

## Fundamental Analysis of Nifty

Following Fundamental Key Ratio cannot be Ignored while Nifty Prediction

1. Nifty trading in PE Ratio Between 12 to 15 is **Best Buy Opportunity** & PE Ratio Between 24 to 27 is **Best Sell Opportunity** & PE Ratio Between 16 to 23 **Average Opportunity**
2. Nifty Price Book Ratio Between 2 to 3 is **Buy Signal** and Price Book Ratio Between 3 to 5 is **Sell Signal**
3. **India VIX move up - Index goes Down, Currently India VIX is at 52 week low & started moving upside**
4. FII Activity

Below Table is showing **Nifty Movement in last 10 year** on basis of data of Key Ratio

S No	PE Ratio	Date of PE Ratio >24	Top Close	Date of TOP	Bottom Close	Date of Bottom	Correction after Top	Time Frame of Correction	Time Frame Between PE Ratio >24 & Nifty Top	India VIX (in %) in Correction Period	FII Status in Correction Period (in Rs)
1	28.2	October 9, 2007	6274	January 4, 2008	2584	October 24, 2008	59%	10 month	Less then 3 Month	NA	Net Sell - 109888 Cr
2	25.6	September 13, 2010	6312	November 5, 2010	4613	December 19, 2011	27%	13 month	Less then 2 Month	14.5 -->37	Net Sell - 7500 Cr
3	24.1	March 3, 2015	8996	March 3, 2015	6976	February 11, 2016	23%	11 Month	02 Day	15 -->30	Net Sell - 70000 Cr
4	24.5	August 31, 2016	8953	September 8, 2016	7908	December 25, 2016	12%	3.5 Month	08 Days	15 -->16	Net Sell - 24000 Cr
5	24.2	May 16, 2017	9595	May 26, 2017	-	-	-	-	-	8.5--> Moving Up	Net Sell - 1550 Cr & Counting

**Conclusion - Nifty is trading in the area of Strong Sell Signal, as Currently PE Ratio is 24.32 & PB Ratio is 3.62 which is clearly showing Nifty is in Overvalued Range, Investor must book some profits in their Portfolio.**