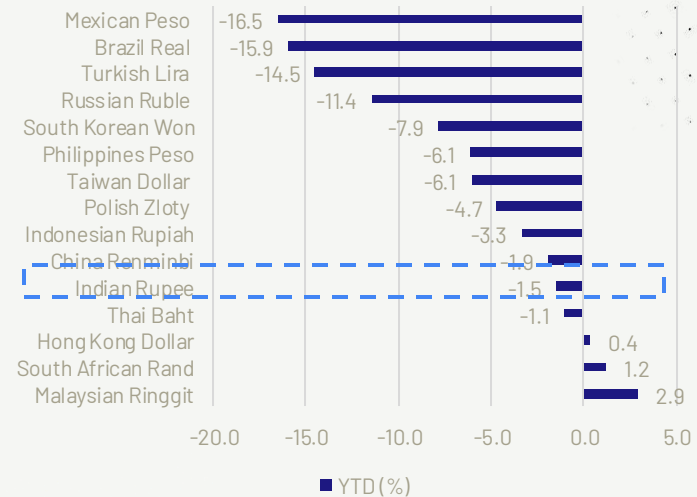
EM Currency Faced Headwinds, India Stood Tall

Asia sits on more than \$6 Tn FX Reserve pile



Rupee performed better than regional peers on Trump's return

USD/INR stood at 83.1 in Jan-24, and now stands at 84.4, facing -1.5% depreciation in 2024



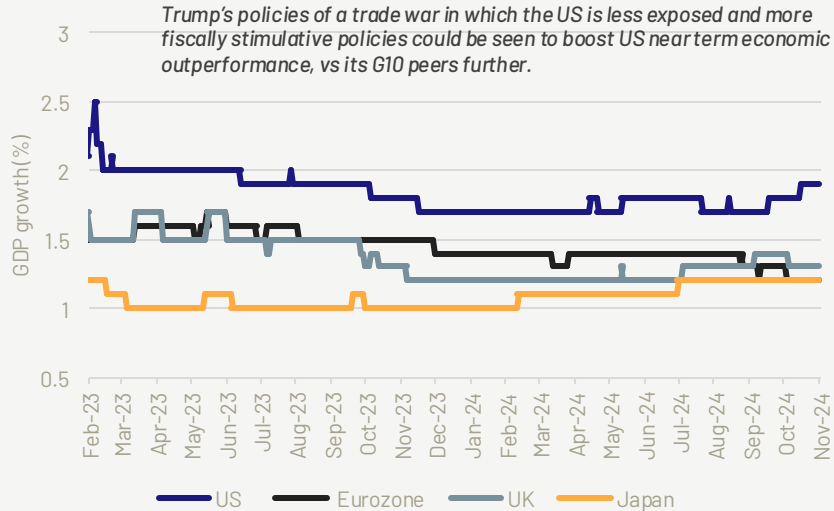
Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

The RBI's policy of keeping the rupee in a tight range, thanks to interventions, is shielding the country from global bouts of volatility. India has become the poster boy of preparing for global shocks and shielding its economy in rather tumultuous times. A warchest of FX reserves was built for times like these.

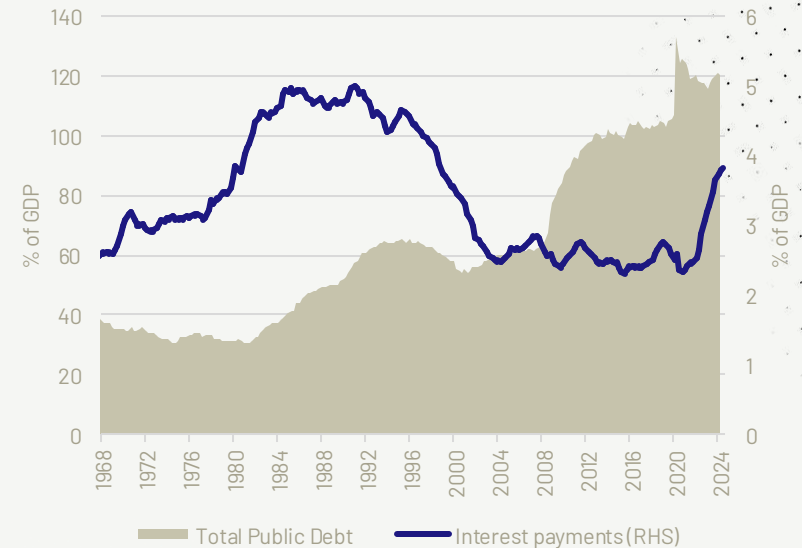
US Is 'Roaring', But Debt Fueled Growth Will be Questionable

US Economic Narrative Boost may extend



Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

However, interest servicing capacity might raise questions

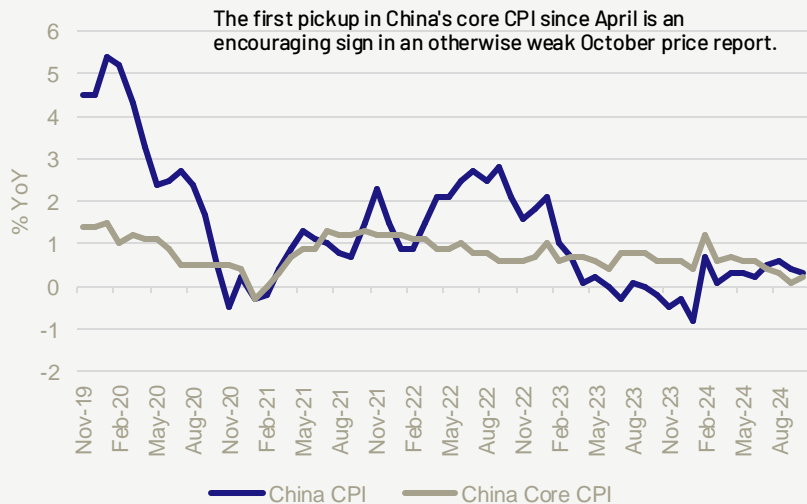


Source: fred.stlouisfed.org, Angel One Wealth, Data as on Nov, 2024

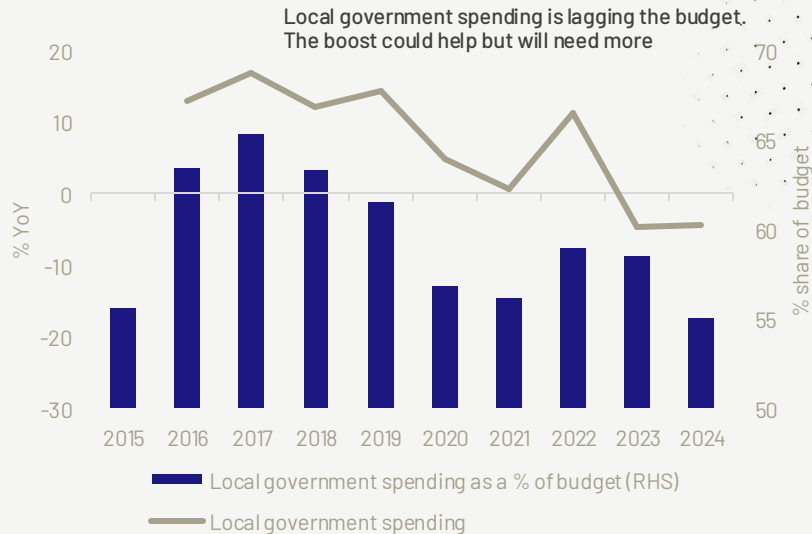
The US economy has begun performing well, causing it to be compared to the roaring 1920's with GDP growth of 2.5% or more, inflation in the 2%-to-3% range, and the 10-year Treasury yield around 4%. The U.S. has started cutting interest rates against a backdrop of historically high debt. However, as debt has grown, the government's interest payments have also risen significantly, creating pressure on the federal budget.

China Actively Tried To Fight Deflation Risk

Stimulus Delivery Needed to Head Off Deflation Risks



The 10 Tn Yuan boost is probably just the starters



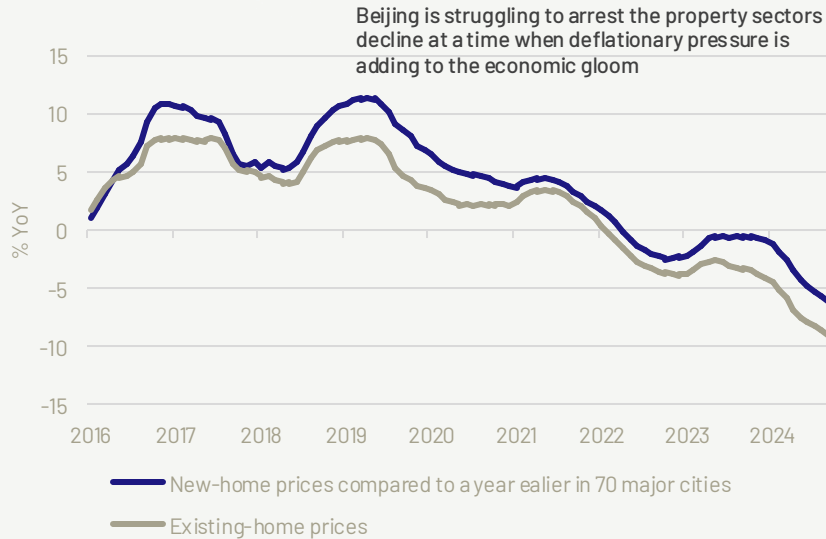
Source: Bloomberg, AngelOne Wealth, Data as on Oct, 2024

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

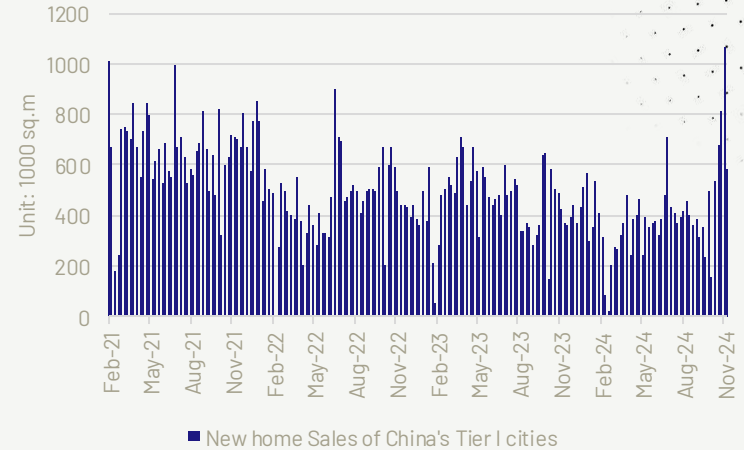
The 10 Tn fiscal package includes 6 Tn yuan for debt replacement for local governments and 4 Tn Yuan for purchase of property. This could, however, reduce pressures from near-term debt repayment and lower debt-servicing costs - giving them more room to execute budgeted spending that's needed to lift growth up to this year's 5% target. However, more will be needed.

With Housing Market Showing Signs Of Revival

China Home price declines has been the biggest problem...



New home sales gain among China's Tier 1 cities



Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

China Tier I cities include Shenzhen, Beijing, Guangzhou, Shanghai
Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

China has pledged to nearly double the loan quota for unfinished residential projects to 4 trillion Yuan and planned to renovate 1 million homes in older dwellings in large cities. The plans underwhelmed with investors looking for stronger policies. However, some green shoots are visible in the data. 2025 will be a do or die year for China. We believe it is withholding fiscal stimulus until the Trump policy formation so as to target better.

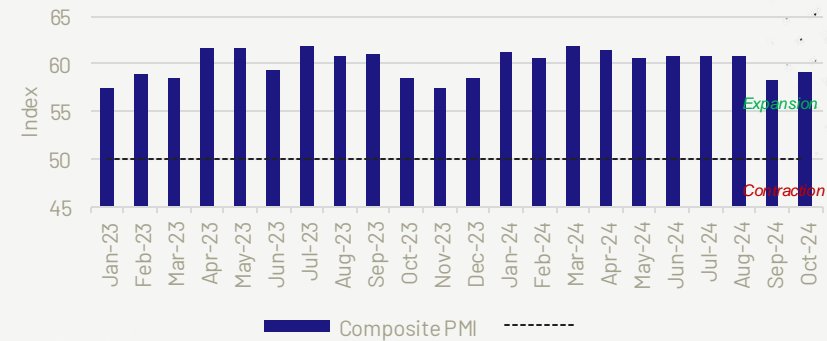
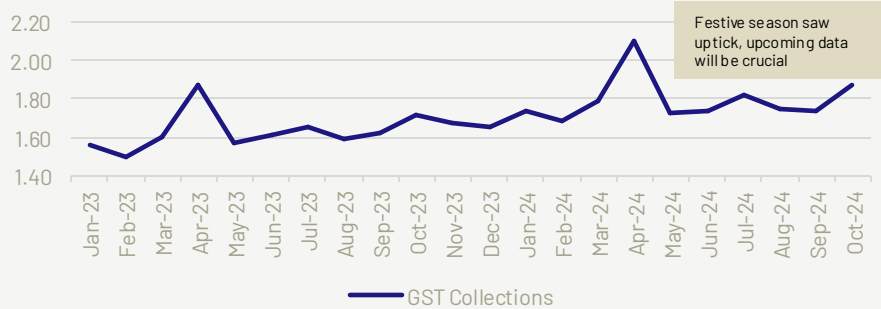
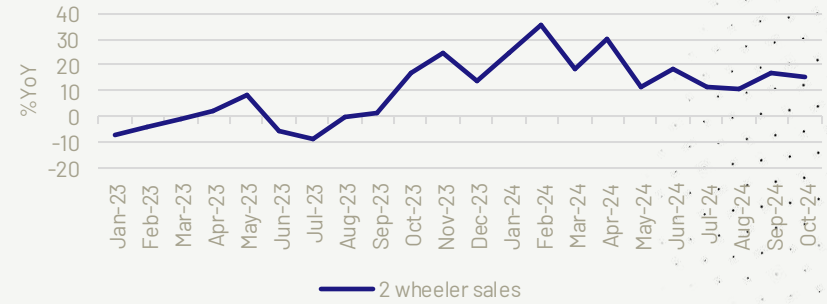
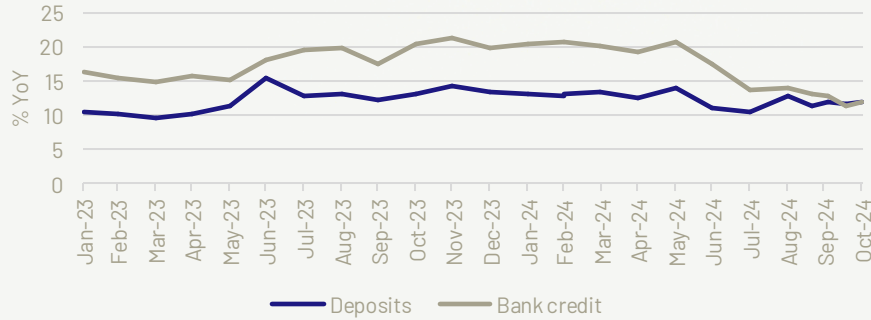
Most Global Markets Are Cheaper Today Than At The Start of 2024

Global Valuation tracker				
	Valuations- Jan 2024 (Fwd P/E)	Valuations- November 2024 (Fwd P/E)	Valuations- Average CY22	Valuations- Average CY23
S&P 500	21.01	20.54	18.33	19.66
Nasdaq	30.04	29.54	27.66	31.27
CSI 300	9.96	9.89	13.07	12.15
Nikkei 225	20.84	20.04	20.11	19.43
Stoxx Europe 600	13.80	13.35	12.90	12.95
SET Index (Thailand)	14.56	14.72	16.19	16.04
VN Index (Vietnam)	9.99	11.17	11.59	11.05
MSCI Latin America Index	8.96	8.99	7.66	8.78

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Fag end of 2024 saw markets correct and therefore valuations became somewhat reasonable. There are pockets of opportunity available in markets.

Domestically, Growth Accelerated But Then Slowed

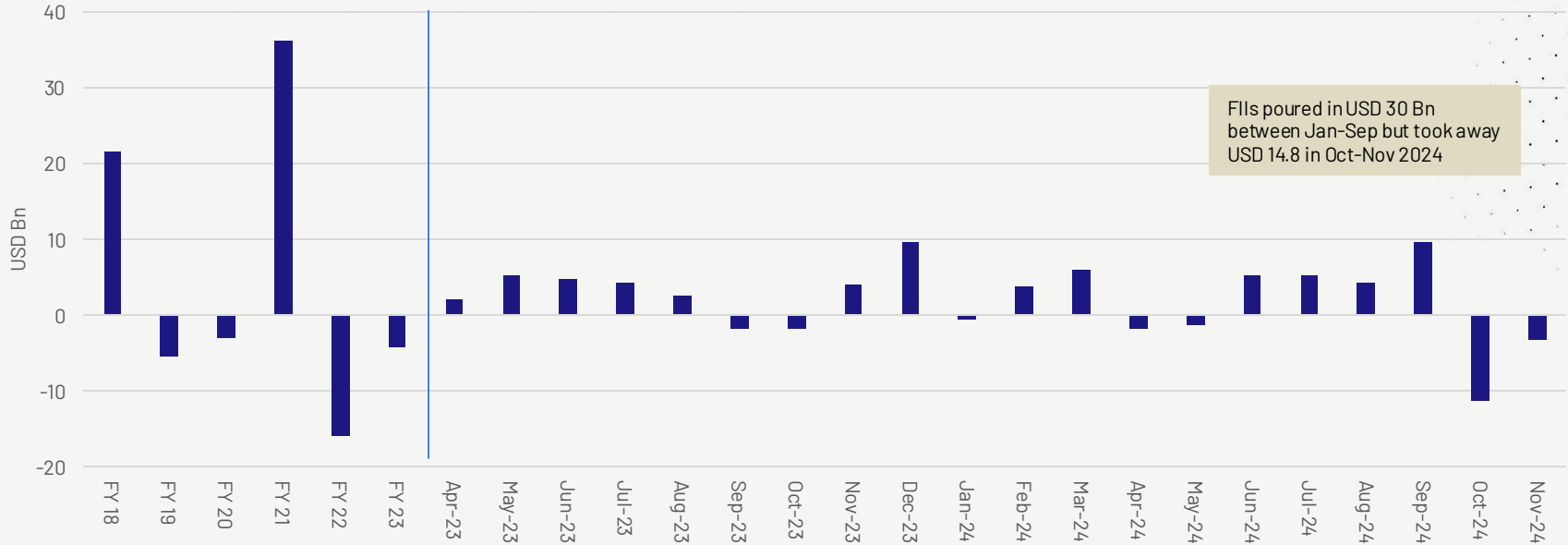


Source: CMIE, Angel One Wealth, Data as on Oct, 2024

The economy is estimated to have grown at a slower pace in Q2FY25. High frequency indicators registered slower than anticipated growth, suggesting lower demand. The economy is estimated to have grown at a five-quarter low of 6.7% in the first quarter of the fiscal with lower government capex as well as muted farm sector growth at 2% seen to be two of the main reasons for the slowdown.

FII Flows Was Highly Volatile

FII's came in with huge sums but withdrew 50% of it in Oct-Nov 2024



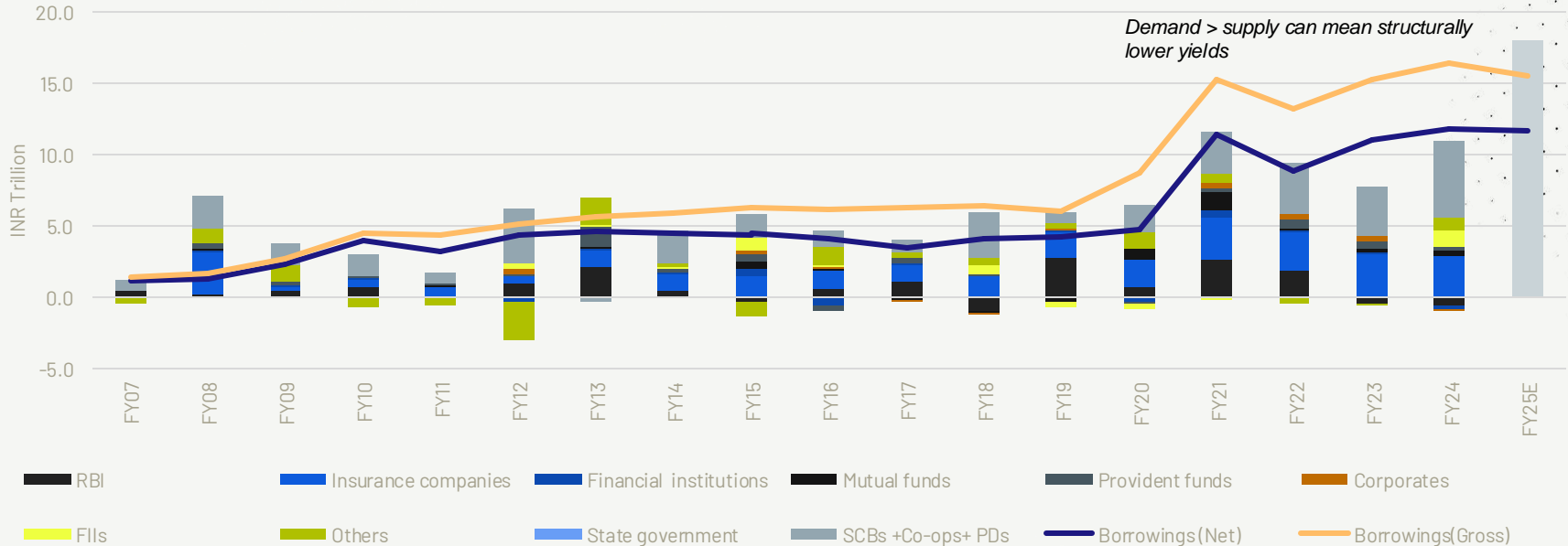
Data for Nov is till 18th Nov 2024

Source: CMIE, Angel One Wealth, Data as on Nov, 2024

Heightened concerns around geopolitical stability, recent stimulus measures in China, and a strong dollar have led foreign investors to recalibrate their investments. Net FPI recorded outflows of USD 10.9 billion in October. This was the highest monthly outflow since March 2020. Seemingly, FPIs in October reversed their investment strategy after four straight months of continuous heavy investments into the Indian capital markets. FPIs had invested on an average, USD 6.1 billion per month in the preceding four months.

India Debt Saw A Year Of Accelerated Demand

Owing to Indian bond inclusion in Global Indices, demand is more favorable than net supply, thereby helping the yields

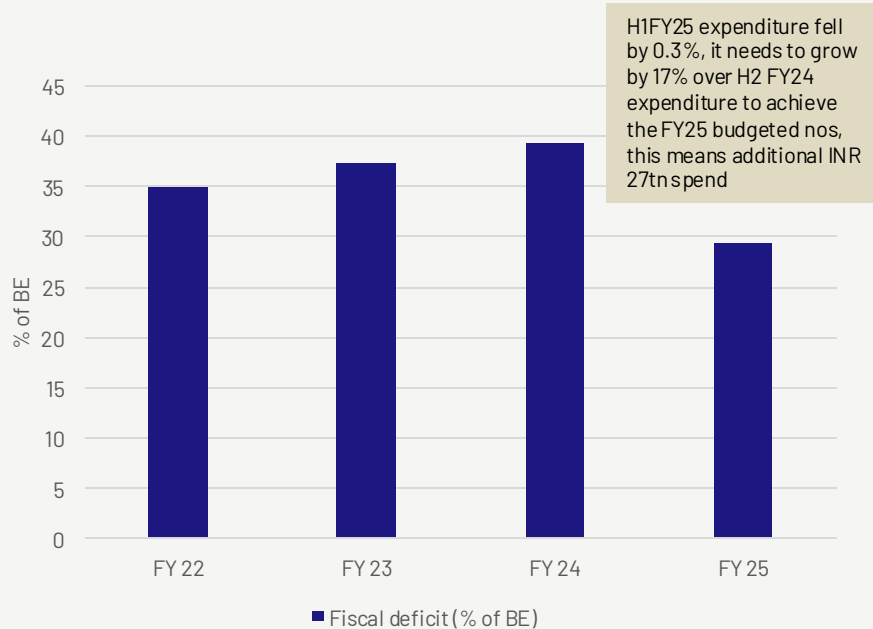


Source: CMIE, Angel One Wealth, Data as on Nov, 2024

Indian yields have historically moved closely with US yields. This means some spike here is rather possible in the short term. It means the data has changed for the hypothesis of lower yields in the immediate short term but in the long-term the structural factors of India are likely to ease the yields. We believe investors can have a sweet spot in 3-5 year range while using the current yield spike to build long duration portfolio for performance in longer term

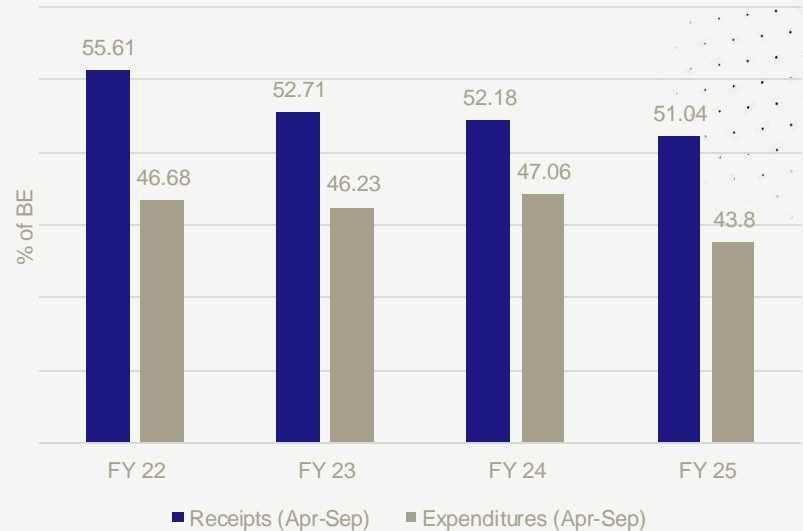
Government Spending Slowed In 2024

Fiscal deficit for FY 25 is lower than historical averages. ...



H1FY25 expenditure fell by 0.3%, it needs to grow by 17% over H2 FY24 expenditure to achieve the FY25 budgeted nos, this means additional INR 27tn spend

...receipts grew at similar rates whereas, expenditure slowed down



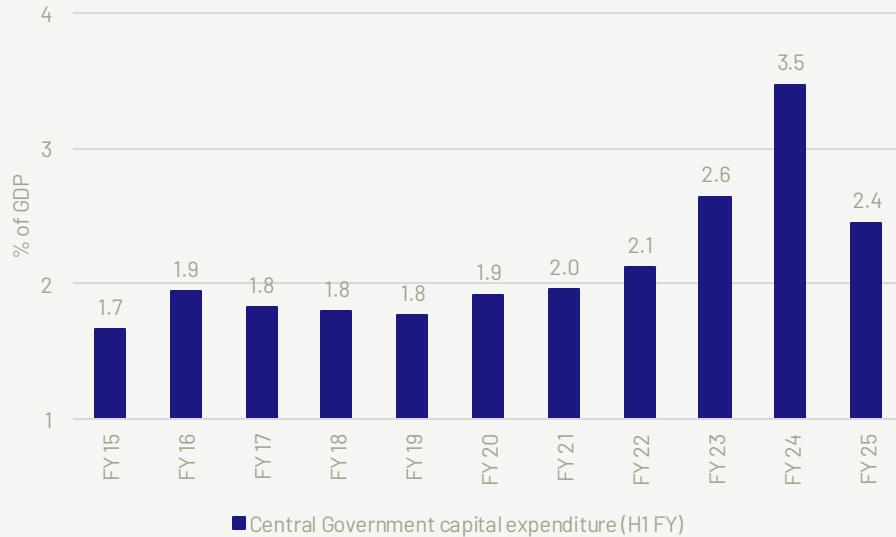
Source: CMIE, Angel One Wealth, Data as on Nov, 2024

Source: CMIE, Angel One Wealth, Data as on Nov, 2024

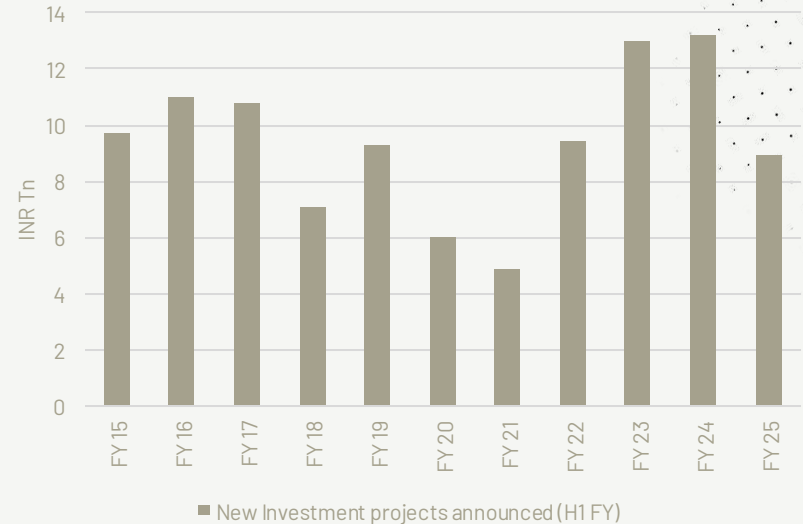
India's economic growth slowed down to 6.7% in Q1 FY25. Fiscal deficit declined in H1 FY25, aided by the RBI dividend payment and contraction in capex during the year due to general elections. Government's fiscal prudence could mean lower growth but also lower fiscal deficit which will be positive bonds.

After A Capex Boom, Investments Mildly Slowed

Central government expenditure is lower...



...and aggregate new project announcements are lower than last year



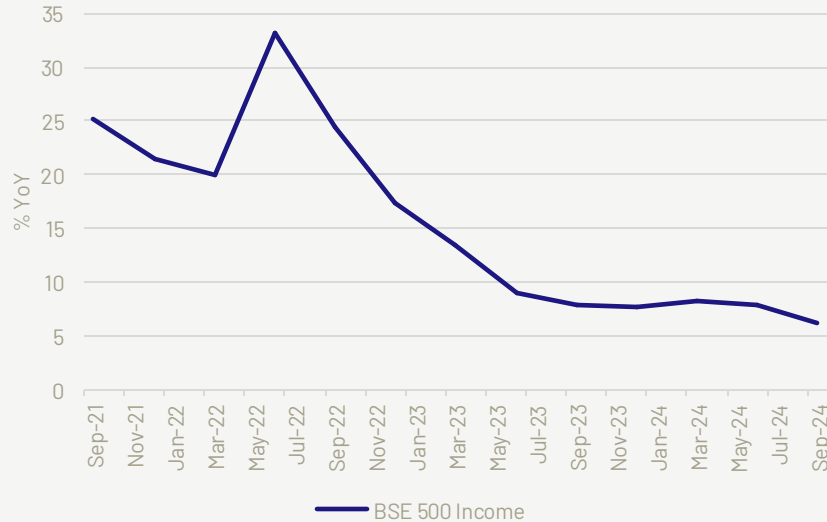
Source: CMIE, Angel One Wealth, Data as on Nov, 2024

Source: CMIE, Angel One Wealth, Data as on Nov, 2024

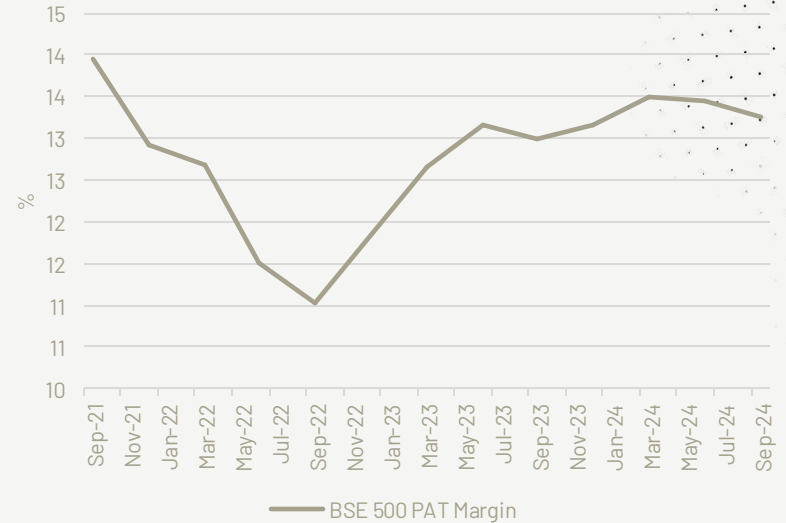
In H1 FY25, the government has spent 37.3% of its budgeted capex target, compared with 49% of the previous year's target. Total capex is budgeted at INR 11.1 trillion, we believe government must keep the capex boost going. The more significant upside to investments, however, will come from private investments. There's still some road to cover there.

Corporate Earnings Slowed In Second Half

Corporate Income growth was slower in H2...



... while margins slightly dipping



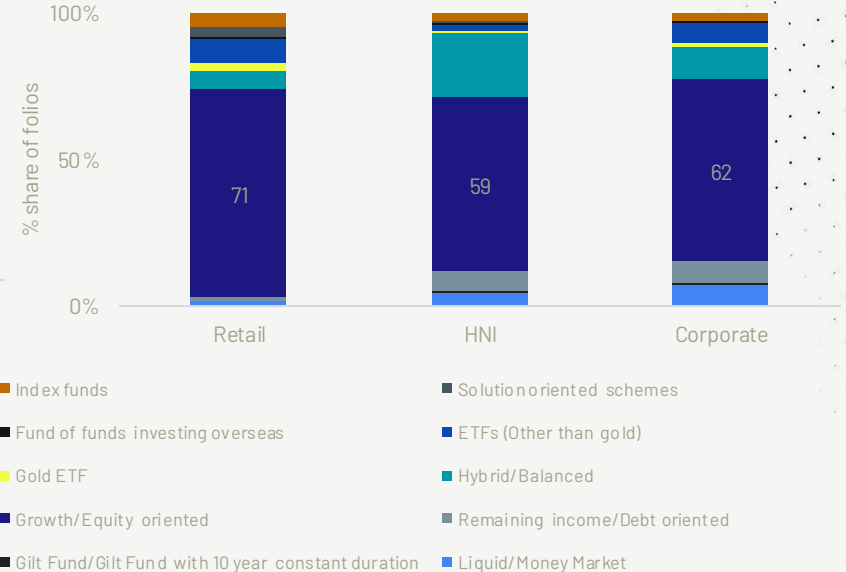
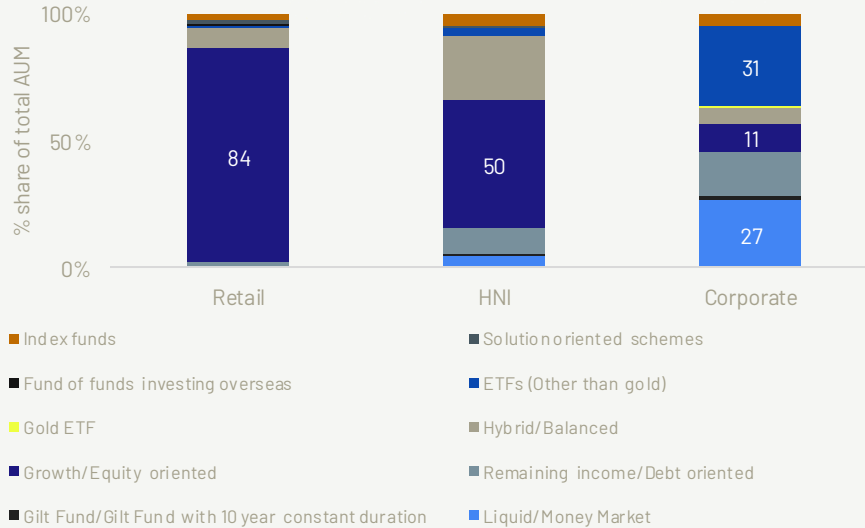
Source: Nuvama, Angel One Wealth, Data as on Sep, 2024

Source: Nuvama, Angel One Wealth, Data as on Sep, 2024

Corporate earnings took a hit as demand remained subdued in urban areas despite some rural uptick. Four of the 10 largest sectors – oil & gas, automotive, power, and FMCG – saw year on year profit declines. Weaker than expected earnings have also dampened overseas investor confidence in Indian equities. Earnings revival will be critical for markets bottoming out hereon.

How Did India Invest In 2024?

The richer one is, the more diversified is the portfolio?



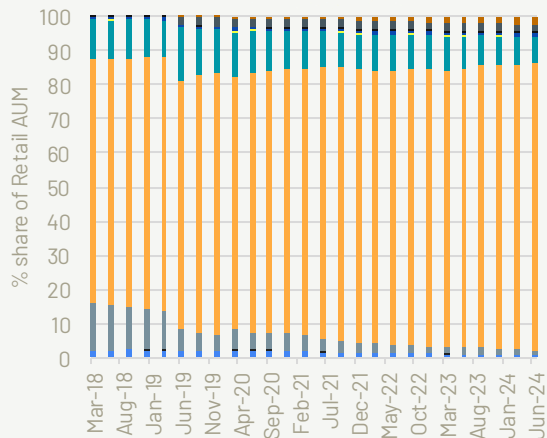
Source: CMIE, Angel One Wealth, Data as on Nov, 2024

Source: CMIE, Angel One Wealth, Data as on Nov, 2024

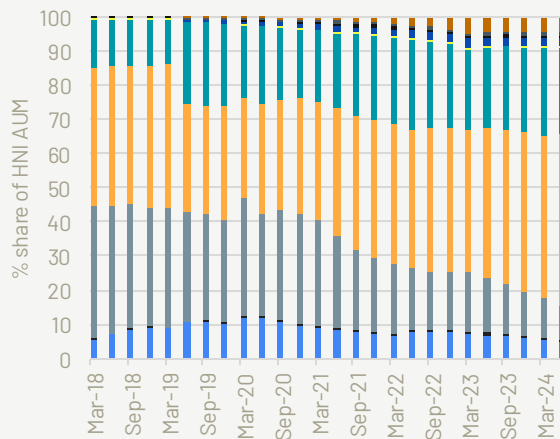
Retail investors remain most growth/equity oriented among investor categories, with 84% of all retail MF AUM in equity oriented schemes. HNIs are more diverse and corporates are the most diversified category.

84% Of All Retail MF AUM Is In Equity

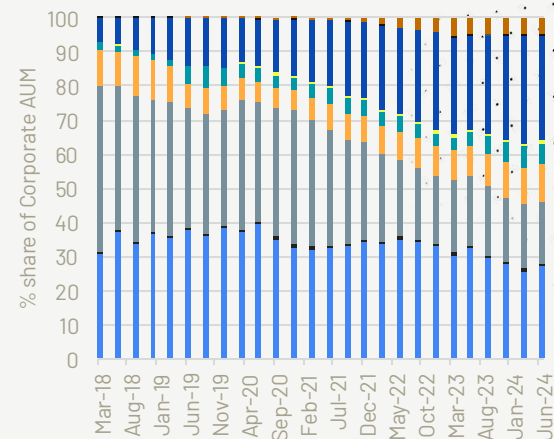
Of all the retail money 84% is now in equity vs 71% in FY 18



50% of all the HNI MF money is in equity



Corporates are relatively more diversified



- Money Market
- Gilt Fund
- Remaining income/Debt oriented
- Growth/Equity oriented
- Hybrid/Balanced
- Gold ETF
- ETFs (Other than gold)
- Fund of funds investing overseas
- Solution oriented schemes
- Index funds

Source : CMIE, Angel One Wealth, Data as on June, 2024

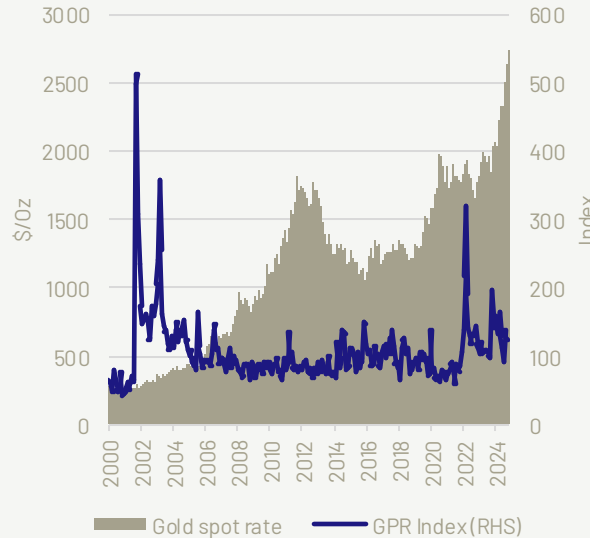
India's retail investors have a biasness towards Equity oriented schemes (84%). This has been good for markets so far but remains a point of contention for when the correction strikes. HNI investors while steadily increasing equity and hybrid allocation, have also cut down on debt-oriented schemes from 38% to 10%. Corporate investors have gradually increased allocation towards ETF (other than Gold) from 7% to 30% and reduced towards debt-oriented instruments from 48% to 17%.

The Gold Rally Had Many Legs

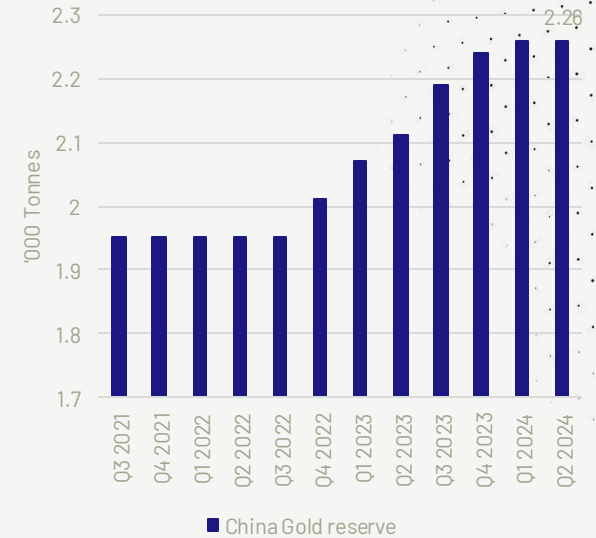
Gold to equity ratio was suppressed



Geopolitical uncertainty helped gold



... so did demand from China



Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

Source: tradingeconomics.com, Angel One Wealth, Data as on Nov, 2024

A rise in US debt is positive for Gold and this time is likely no different as inflation worries arise. Gold is also seeing unprecedented demand in China which further bolsters the asset class. There are arguments now on the other side too - reduced equity volatility, a risk-on rally and stronger dollar. Having noted all of these, we still believe Gold may perform hereon due to stronger fundamentals. We also re-iterate our call on silver*.

*Note: Kindly refer the latest edition of AssetX for our view on silver

And This Is How Asset Classes Performed In 2024

Gold was the shining star performer in 2024

2017	2018	2019	2020	2021	2022	2023	2024
57.3	7.2	36.9	39.2	61.9	11.3	48.1	33.1
54.3	5.0	31.7	28.3	46.8	4.3	43.7	26.6
28.7	3.2	21.2	25.1	29.4	3.0	25.0	21.2
22.0	2.3	12.0	24.4	24.1	0.1	20.0	19.6
12.2	-13.3	9.3	19.3	0.7	-3.7	14.2	12.0
6.2	-22.7	-0.3	14.9	-0.7	-10.6	7.7	9.0
1.2	-26.8	-8.3	9.9	-2.4	-19.8	-13.4	7.8

Nifty smallcap 250 Nifty Midcap 150 Nifty 50 CSI 300 S&P 500 Gold India Govt Bond 10Y

Note: Returns are calculated using INR prices

Source: Bloomberg, AngelOne Wealth, Data as on Nov, 2024

The matrix shows the rankings of asset classes from 2017 to 2024 basis yearly returns, with 2024 showing positive returns for all the asset classes. Gold came in as the best performing asset class, registering a spot in the top 3 for the second time in 6 years. 2024 garnered well for small caps relative to mid & large caps as well as 10Y Gsec fund. The macro regime is gearing for a change in 2025.



In a nutshell,

2024 was a year that broke the post covid trends of equity run up and strong global growth. It was also the year when inflation finally slowed and monetary easing came back. What next? We continue to watch 2025 for a) Trump policy b) rate cut cycle c) equity valuations and earnings trajectory and d) geopolitical situation. Of course, there will be 'unknown unknowns' that can continue to shape the world.

Please contact us for more details at hello@aowealth.in

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