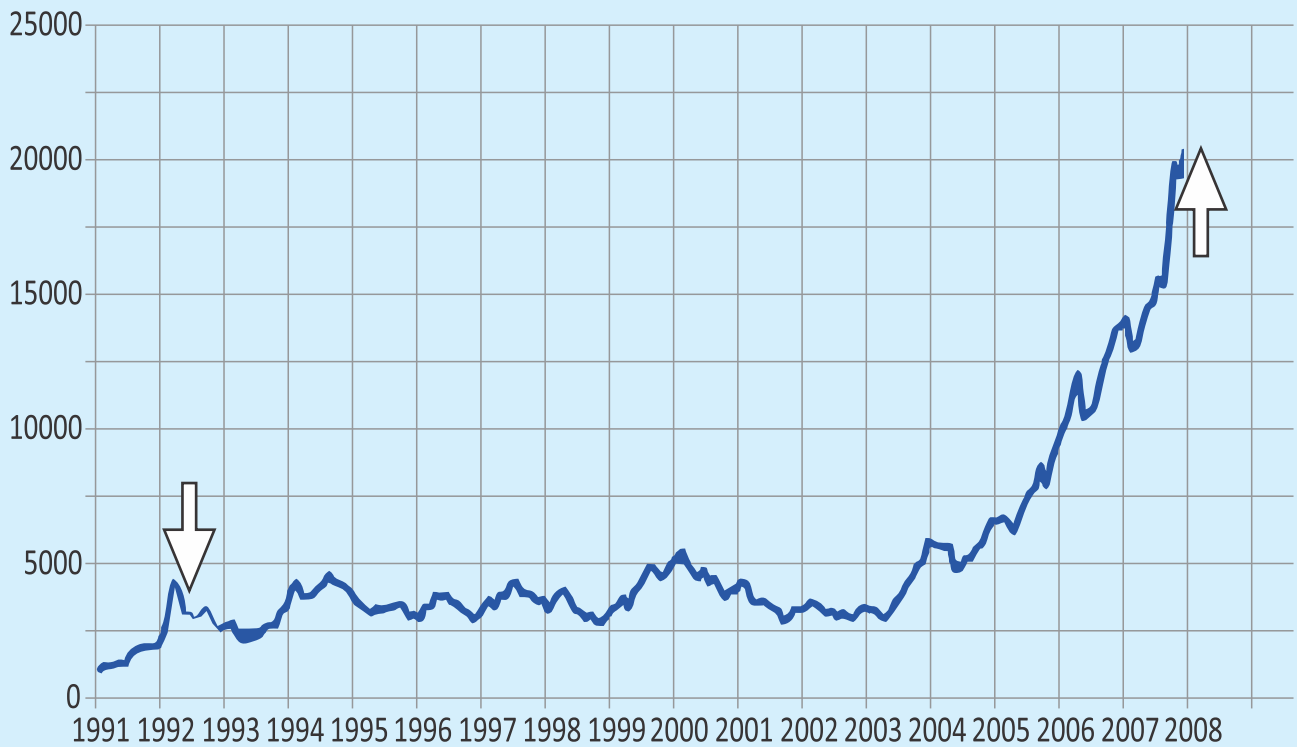


## Growth Is Permanent Correction is Temporary



## Maloo Investwise Pvt. Ltd.





**M**aloo Investwise Pvt. Ltd. (erstwhile Maloo Finance & Investment Services) was established in 1992. Our purpose is to help our customers on their journey to fulfill their financial dreams. With more than 32 years of experience, Maloo Investwise is an esteemed and trusted financial service provider in Rajasthan.

We provide investment, mutual fund and diversified financial services through dynamic information management, benchmarking and continuous client reporting.

## Founder and Pioneer



## Award and Achievements



Dr. Ramesh Chand Maloo, founder of Maloo Investwise Pvt. Ltd. is a Certified Financial Planner (CFP) with over 30 years of experience in financial management

Awarded with NSE Market Achievers Award in 2018.



His Ph.D. theses "Analysis of Investment Opportunities- A comparative study of Mutual Funds, Equity, and traditional Investments." highlighted investment opportunities in open market

Awarded with the "Tarakki champion" Award in 2019



He has undergone a short term course on "Family Business: Organization, Strategies, Internationalization and Succession" From the prestigious IIM, Ahmedabad.

Awarded with CNBC TV 18, UTI MF, and ICRA's Best performing MFD Award erstwhile (Individual Financial Advisor Award) for north India cities (tier II)' 2018-19



He has also done short term course on leadership development program from ISB Hyderabad.

Awarded with MFRT Imperial Qualifier Award in Year 2013.



## Company Strategy

## Our Services

### Vision

To build long-term relationship with our clients and provide them real time financial services through use of state-of-the-art technology and innovation.

### Mission Statement

To ensure optimal financial growth for our clients.

### Purpose

To provide active portfolio management and diversified financial services to our clients through dynamic information management, bench marking and continuous client reporting.

### Online Investment

Our website and mobile app (IOS and Android) provide our clients with useful financial tools, calculators and articles for better financial planning and do-it-yourself online investment options.

### Financial Solutions

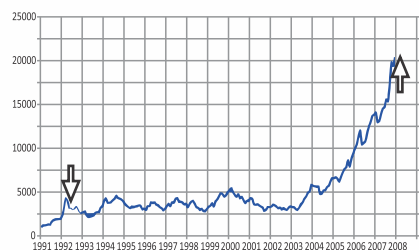
We offer various financial products to help our clients achieve their financial goals;

### Investment in Mutual Fund

We are Rajasthan's largest retail financial service provider offering a variety of financial products including mutual funds, life insurance, health insurance, postal schemes, bonds (capital gain, infrastructure, government and RBI) etc.

# Growth is Permanent, Correction is Temporary

Market corrections are inevitable features of stock markets worldwide, yet historical evidence consistently demonstrates that while downturns can be sharp and unsettling, they remain temporary interruptions in a long-term growth trajectory. Analysis of major Indian market corrections in 2000, 2008, and 2020 reveals that despite significant short-term volatility, markets ultimately recover and achieve new heights. This pattern creates substantial opportunities for disciplined long-term investors who maintain perspective during turbulent periods. Rather than attempting the nearly impossible task of perfectly timing market entries and exits, investors who systematically deploy capital during corrections and maintain appropriate asset allocation based on their time horizon position themselves for long-term financial success.



## Historical Indian Market Corrections: Patterns of Recovery

**The 2000 Crash and Dot-Com Fallout :** This period coincided with the global dot-com bubble burst. The technology sector experienced particular turbulence as irrational exuberance around internet-based companies corrected sharply. This early example in the modern Indian market demonstrates how speculative excesses eventually correct, yet markets ultimately recover and resume their growth trajectory.



**The 2008 Global Financial Crisis Impact :** The 2008 market crash represents one of the most severe corrections in Indian financial history. This downturn was primarily triggered by external factors, notably the collapse of Lehman Brothers in the United States, which cascaded globally. Foreign investors rapidly withdrew capital from India, creating significant downward pressure on the market.

### January 2008 witnessed particularly dramatic market movements:

- On January 21, 2008, the BSE plummeted by 1,408 points to 17,605, representing one of the largest single-day erosions of investor wealth
- This day earned the ominous label "Black Monday" in financial media
- The following day, January 22, 2008, the Sensex experienced its biggest intra-day fall when it hit a low of 15,332, down a staggering 2,273 points, though it recovered somewhat to close with a loss of 875 points at 16,730

### The volatility continued throughout early 2008:

- On February 11, 2008, the Sensex fell by a further 834 points to 16,630

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- On March 3, 2008, the BSE Sensex declined by 900 points to settle at 16,677

Despite this severe and prolonged correction, the Indian market eventually stabilized and began its recovery journey, demonstrating the temporary nature of even the most dramatic market downturns.

**The 2020 Pandemic Shock :** The COVID-19 pandemic created another significant market correction in 2020. As the virus spread globally and economies implemented unprecedented shutdowns, markets reacted with sharp declines:



- On February 28, 2020, the Sensex and Nifty experienced their worst weekly fall since 2009, with markets declining for five consecutive days
- On March 4 and 6, 2020, markets fell by approximately 1,000 points each day
- On March 9, 2020, the Sensex plunged by 1,941.67 points while Nifty dropped by 538 points

**This crash was primarily driven by:**

- Fears surrounding the COVID-19 outbreak and its economic implications
- The Yes Bank crisis, which further undermined market confidence
- Global market sell-offs as investors sought safety amid unprecedented uncertainty

However, following government and central bank interventions globally, including stimulus packages and supportive monetary policies, markets began recovering from their lows, once again demonstrating resilience in the face of a major crisis.

## THE LONG-TERM INVESTOR'S ADVANTAGE

### Market Recovery Patterns and Wealth Creation Opportunities :

Historical data from Indian market corrections reveals a consistent pattern that creates substantial opportunities for patient investors. Despite the severity of the 2008 financial crisis, which saw multiple days of 4-5% declines in the Sensex and Nifty, the market eventually recovered its losses and reached new highs in subsequent years. Similarly, the pandemic-induced crash of 2020, while historically significant, was followed by a remarkably swift recovery.



For investors with long time horizons, these corrections represent premium buying opportunities rather than reasons for panic. When quality stocks and broad market indices trade at discounted valuations during corrections, increasing investment allocation can significantly enhance long-term returns. The mathematical advantage is compelling—purchasing more shares/units at lower prices reduces average cost basis and amplifies returns when markets recover.

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**The Compounding Effect During Recovery Phases :** The power of compounding becomes particularly evident following market corrections. When investments are made at depressed valuations, the subsequent recovery and growth phases work from a lower base, potentially accelerating wealth creation. This effect becomes more pronounced over longer time horizons, highlighting why corrections represent opportunities for those with patient capital and disciplined investment approaches.

### THE MYTH OF PERFECT MARKET TIMING

**The Practical Impossibility of Consistent Market Timing :** One of the most persistent myths in investing is the belief that one can consistently sell at market highs and buy at market lows. The reality is starkly different. Professional fund managers, with all their resources and expertise, regularly fail to time markets with consistent accuracy.

The erratic nature of market movements during crashes illustrates this difficulty. During the 2008 crash, markets experienced extreme volatility with multiple false bottoms and rapid swings. For instance, on January 22, 2008, the Sensex saw its largest intra-day fall, dropping 2,273 points before recovering somewhat to close down 875 points. Such unpredictable movements make precise timing practically impossible for even the most sophisticated investors.

**The Cost of Missed Recovery Days :** Research consistently demonstrates that missing even a few of the best market days can significantly reduce long-term returns. During recovery phases after corrections, markets often experience their strongest gains in a relatively small number of trading sessions. These critical recovery days frequently occur amid ongoing uncertainty, making them particularly difficult to anticipate.

The mathematical reality is sobering—an investor who remains fully invested through market cycles typically achieves significantly better long-term results than one who attempts to time entries and exits, even if the latter avoids some of the worst days. This is because timing strategies must be correct twice—once when exiting and again when re-entering—multiplying the probability of error.

### SYSTEMATIC INVESTMENT: A PRACTICAL APPROACH

**The Power of Systematic Investment Plans (SIPs) :** Rather than attempting to time market entries and exits precisely, systematic investment plans offer a more practical and psychologically manageable approach. By investing fixed amounts at regular intervals regardless of market conditions, investors effectively average their purchase prices across market cycles, reducing the impact of volatility.



**This approach provides several advantages during market corrections:**

- It removes the emotional burden of deciding when to invest
- It automatically increases share/units purchases when prices are lower

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- It eliminates the need to predict market bottoms
- It maintains investment discipline during periods of maximum uncertainty

The 2008 and 2020 corrections demonstrated the value of this approach. Investors who maintained their systematic investments throughout these turbulent periods purchased more shares/units at lower prices, effectively lowering their average cost. When markets eventually recovered, these additional units acquired at depressed valuations significantly enhanced returns.

**The Staggered Investment Strategy for Lump Sums :** For investors with lump-sum capital available during market corrections, dividing investments into multiple parts deployed over time offers a balanced approach that addresses both mathematical and psychological considerations:

1. It reduces the psychological pressure of investing all capital at once during uncertain times
2. It mitigates the risk of investing immediately before further declines
3. It provides multiple entry points, improving the likelihood of capturing attractive valuations
4. It allows for strategy adjustment as market conditions evolve

This approach is particularly valuable during prolonged corrections like 2008, where markets took considerable time to find their bottom before beginning recovery. By investing in four approximately equal installments over several months, investors can participate in the eventual recovery while reducing the anxiety associated with perfectly timing the market bottom.

### **ASSET ALLOCATION STRATEGY FOR DIFFERENT TIME HORIZONS**

**The Critical Importance of Time Horizon :** Investment approach must fundamentally align with time horizon. When funds will be needed within 1-2 years, the strategy must differ significantly from purely long-term investing. This distinction becomes particularly crucial during market corrections when emotional responses can lead to decisions that misalign with financial needs.

**Monitoring and Adjusting Allocation for Near-Term Needs :** For investors with shorter time horizons, proper asset allocation becomes the primary tool for managing market volatility. As the need for funds approaches within a 1-2 year window:

1. Regular monitoring of portfolio composition becomes essential
2. Gradual reallocation from higher-risk equity investments to more stable fixed-income assets is often prudent
3. Taking advantage of market recoveries to systematically reduce equity exposure can help preserve gains
4. Creating dedicated allocations for short-term needs separate from long-term investments helps manage both objectives effectively

During the 2020 crash, investors who needed funds within 1-2 years and maintained appropriate fixed-income allocations were better positioned to meet their needs without being forced to sell equities at depressed valuations. This highlights the importance of proactive allocation

adjustments as time horizons shorten, particularly when market corrections occur near planned withdrawal dates.

**Conclusion :** The history of Indian market corrections in 2000, 2008, and 2020 consistently demonstrates that while market downturns can be severe and unsettling, they remain temporary disruptions in a longer-term growth trajectory. For disciplined long-term investors, these corrections represent opportunities rather than threats to financial well-being.

The practical impossibility of consistently timing market tops and bottoms highlights the value of systematic investment approaches, whether through regular SIPs or staggered deployment of lump sums. These methodical approaches remove the need for market prediction while capturing the benefits of lower valuations during corrections.

For investors with shorter time horizons, particularly those needing funds within 1-2 years, careful attention to asset allocation and timely reallocation becomes essential. This balanced approach allows investors to benefit from market growth while protecting capital needed in the near term.

Ultimately, successful navigation of market corrections requires balancing discipline with flexibility, maintaining a long-term perspective while adapting to changing market conditions and personal financial needs. The enduring principle remains: in the Indian equity markets, growth has proven permanent, while corrections have consistently demonstrated their temporary nature.

## Types of SIP Investors! when market falls

Positive Investor



Negative Investor



**Be a Positive Investor!**

Call us to invest: **82870 99099**

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**maloo**  
Trust, Experience & Integrity

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## WEALTH QUOTES



**"Far more money has been lost by investors trying to anticipate corrections, than lost in the corrections themselves."**

**-Peter Lynch**



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