



Value Potential Index

Quarterly Report
December Q4 2024



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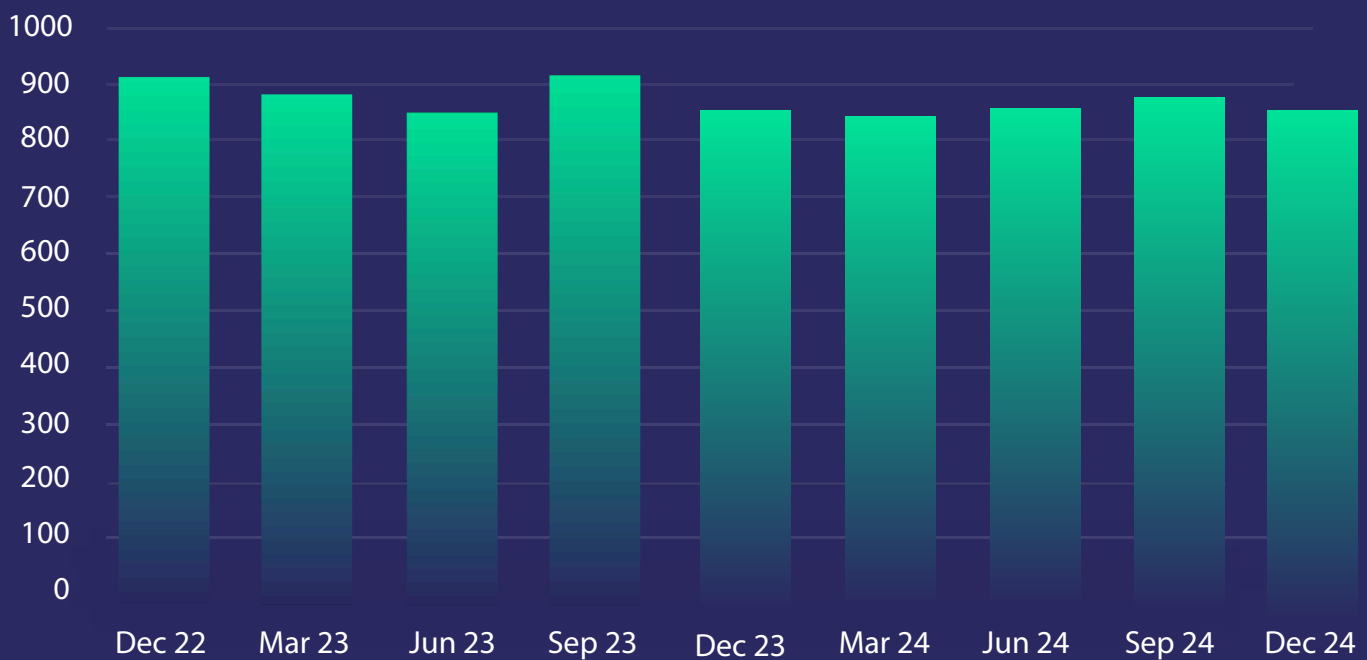
December Q4 2024

Australia's VPI has seen a very minor decrease this quarter, ending a two-quarter streak of consecutive increases. Most macros are rather stable or improving, however, the Australian dollar shed over 10% of its value.



877.00 ↓ 1.09%

The VPI index has decreased by 1.09% during Q4 of 2024 to 877.00.





The ASX200
increased by

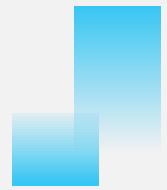
3.17%



There was normal
increase in GDP of

0.55%

near to long term trends.



A **small decrease** in
Capitaliz multiples

0.55%

likely linked to an **increase** of
listings of businesses for sale.

The ASX small caps **increased**
quarter on quarter by

1.43%

A noticeable **increase** in
businesses listed for sale by

3.18%

possibly a seasonal trend.



Economic Indicators

Indicator	Sep Q3	Dec Q4	Movement
ASX200	8,270	8532	3.17%
10 year bond rate (%)	3.993	4.413	10.52%
Gross Domestic Product (millions)	\$654,912	\$658,495	0.55%
Inflation (%)	2.8	2.4	-14.29%
Unemployment (%)	4.1	4.0	-2.44%
\$A \$US cross rate	0.6916	0.6220	-10.06%

Equities Markets





Economic Commentary

ASX 200

The ASX 200 saw a minor appreciation this quarter.

10 Year Bond Rate

The Reserve Bank of Australia (RBA) 10-year bond rate is the best measure of cost of funds. In the pre-Pandemic era, Australians became accustomed to historically low rates, but rates are broadly considered to be on the rise.

Unemployment Rate

The Australian national unemployment rate reflects seasonally adjusted changes in the proportion of unemployed persons in the labour force.

ASX Small Caps (XSO)

This index is the closest public market comparative measure for privately owned SME's, with market capitalization (total value) between \$20 Million and \$200 Million.

Gross Domestic Product

Gross Domestic Product (GDP) is a measure of the total market value of goods and services produced in Australia each quarter.

Inflation Rate

The Consumer Price Index (CPI) reflects the change over time in the cost to Australian households of a fixed "basket" of goods and services.

Value Potential

As calculated by the Capitaliz VPI, the total value of Australian privately owned businesses is \$1.437 Trillion with an average value of \$605,079. The Value Potential is currently sitting at \$432 Billion, or \$182,000 per business.

The Value Potential represents a large opportunity for Australian business owners to improve the value of their asset.



Value Potential

\$1.437T

▲ \$432B

VPI™

Value Potential Index

The Capitaliz VPI is based on over 750 business valuations over twelve years where we are able to track the key metrics that drive valuations and project potential value over time, based upon implementing the recommendations from our Capitaliz Business Insights Report.

The index includes economic, industry and business-based risk scores to determine the appropriate multiple and the gaps identified in the report for profit gap, benchmarking, exit readiness and attractiveness to determine the value potential.

The index is recalculated each time a new valuation is completed and updated regularly with economic factors, industry trends, or business sentiment changes

Use of our proprietary index allows us to accurately assess value potential for each business and determine the most appropriate actions to take in order of priority that will most affect the valuation.



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