



Association of National Exchanges Members of India

**India Market Report
Asia Securities Forum
17th Annual General Meeting, 2012**

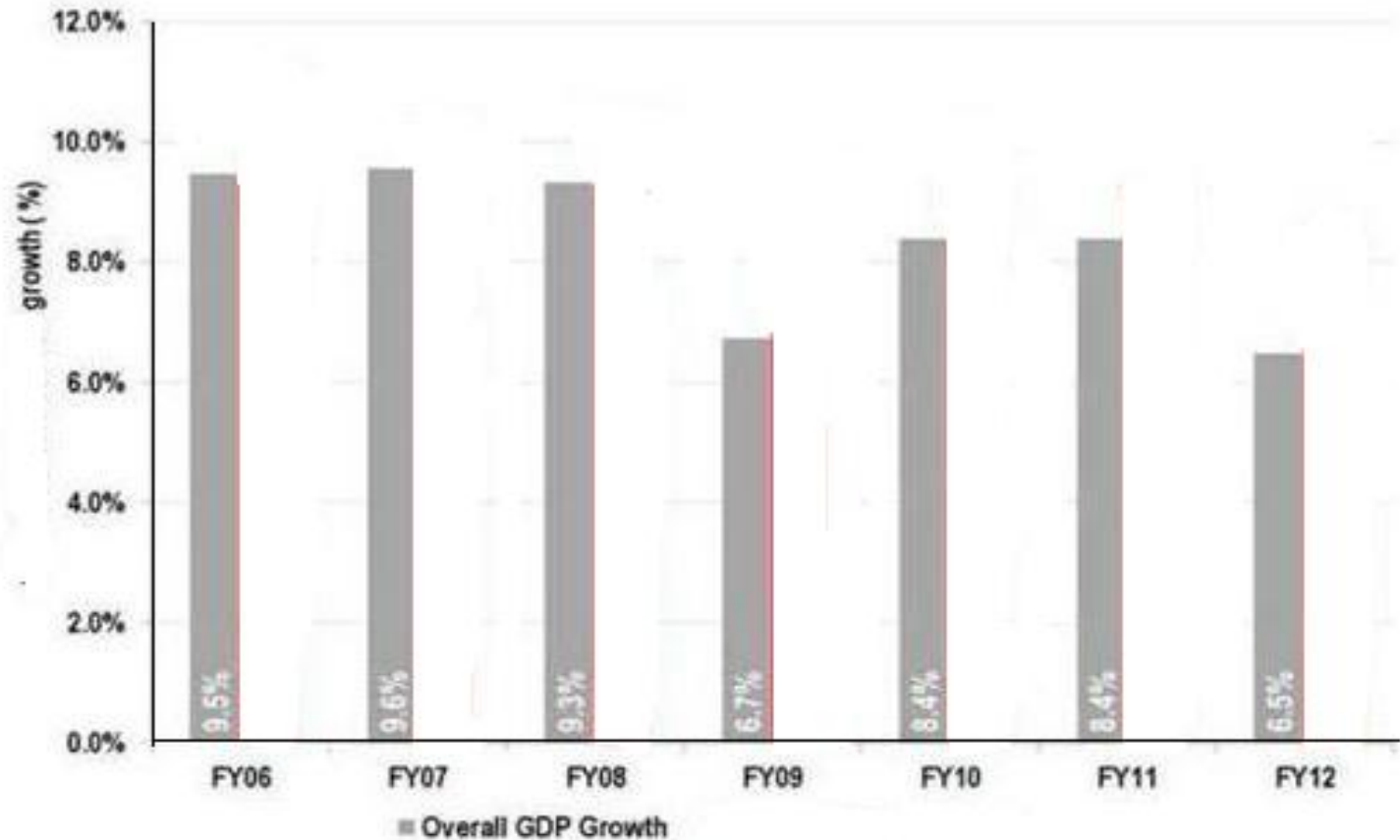
ABOUT ANMI

- ANMI was formed in the year 1994.
- It is a pan India body comprising of the trading members of NSE, BSE and MCX-SX spread across the country.
- The basic objective of the Association is to work for the growth of the Capital Market, economic development of the country and the overall interest of investors and its members at large.

WORLD RANKING

Rank ↕	Country/Region ↕	GDP (millions of ↕ US\$)
	<i>World</i>	69,659,626^[5]
	 <i>European Union</i>	17,577,691 ^[5]
1	 United States	15,094,025
2	 China	7,298,147ⁿ²
3	 Japan	5,869,471
4	 Germany	3,577,031
5	 France	2,776,324
6	 Brazil	2,492,908
7	 United Kingdom	2,417,570
8	 Italy	2,198,730
9	 Russia	1,850,401
10	 Canada	1,736,869
11	 India	1,676,143

GDP GROWTH



ECONOMIC PERFORMANCE

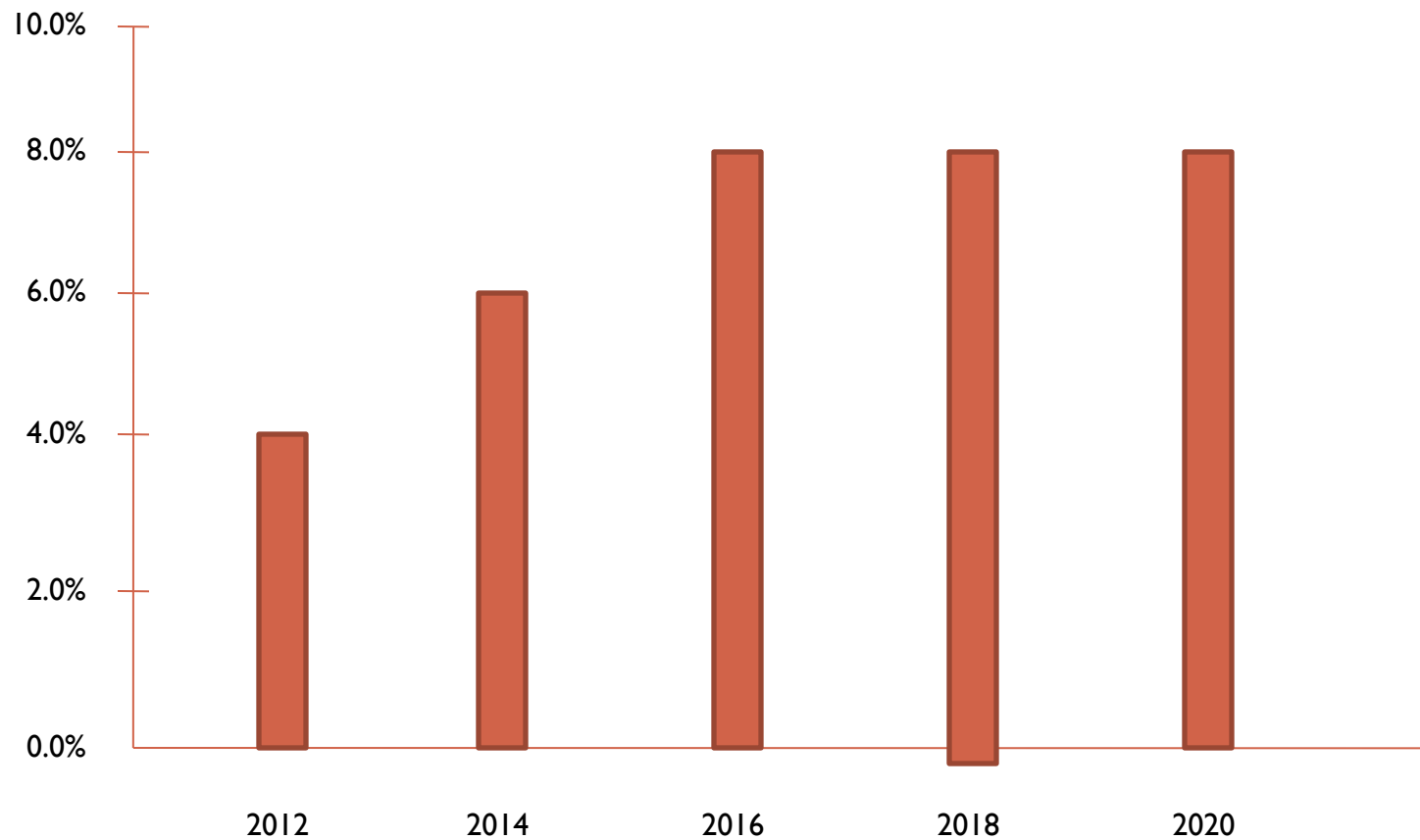
The International Monetary Fund (IMF) has marginally lowered India's economic growth forecast to 6.9 percent in 2012, from 7 percent projected earlier, on weak global and domestic demand.

As regards India, the WEO lowered India's growth forecast for 2012 to 6.9 percent, from earlier projection of 7 percent made in January. It has pegged India's growth during the 2013 calendar year at 7.3 percent and for 2011 it was 7.2 percent.

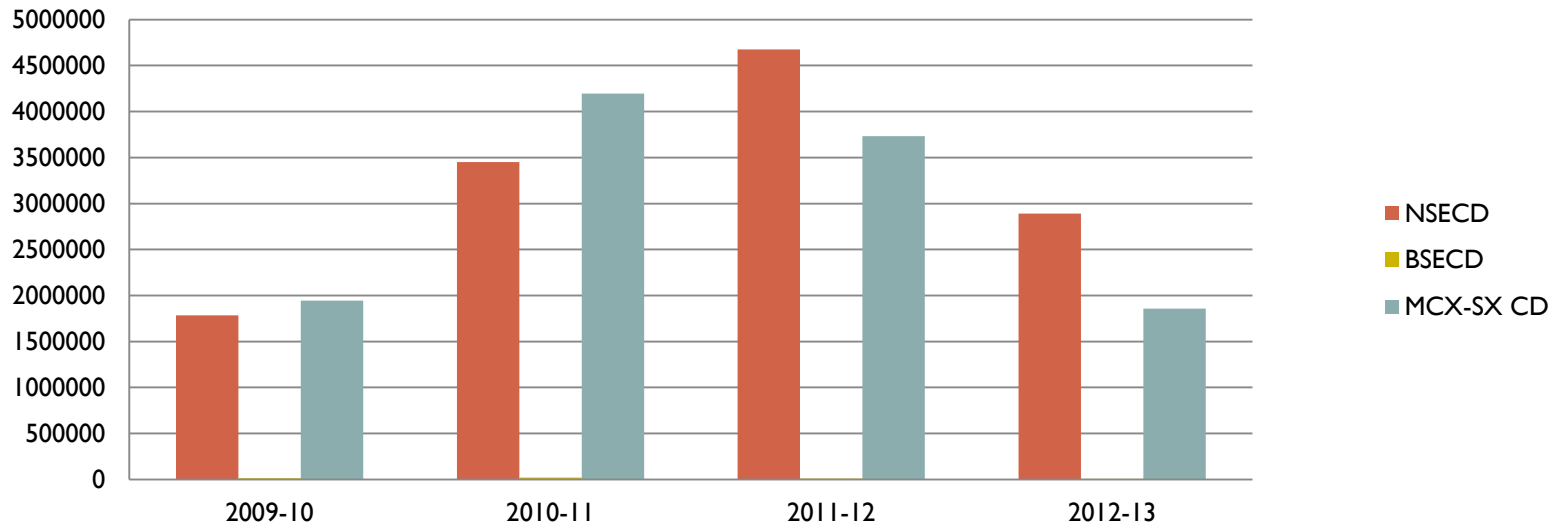
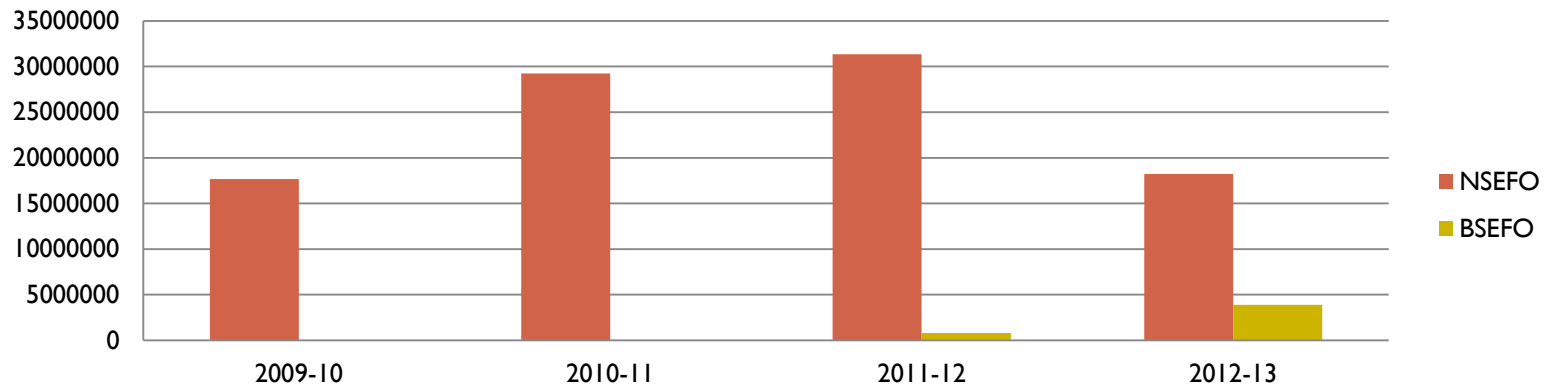
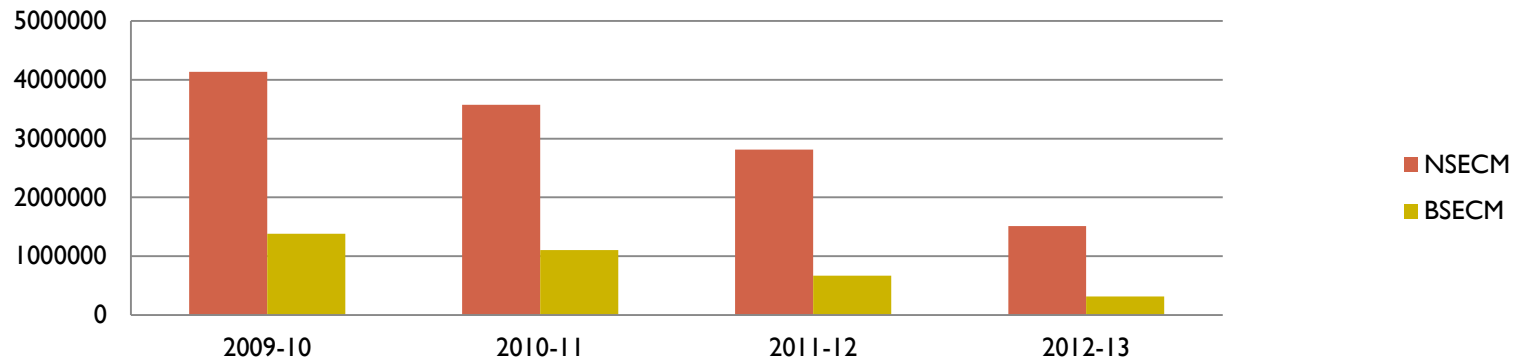
In its World Economic Outlook (WEO), released ahead of the IMF-World Bank Spring Meetings here, the IMF said that world economic growth rate would slump to 3.5 percent from 3.9 percent in 2011.

IMF world economic outlook	Actual 2011 GDP (%)	Projected 2012 GDP(%)	Projected 2013 GDP(%)
Asia	5.9	6.0	6.5
Japan	-0.7	2.0	1.7
China	9.2	8.2	8.8
India	7.2	6.9	7.3
ASEAN 5	4.5	5.4	6.2
US	1.7	2.1	2.4
Euro Area	1.4	-0.3	0.9
Russia	4.3	4.0	3.9
Latin America	4.5	3.7	4.1

PROJECTED GDP GROWTH

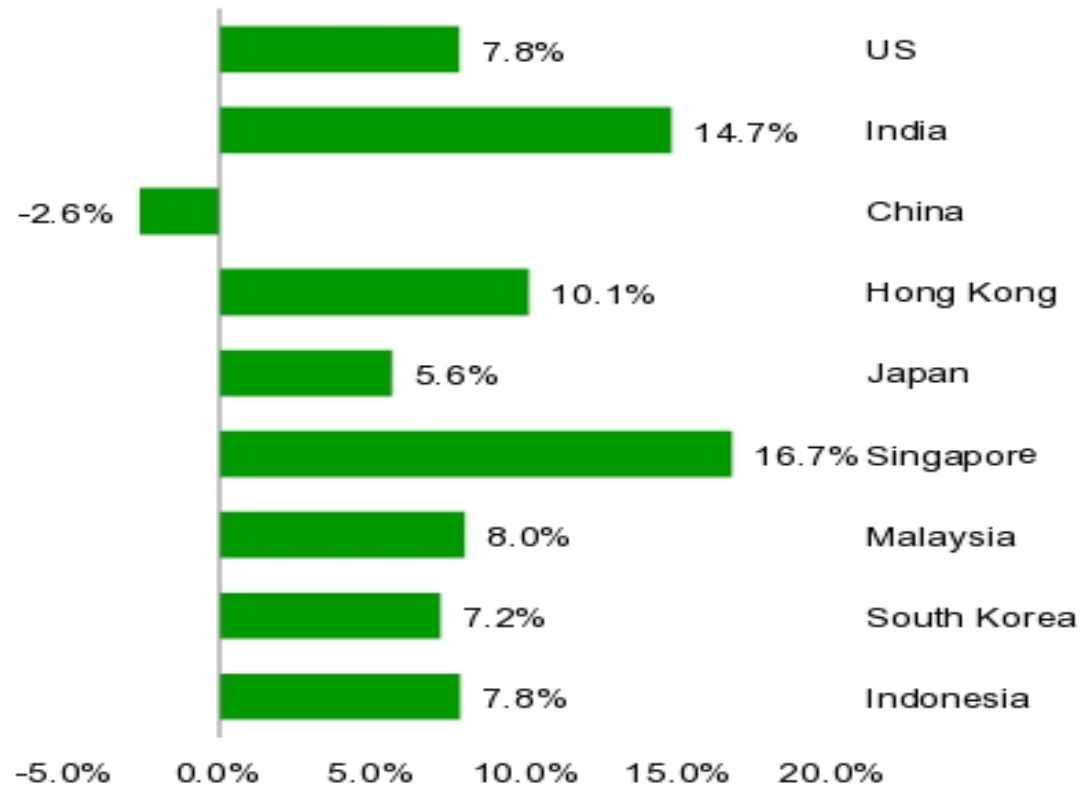


BUSINESS GROWTH IN CAPITAL MARKET (RS IN CRORES)



CAPITAL MARKET PERFORMANCE

Performance of Various Stock Market YTD
(14 Aug 2012)



Source : Bloomberg

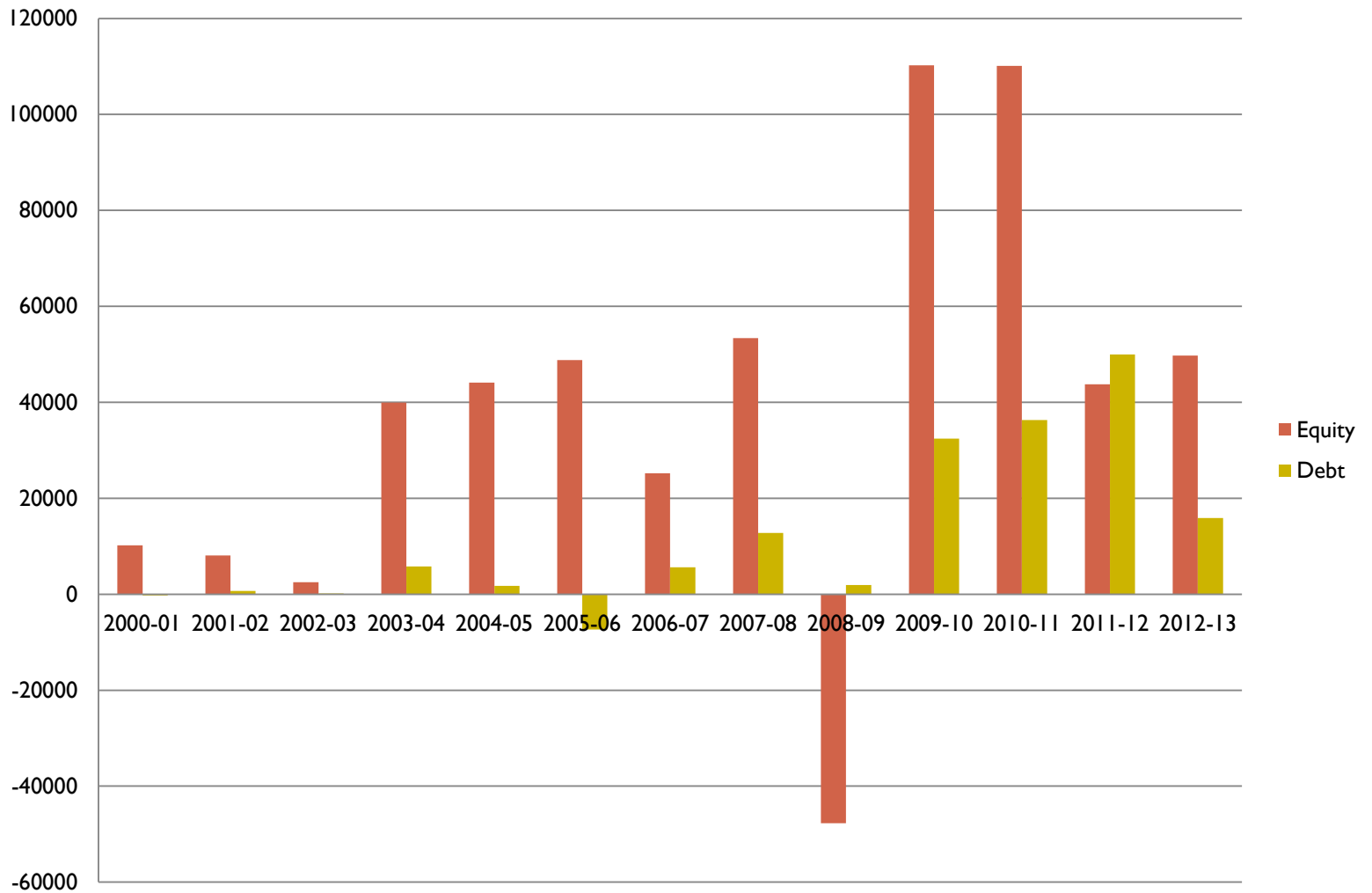
RECENT GOI ECONOMIC POLICY ANNOUNCEMENTS

- Permitting Foreign Direct Investments in Multi Brand Retail.
- The expert committee on **GAAR** recommendation for postponement of the tax provision by three years and abolition of capital gains tax on transfer of securities.
- Incentives for retail equity investors.
- Withdrawal of subsidies on some Petroleum Products (LPG / Diesel).
- Increase in Foreign Investment Limit to 100% from existing 74% in Telecom Sector.
- Insurance Amendment Bill recommending 49% FDI limit against present limit of 26%.
- Pension Regulatory Bill providing inter alia 49% limit on FDI Investment in the Sector.

ANTICIPATED IMPACT OF REFORMS ON THE INDIAN ECONOMY

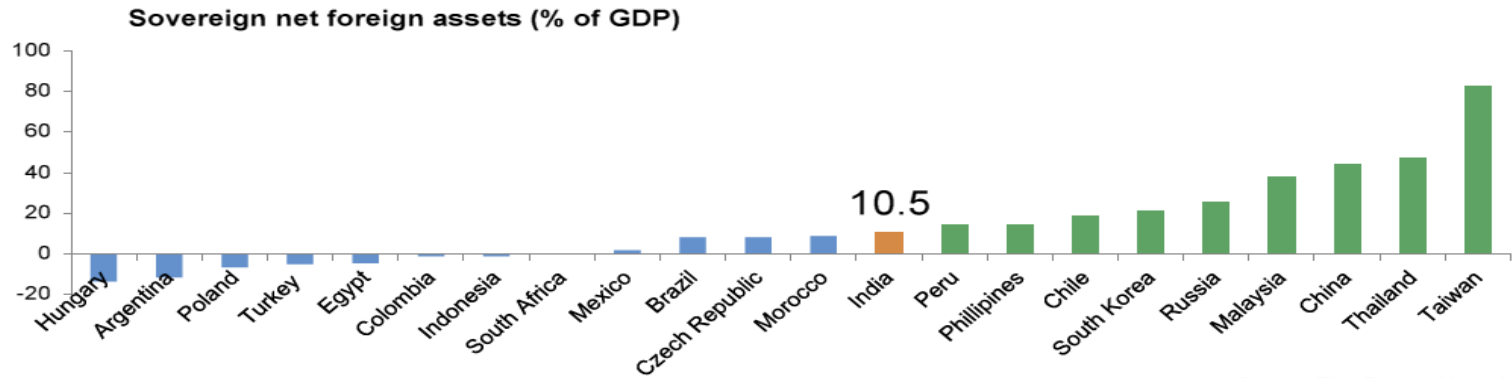
- ❖ Building positive sentiment.
- ❖ Boost for Commercial, Trading and Industrial activities.
- ❖ Building Investor Confidence, both Domestic and Foreign.
- ❖ Improve sentiments in the Capital Market including Investors.
- ❖ Return of Retail Investors in the Capital Market.
- ❖ Increase in Revenue Growth.
- ❖ Increased Employment generation.
- ❖ Meeting a GDP Growth target of about 6% for 2012-13.

FII Inflows



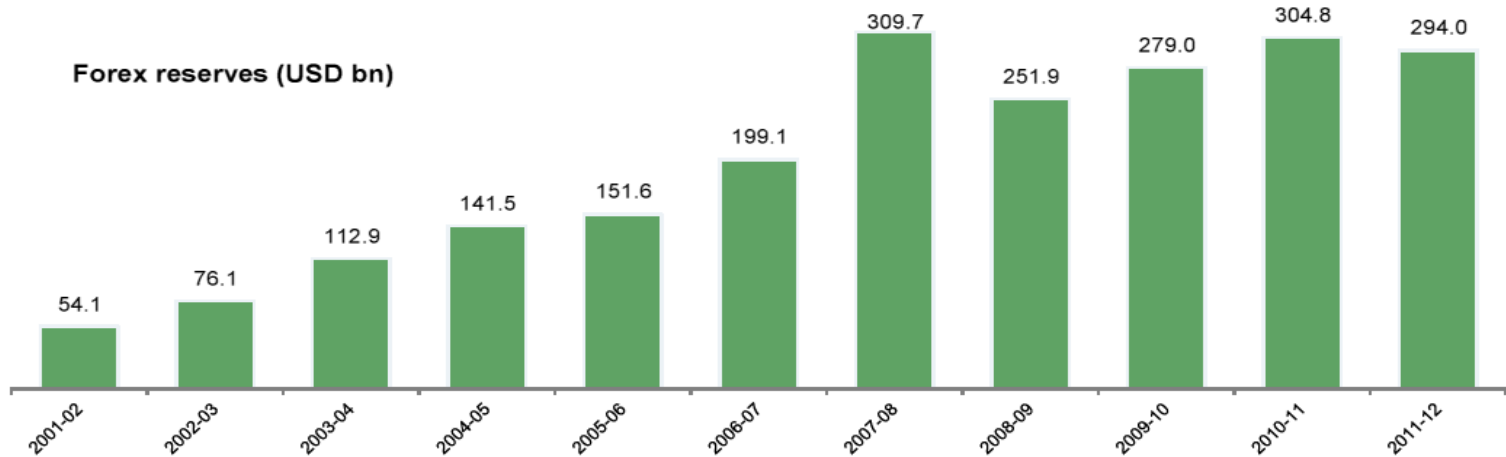
India: Increasing foreign assets

India's net foreign assets are higher than most other EMEs



Source: Fitch Ratings, March 2012

...and high foreign exchange reserves



INDIA'S STRENGTHS

Financial System	Stable
External Liquidity Position	Strong
Transparency in Capital Market	High
Saving and Investment Ratio	High
Competitive private sector	Strong
Government Revenues	High
Local Currency denominated debt	High
Financial Regulatory Framework	Strong
Growth in Export	High
Demographic advantage	Strong
Educated Work Force	Strong

CHALLENGES OF INDIAN ECONOMY

- ❖ Achievement of inclusive growth.
- ❖ Providing basic facilities in semi – urban, rural and under-developed areas.
- ❖ Ensuring proper delivery of subsidies and other benefits to the targeted group without leakages.
- ❖ Speedy implementation of major infra projects across Country.
- ❖ Enhance sentiment for investments by both domestic and foreign parties for speedy approvals.
- ❖ Providing required infrastructure for growth and expansion of Industries, Finance Market, Capital Market etc.
- ❖ Clear long term policies to bring in confidence in major investors both domestic and global.

CHALLENGES OF INDIAN CAPITAL MARKET

- ❖ Vibrate the scenario subdued due to both Domestic and Global trends.
- ❖ Respond positively to the recent GOI policy initiatives.
- ❖ Focus towards building investors / retail investors confidence in the Capital Market.
- ❖ Ensuring global standards of governance in operations.
- ❖ Resolving concerns of Market Intermediaries.
- ❖ Rationalization of Regulatory Measures .

DESTINATION INDIA FOR GROWTH

- ✓ Huge untapped Market.
- ✓ Rising Per Capita Income.
- ✓ Economy Being further liberalized.
- ✓ Good infrastructure.
- ✓ Effective Regulatory Framework.
- ✓ Supportive administrative machinery.
- ✓ Vibrant financial system.
- ✓ Developed capital Market.
- ✓ Educated and cost effective work force.

ANMI – FUTURE ROAD MAP

- BE A STRONG BODY REPRESENTING market Intermediaries.
- Positive and proactive role in Capital Market.
- Earn trust and confidence of Government / regulators & investors.
- Co-ordination with other trade bodies / institutions / exchanges nationally as well as internationally.
- To become a SRO.

IN CONCLUSION

- Inclusive growth covers the entire demographic pyramid – from Urban to Rural.
- World economy today is interdependent.
- Endeavoring common growth is the need of the hour.
- Global economy needs urgent revival. This should move towards logical end through mutual support between Countries.
- Financial and Capital Markets play key role in the Global development process.
- ASF Member countries have a distinct and sensitive role in the above process.
- Let us live up to expectation of both the investors and regulators aiming towards “Success for All”

THANK YOU...

Presentation by
Rakesh Somani - President ANMI
Email: president@anmi.in
Web: www.anmi.in



Association of National Exchanges Members of India