

ENHANCE YOUR IPO BUZZ:

GREY MARKET PREMIUM (GMP)

Shedding light on Shadows



by *FinViz*

A . B . V . S . M . E , J . N . U .



WHERE TRADERS **BID SHARES** OF A COMPANY
BEFORE THEY ARE OFFICIALLY LISTED IN THE
STOCK MARKET.

IT'S NOT REGULATED BY
SEBI,
BUT IS LEGAL

TRADES
THRIVE
ON
MUTUAL
TRUST
WITHIN
SMALL
GROUPS

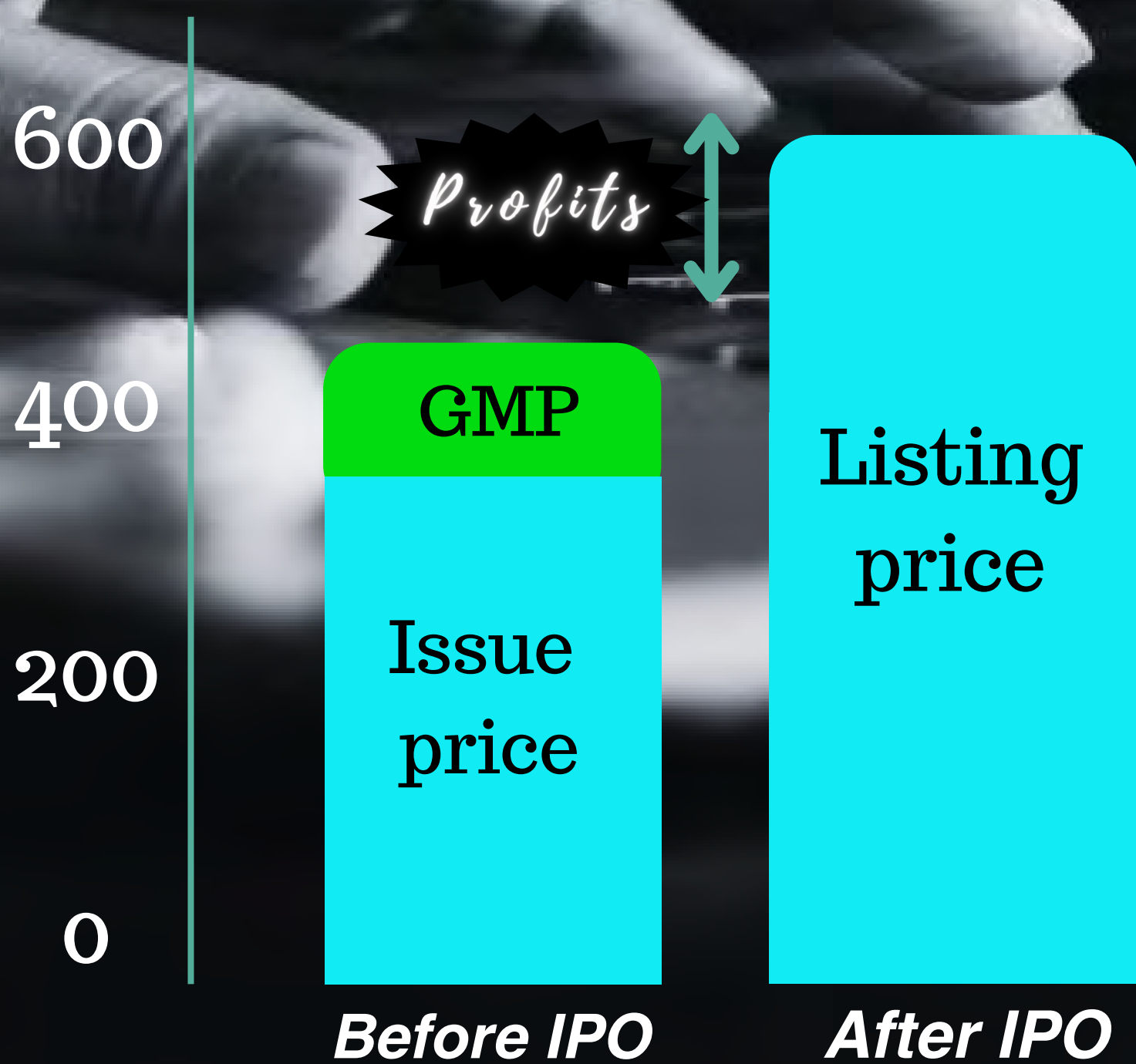


UNRAVELLING GREY MARKET



EXAMPLE FOR G.M.P

POSSIBLE LISTING PRICE



$$= \text{ISSUE PRICE} + \text{GMP}$$



BUT, IS IT WORTH THE RISK?

A PRE-IPO PLATFORM IS VITAL FOR TESTING MARKET WATERS, ASSESSING DEMAND, AND DETERMINING IPO VALUATION BEFORE LAUNCHING IN FINANCIAL MARKETS.

MEASURING MARKET SENTIMENTS



SO, WHO SETS THE GMP?

IT'S BASED ON THE DYNAMIC INTERPLAY OF THE MARKET FORCES I.E...



DEMAND AND SUPPLY.

MORE BUYERS: GMP RISES
MORE SELLERS: GMP FALLS

REMEMBER GMP HAS NO RELIABILITY, IN MOST SITUATIONS TRADERS ONLY USE IT TO UNDERSTAND POSSIBLE IPO PRICING.

	Price	IPO GMP	Listed
Tata Technologies	₹500	₹430	₹1200
IREDA	₹32	₹12	₹50
ASK Automotive	₹282	₹30	₹305



WERE YOU ABLE TO LEARN THE NEW SPELL?

SPELLMASTER



PRANJAL RAMTEKE
MBA 4TH SEM
FINANCE

Before we say **bye!!!**
We have a little contest for you

Solve guestimates after every scroll and get a reward from the Wizard himself...

Here's a Guestimate for the week:

**How many Washing machines are demanded
PAN India?"**

Mail us your thoughts at
finwiz.abvsme@gmail.com

