

Indian Investment Opportunity 2022

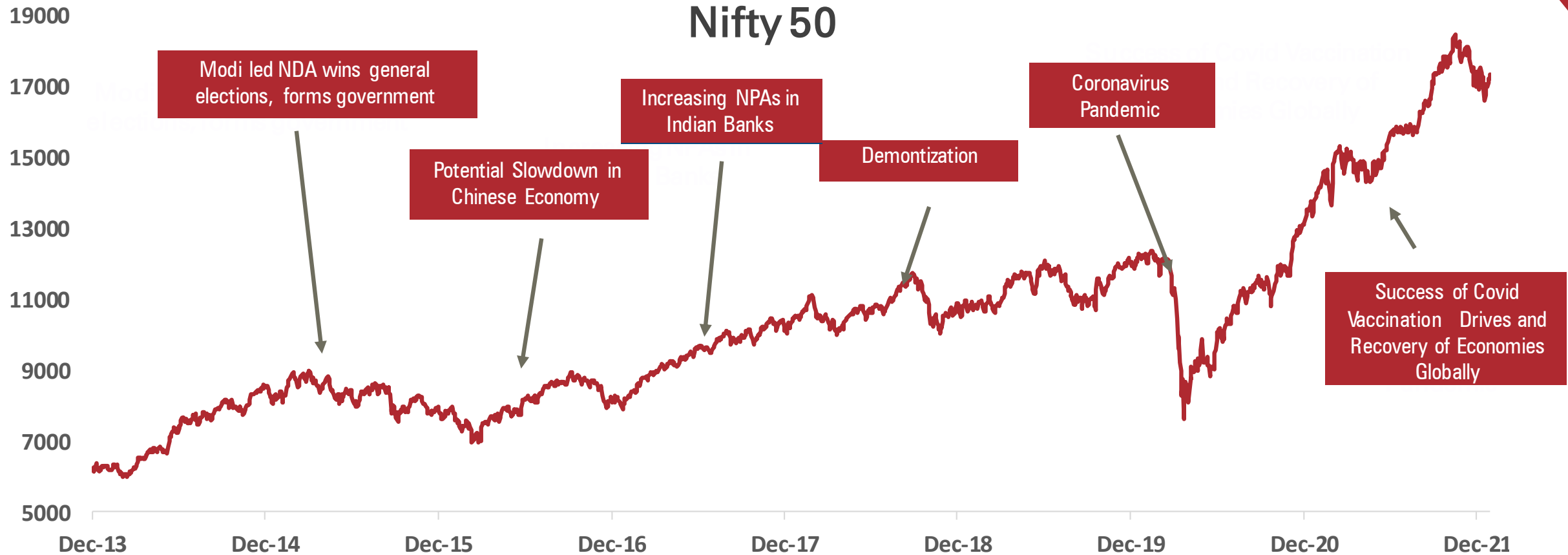




Journey from 6K to 17K inspite of Volatility

Despite the volatility and major market crashes caused by various events over the last decade, Equity Markets have been resilient and helped create wealth for investors.

The CAGR since 2013 is 13.46%
+ Dividend Yield





Rise of the Domestic Financialisation and Equity Culture in India

Financial Year	FII Avg Volume	DII Avg Volume	Total Institutional Volume	Total Market Volumes	Non Institutional Volume	Institutional Volume %	Non Institutional Volume %
April 2021 - December 2021	17,289	11,637	28,927	81,040	52,113	35.69%	64.31%
April 2020 - March 2021	15,051	9,165	24,216	80,036	55,820	30.26%	69.74%
April 2019 - March 2020	11,356	7,784	19,140	43,545	24,406	43.95%	56.05%
April 2018 - March 2019	10,510	7,155	17,665	42,926	25,261	41.15%	58.85%
April 2017 - March 2018	10,782	6,872	17,654	38,652	20,998	45.67%	54.33%
April 2016 - March 2017	9,330	4,500	13,830	27,857	14,028	49.64%	50.36%



FII Selling Absorbed by Strong Buying by Domestic Mutual Funds

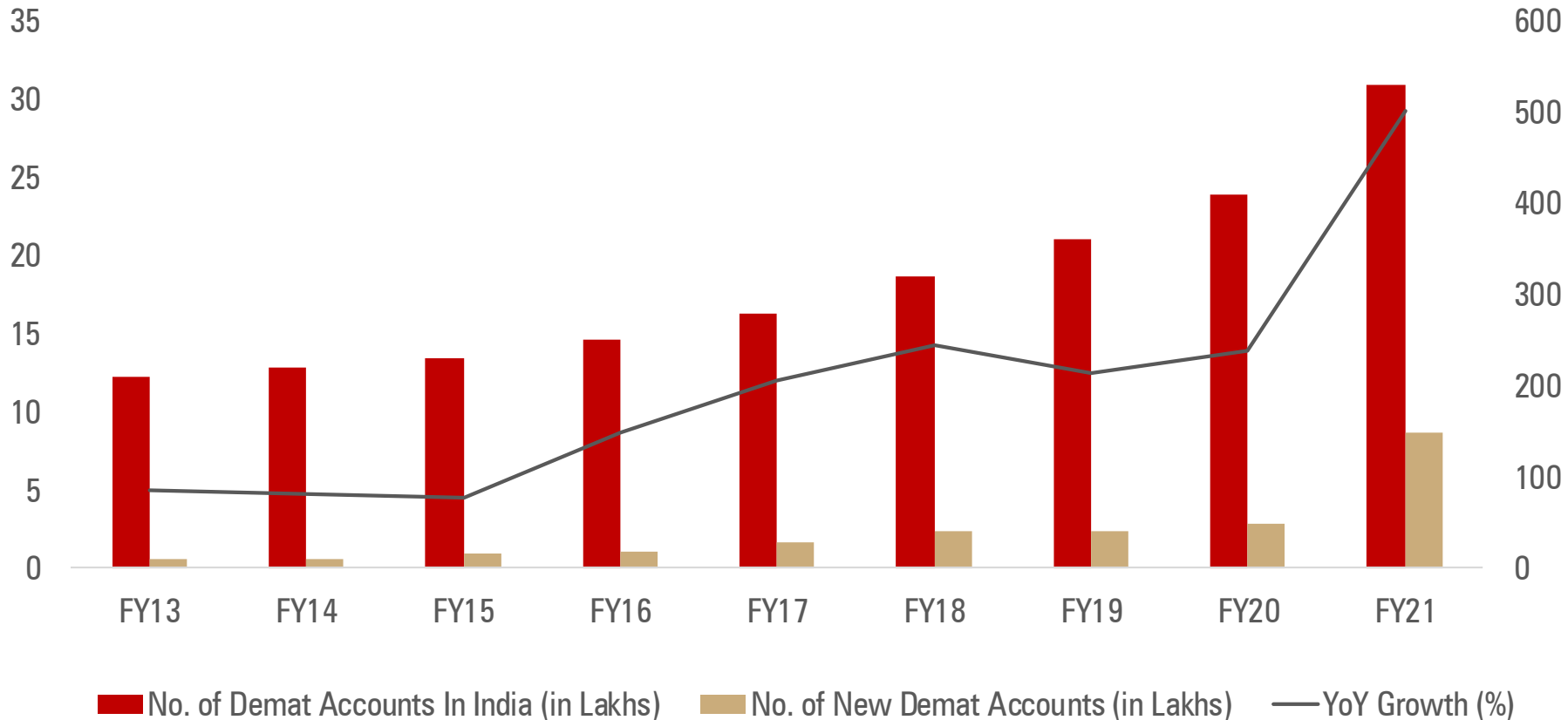
Flows Rs Cr	FII (Secondary)	MF (Secondary)
22-Jan	-28,893	10,043
21-Dec	-26,814	21,923
21-Nov	-35,905	25,231
21-Oct	-16,448	5,195
21-Sep	7,480	8,304
21-Aug	717	11,347
21-Jul	-22,633	22,601

CY2022	-108,832	106,791
CY2021	43,473	-22,700
CY2020	113,922	-63,495
CY2019	84,741	58,638



Growth in Demat Accounts

Digitization and growing awareness about equities, are likely to push more people towards capital markets



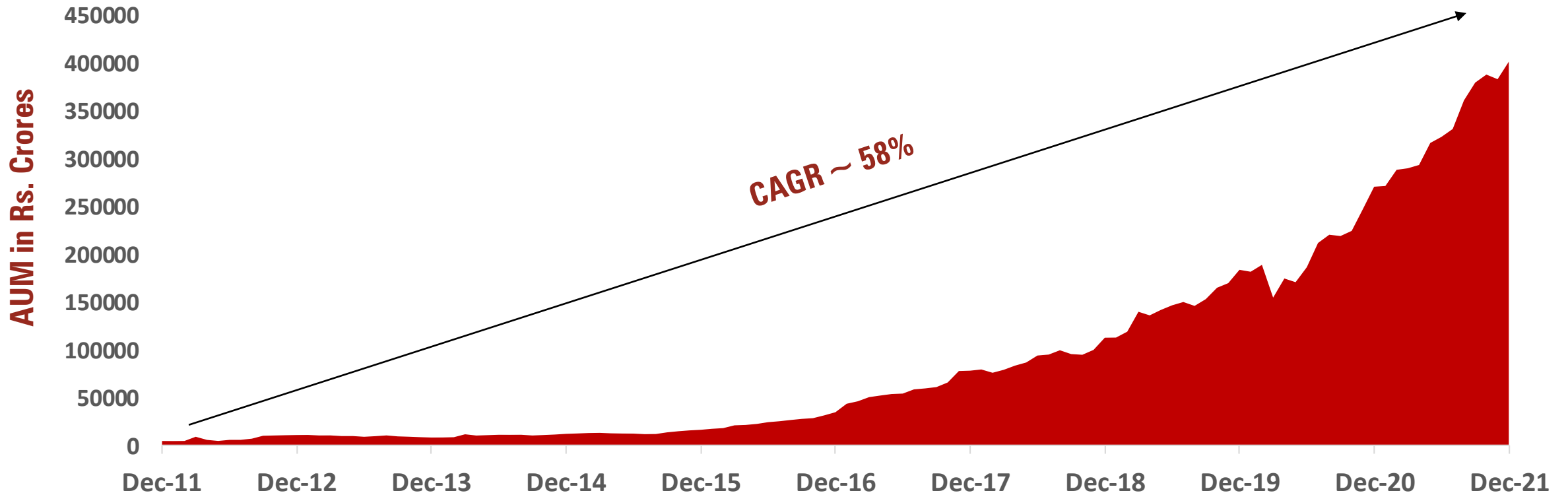
Fact :

- The **Covid19** Pandemic enabled investors to shift their savings from traditional instruments to alternatives like Mutual Funds and ETFs/ Index Funds
- In FY21, 142 lakh new Demat accounts were opened by Indian investors



Rapid Growth of Indian ETF Industry

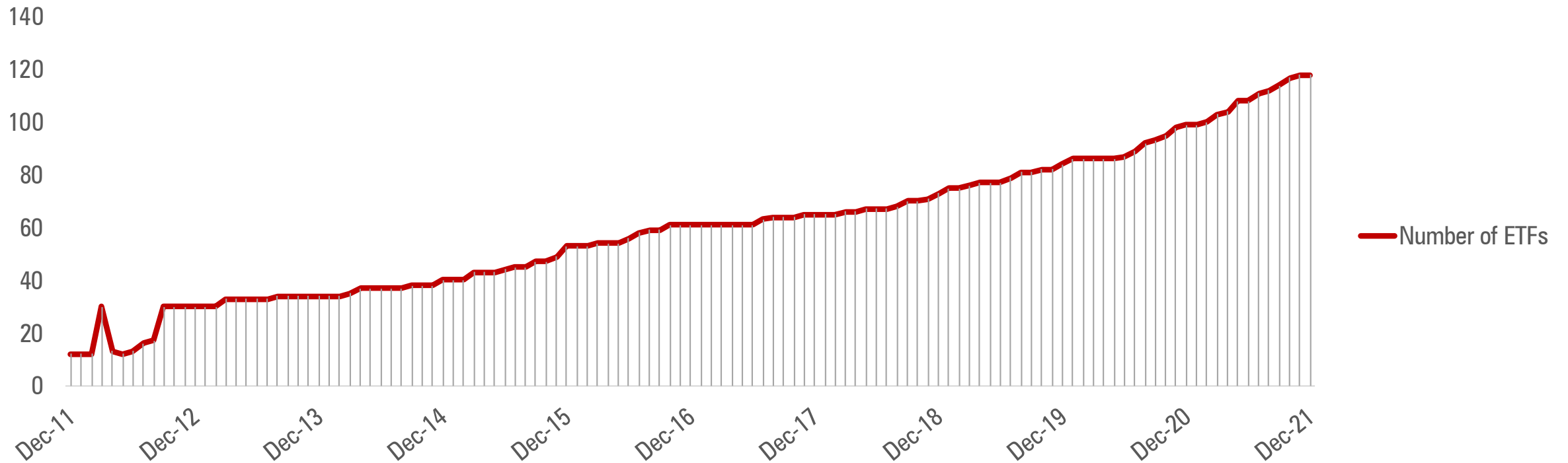
- The Assets Under Management (AUM) of ETFs in India have grown exponentially from 4204.9 Crs in Dec 2011 to 401357.3 Crs in Dec 2021
- Recent Investments :
 - EPFO's apex decision making body is considering to increase investments in equity ETFs to 15% of the investible deposits. The major contribution ETF AUM is by EPFO





Growth in Number of ETFs in India

- India has seen a shift in the way of investing from traditional methods like company stocks to alternate and more evolved methods like ETFs
- From 12 ETFs in December 2011 to 118 in December 2021, the Indian ETF industry has grown considerably





ETF Growth Accelerators

Factors contributing to the growth of ETFs globally:



Introduction of New Distribution Platforms



Better Investor Awareness



Tax Efficiency



Good track record of Performance



Lower Distribution Costs



Low Cost to Service Providers



Popular ETFs in India

❖ S&P BSE Bharat 22 TRI

❖ S&P BSE Sensex TRI

❖ Nifty Next 50 TRI

❖ Nifty 50 TRI

❖ Nifty Bank TRI

❖ Nifty Alpha Low Volatility 30 TRI

❖ Nifty IT TRI

❖ Nifty 100 Low Volatility 30 TRI

❖ Nifty CPSE TRI



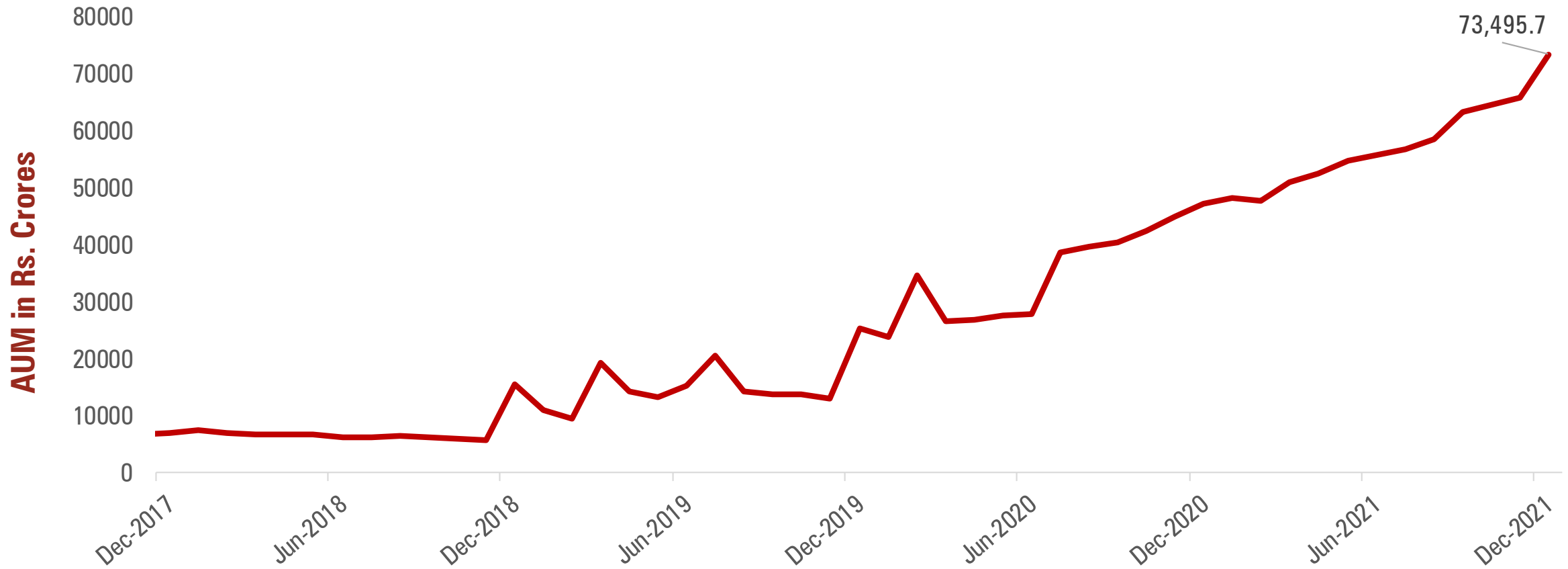
Government Bond ETFs have increased awareness in the market due to which Debt ETFs/Index Funds are becoming increasingly popular as they provide higher YTM at low cost

❖ **Nifty BHARAT Bond
Index Series**

❖ **Nifty PSU Bond Plus SDL
Sep 2027 40:60 Index**



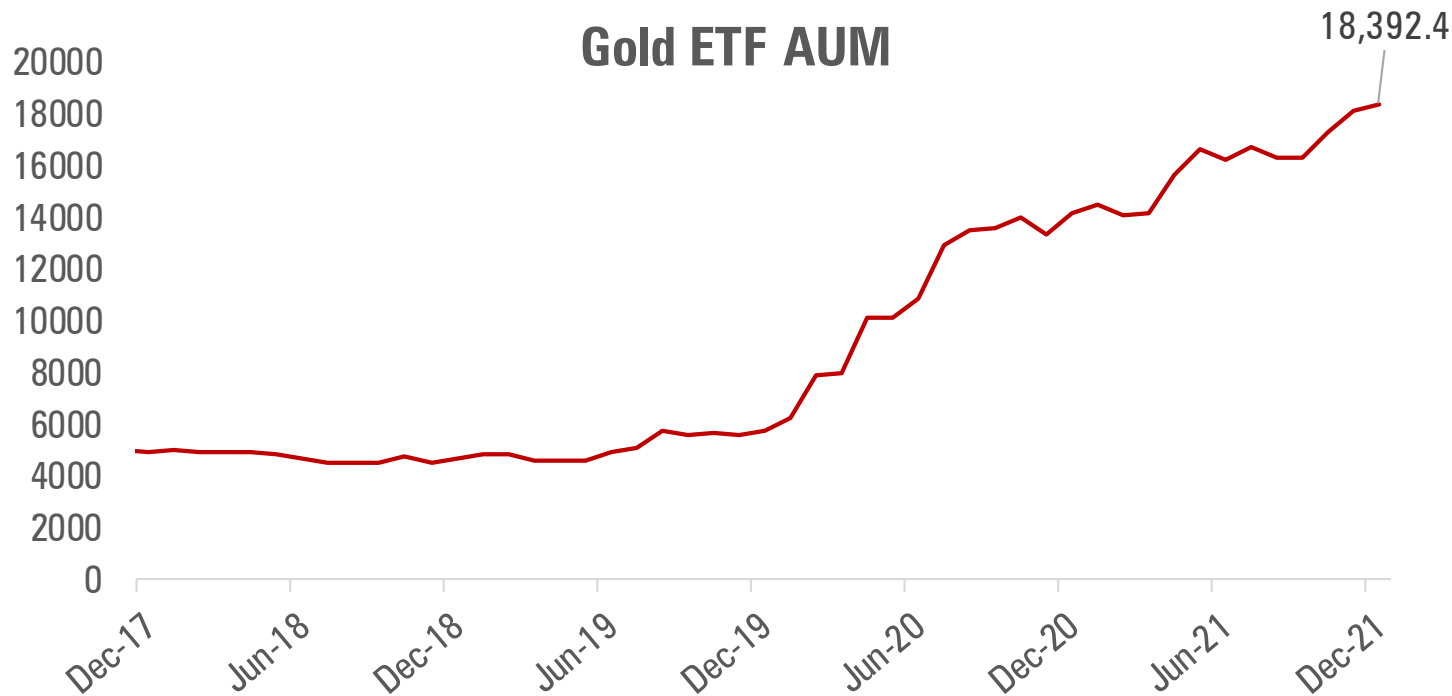
Debt ETFs in India





Commodity ETFs in India

High Networth/Ultra High Networth individuals & younger generations are seeing Gold ETF as a smart way of investing



Silver ETF

In September 2021, SEBI allowed mutual fund houses to introduce Silver ETFs in India, due to which a few mutual fund houses launched their Silver ETFs in January 2022 and many more are lined up before SEBI to seek approvals.