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Finomenon
The Finance Cell, NMIMS

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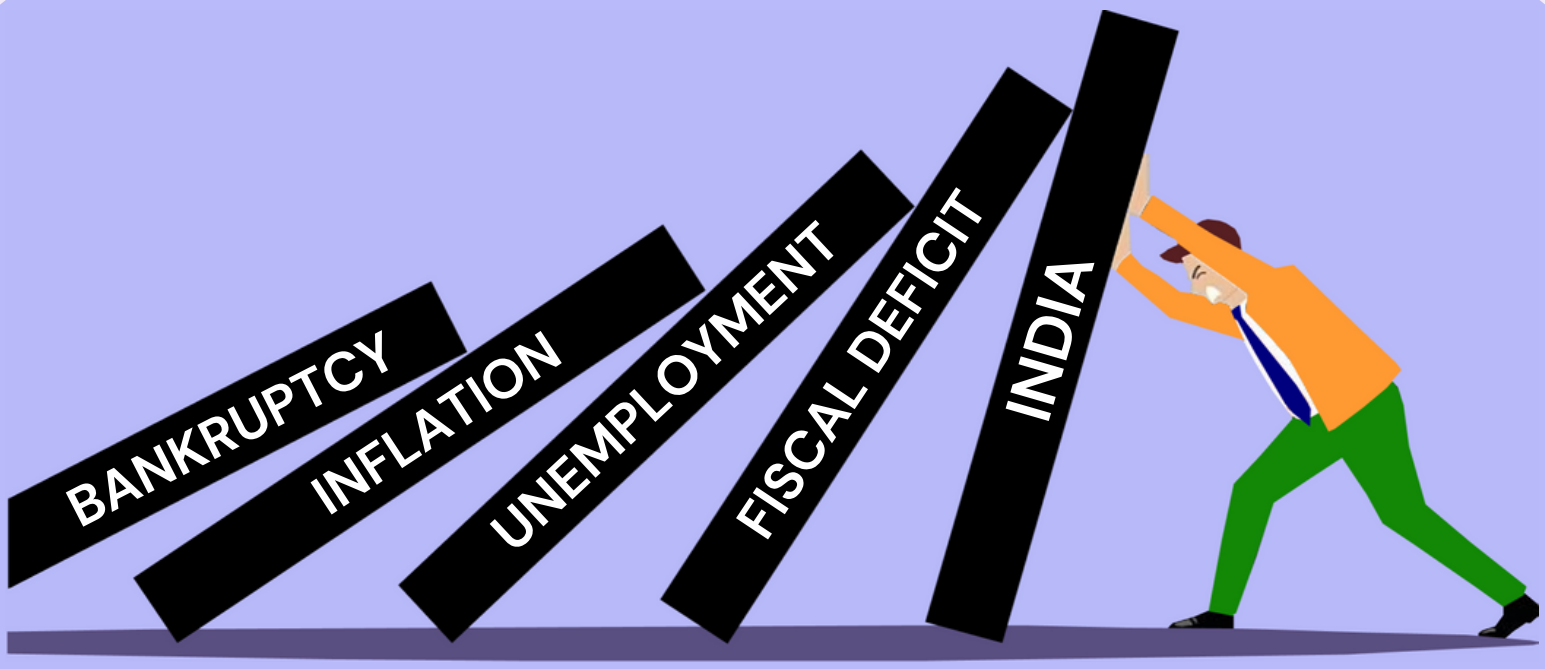
THE FINANCIAL

A BI-ANNUAL MAGAZINE

India's Resilience amidst the Global Recession Paranoia

Truth or Illusion?



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Editor's Desk

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The global economy has been battling with numerous shocks over the last few years. 2022 was supposed to bring about a positive change negating the havoc caused by the Coronavirus pandemic globally. However, this didn't materialize. The world continues to be engulfed with uncertainties arising out of sky-rocketing inflation, tighter financial conditions, Russia's invasion of Ukraine and the lingering covid pandemic which has given birth to the popular perception that the world is on the brink of a recession.

Interestingly, even though various world economic indicators are flashing red, the outlook for India remains largely positive. India has emerged as one of the fastest-growing key economies. In fact, the International Monetary Fund has projected that India's GDP growth will be more than double the world average in 2022. In sharp contrast to other major economies, Indian equity benchmarks are outperforming their global peers giving both domestic and international investors a boost of confidence in India's growth story and resilience.

But, the question is – Are we being overly optimistic? Is India truly resilient or is it just an illusion? Sadly, India can't completely decouple from the global challenges and is likely to bear some cost of the recession and the war.

In the latest edition of our Bi-Annual Magazine, The Financial titled "India's Resilience Amidst The Global Recession Paranoia: Truth or Illusion?", we have tried addressing these questions by dissecting and analyzing the various factors that are going for and against India's favor.

I would like to take this opportunity to thank the Editorial Team for their undeterred commitment. Special thanks to Spandan Garg, Vice President and Deven Sethi, Creatives Head.

We, at Finomenon, the Finance Cell of SBM NMIMS, Mumbai constantly strive to increase the awareness of finance among students via different initiatives throughout the year – be it events, competitions, articles, equity research reports or workshops. We try to add value by keeping the batch well-informed of all the major happenings in the world of finance through Finsights - our weekly concise blogs on trending topics, Fin Chronicles – a series of financial articles, Mad Over Markets – a monthly report covering the month's market performance, among others. We have also successfully organized various exciting competitions, starting from Bean Counters - a fun-filled event to Portfolio Management and Equity Research Competitions namely Seeking Alpha and Moolyankan respectively, having whopping cash prizes and placement opportunities. Samriddhi, our student-led investment fund, has released a comprehensive equity research report on Titan Ltd, IPO Analysis Reports and Market Impact Report explaining the Global and Indian macroeconomic scenarios.

We hope to continue with our legacy and make finance less intimidating and more exciting for everyone!

TABLE OF

CONTENTS

THE GLOBAL RECESSION PARANOIA

Introduction

Financial institutions and central banks around the world predict that a global recession is awaiting us in 2023. Due to a consistent rise in interest rates, companies all around the world have halted hiring and some are also planning for layoffs. The hawkish monetary policies in advanced economies could push the world towards a global recession which could potentially be more threatening than the 2008 crisis considering the after-shocks of the pandemic.

After witnessing the economic shocks of the pandemic and the Russia-Ukraine war, is the worst still yet to come? A global recession could create unprecedented havoc as the nations are grappling with inflation and government debts have soared to record levels.

These global uncertainties are visible in the financial markets as the Dow Jones has already shown a correction of over 15% in less than 2 months. The Indian market, however, has been holding its ground strong till now due to the positive economic outlook for India.

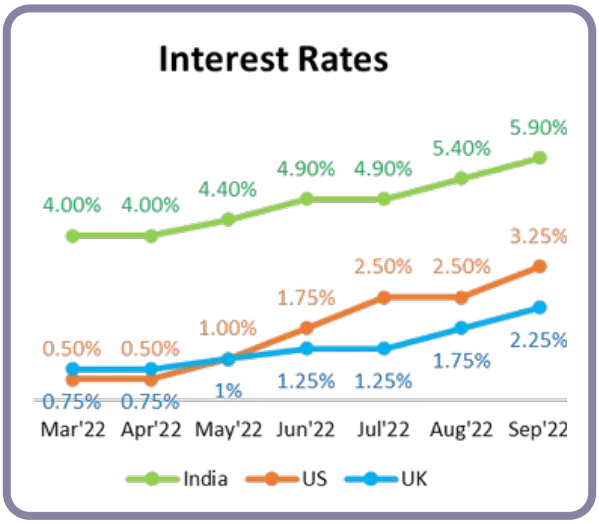
What Fueled The Recession Paranoia?

It all started with the pandemic. Even though there were signs of slowing economic growth before the pandemic, it was during the pandemic that economic activity came to a halt due to lockdowns. The GDP of almost every country fell drastically and to support the consumption levels in the economy, governments had no other option but to come up with stimulus and relief packages. The US passed a $2.2 trillion economic stimulus package and the UK announced a $37 billion Covid-19 stimulus package. India also announced a Covid relief package worth over $300 billion.

At the same time, the central banks started infusing liquidity in the economy in the form of stimulus and relief packages to support consumption and bolster investments. This influx of liquidity resulted in a massive run-up in the stock markets and also increased overall consumption rapidly.

The supply chains were disrupted across the world due to the pandemic and so it became difficult to cope with the sudden increase in demand. Prices for crucial raw materials, semiconductors, shipping containers, etc. started rising due to the slack. Further, China is implementing a Zero-Covid Policy under which strict measures are imposed against Covid infected areas and entire cities are locked down in severe cases. Such lockdown-induced production cuts have resulted in high inflationary pressures across the world due to rising input and logistic costs.

To add to this, Russia broke out a war against Ukraine in early 2022. This led to a further rise in global oil, gas, and commodity prices since Russia is a major supplier of crude oil, natural gas, and other natural resources.



Source: Trading Economics

To counter Russia, the western nations imposed strict economic sanctions which fueled the rapid inflation and energy crisis in the UK and European countries. As a result, energy prices in the UK have increased by 80% in a year. The conditions in Germany and France are also similar. Now, in order to control this mounting inflation, the US Fed and all other major central banks across the world are undertaking interest rate hikes anticipating that it will rise the borrowing costs and will cool down the demand for goods and services.

This strategy might help in combating inflation but can also lead to a fall in GDP translating to a recession. The current Fed Reserve interest rate has increased to 3.75% -4.25% from 0.25%-0.5% (March 2022) after the sixth-straight increase, which is the highest in recent years. The Repo rate in India currently stands at 5.9% from 4% after the fourth-straight increase, thereby increasing the borrowing cost for industries.

Due to this, liquidity seems to be drying up in financial markets and the private investment cycle is taking a hit. Overall consumption has also started falling owing to higher prices and recessionary sentiment. Hiring is halted at companies and it seems almost certain that a recession is looming over the world.

AROUND THE GLOBE

Until now, we have had an overall understanding of what occurred in the world economy during the past few months. So, what is the present situation of various economies and how do they plan to move forward in the future?
Let us dive deep into the macroeconomic outlook for some of the major economies and gauge where does India stand.

The United States: Growth at the backseat with Hawkish Rate Hikes

We will start our discussion by analyzing the most powerful economy- the US. The Fed was one of the first central authorities to adopt a tighter monetary policy to tackle increasing inflation rates. It hiked rates 6 times this year with 0.75 basis points 4 times. Alongside, the U.S. 10-year bond yield reached 3.719 percent.
So how do you think this policy change has impacted the US economy as a whole?

PRICE STABILISATION

Price stabilization means controlled inflation levels. It is one of the key reasons for rate hikes by authorities as in this case. The US economy currently has an inflation rate of 8.2% as of September 2022 which is the lowest of the last seven months. Therefore, rate hikes have helped in controlling inflation to some extent.

EMPLOYMENT LEVELS

Total employment levels in the US increased to the pre-pandemic levels of 152.4 million in August 2022. According to the Bureau of Labor Statistics, and the US Dept of Labor, the US economy added 263,000 jobs last month. The unemployment rate also dropped to a 50-year low of 3.5 percent. Usually, interest rates and unemployment levels have a direct relationship. However, this time the case is different. According to Jerome Powell, Chair of the US Federal Reserve, most households and businesses will be able to weather the fallout from higher interest rates because of high employment levels.

MORTGAGE RATES

Since the beginning of 2022, mortgage rates have risen from 3% to 6%, increasing the monthly costs on a 30-year fixed-rate $400,000 mortgage with a 20% down payment by a whopping $569. The mortgage rate hike has slowed sales and limited the price gains for housing markets. Interest rates and mortgage rates tend to move in the same direction. Mortgage rates tend to rise with a hike in interest rates.

STOCK EXCHANGES

S&P500 and Nasdaq100 are down by 20% since January 2022. High-interest rates tend to provide a challenge for stocks. This is because high-interest rates give people alternative sources of investment with higher and safer returns.

Now looking at the way ahead for the US economy, the Fed is expected to continue its rate hike till it can get the inflation levels down to the target of 2%. They aim to steer the economy towards slower economic growth with a robust labor market and weaker inflation levels.

European Union: Energy Crisis Conundrum

To understand what is going on with the European Union as a whole, there is one key factor that cannot be skipped "The Energy Crisis" alongside the recessionary problems.

As we know, Russia is the second largest producer of oil and natural gas in the world. The Russia-Ukraine war hampered export to Europe causing the energy crisis.

The impact of lower gas supplies has been transmitted across the European economy in a two-fold way. On the supply side, reduced access to gas supplies led to even higher energy prices and higher fuel bills.

On the demand side, it led to constraints as gas quotas being imposed on different industries, as well as, households. Unable to maintain production at existing levels, businesses dependent on gas supplies might have to reduce hours or lay off workers, thus, raising unemployment levels. This energy crisis has led the euro to fall drastically in value this year. For the first time since July 13, 2022, the euro and the US dollar traded at parity i.e., 1:1 exchange rate. The once-stable currency has since fallen much more.

Looking at the way ahead, Europe could only manage to stabilize in the longer-run, if it can manage its energy crisis. This is one of the key drivers for high inflationary levels and the economy moving towards a slowdown. According to the European Central Bank (ECB), inflation will average 8.1 percent in 2022, 5.5 percent in 2023, and 2.3 percent in 2024 if this crisis is managed.

United Kingdom: Amidst Political Chaos

Let us discuss the economy of the United Kingdom. The Bank of England was the first major central bank to react to the pandemic's ultra-loose monetary policy with its bank rate hike of 15 bps. Currently, the rate stands at 3% up from 0.1%. The inflationary pressures in the UK have been high since the May Monetary Policy report. Several reasons have played a role in the UK economy reaching where it is today. The biggest being supply disruptions due to the Ukraine-Russia war. Gas prices have doubled in the country due to these disruptions.

During this energy crisis, the UK government announced a mini-budget, providing a package, equivalent to 5% of the GDP. Alongside this, they also announced tax cuts in the form of giveaways. There have been speculations about what motivated the government to take such an action and it mostly seems around the fact that the supply-side idea of slashing taxes will in due course produce so much growth that the tax revenue will go back up again. There is uncertainty about how this policy decision might pan out, but it does not seem it might have a huge positive impact on the economy.

Recently Liz Truss has called it quits as the Prime Minister of UK after barely 6 weeks in office.

Rishi Sunak happens to be UK's third Prime Minister in less than two months - the fifth in six years, such is the political instability.

Looking at other aspects, the GDP growth as well as the labor market in the UK have been tight with high unemployment levels. Alongside this, the average wage growth in the UK is not aligned with its rising living costs. The mortgage deals for new customers also feature rates at around 5% to 6% – a steep increase from the norm of around 2% for the last five years which is prompting rising concern of a collapse in the property market shortly.

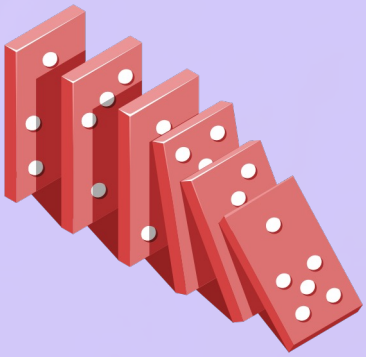
China: Strangled by Zero Covid Policy

Finally, we will discuss the economy where the global pandemic and hence the crisis is speculated to have begun.
The Chinese economy seems not to be fighting against steep inflationary levels like other developed economies of the US and the UK. However, there is a deeper trouble within the economy. In quarter-over-quarter terms, the economy shrank by 2.6 percent.

The manufacturing hub of the world now has fewer customers to supply to. The rising trade tensions between China with other countries seem to be impacting its economic growth to a large extent. There have been huge crises like Evergrande destroying the real estate market in the country. All this seems to have spooked investors about the uncertainty of the financial markets leading to the Yuan plummeting to an all-time low against the US dollar.

The question is, what happened to one of the strongest economies in the world?

The reason behind this is the "Zero Covid Policy" implemented by the country. This strategy has been crucial in restricting the spread of the disease, however, it has slowed the country's economy, exacerbated supply-chain disruptions, and kept millions under lockdown for months. This policy is also repelling global manufacturers from selecting China for setting up their production units. Since China is a global factory, strict lockdowns have continued to hamper the supply chains further and have led to an unprecedented rise in prices of commodities like electronics, steel products, chemicals, etc.



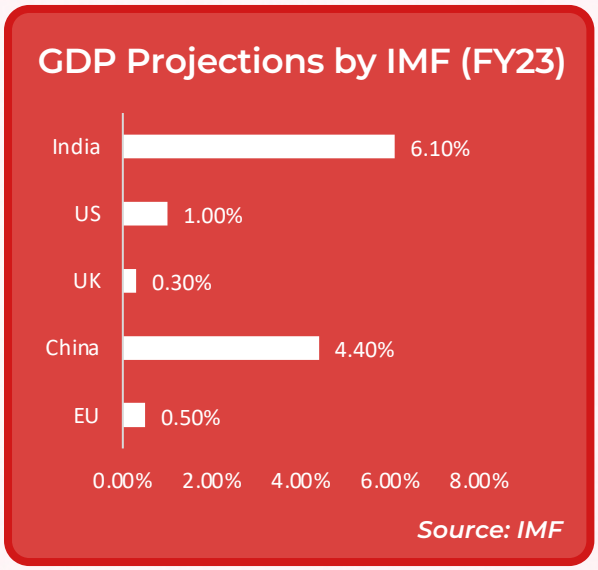
Looking at the way ahead for China, the Chinese government has made battling the recession a top priority and has lowered key interest rates to jump-start the flagging economy. They have shown no intention to subside the zero- covid policy and remove restrictions. In reaction to recent changes in the global economy, it is anticipated that China's current policy will remain stable. To encourage enough market liquidity and investment, the country still requires a more flexible financial climate.

INDIA

Grinding on the Wings of Hope

"India's dream of a $5 trillion economy will soon be a reality"

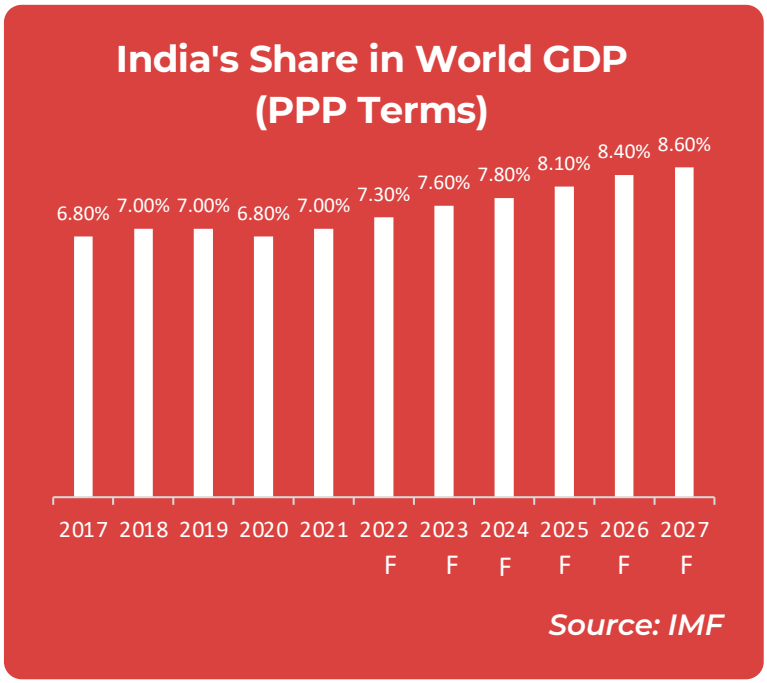
-PM Narendra Modi



Despite global tensions, many believe that the outlook for India is mostly positive. India's GDP is expected to grow at 6.1% in FY23 according to the IMF, which is the highest among all the major economies. Yet, the Indian Rupee is hovering at record low levels at INR 82.14 / USD (as of 17/10/2022) against the US Dollar, which is a bad sign for the Indian economy as India depends on imports for 85% of its fuel requirements, apart from other imports.

Weakening Indian Rupee also makes India a less attractive investment destination for FIIs looking for short-term investments. Though hiring has slowed down in the last quarter, the unemployment rate was at a 1-year low of 6.43% for September 2022. This will ensure the strength of consumer demand. According to India Ratings, the bank credit growth in India is expected to be at 13% in FY23 which will facilitate private and public sector investments, giving a further boost to the Make in India initiative and making India a global leader in manufacturing.

Contrasting to this, the Repo rate in India currently stands at 5.9% after the fourth-straight increase as an attempt to curb mounting inflation. However, despite these hikes, the robust growth in bank credit depicts the high investor confidence in the Indian economy.



The government is implementing the PM Gati-Shakti plan which involves a total outlay of Rs 100 lakh crores to ramp up infrastructure and compete with China.

The government has announced a Credit Guarantee Scheme for start-ups under which the lenders will provide collateral-free loans up to Rs 10 crore to each eligible start-up.

Hence strong corporate earnings, a favorable political environment, and a high demographic dividend pose a great opportunity for India to emerge as one of the strongest economies in the world.
As a result of these efforts and healthy FDI inflows, India's share in global GDP (PPP Terms) is expected to rise consistently and is estimated to reach 8.6% in 2027 as against 7.3% in 2022.
Hence, India might face global headwinds in the near term but the fundamentals of the Indian economy remain stable. However, only time will tell whether, in a recessionary situation, India will be able to continue its growth trajectory.

Written & designed by -
Maharshi Daga, Muskan Garg, Vrishti Gupta

Are we different from the rest of the world ?

"We have made a few flowers bloom and have to bloom more, but there are a few old thorns in the garden"

- Arun Jaitley

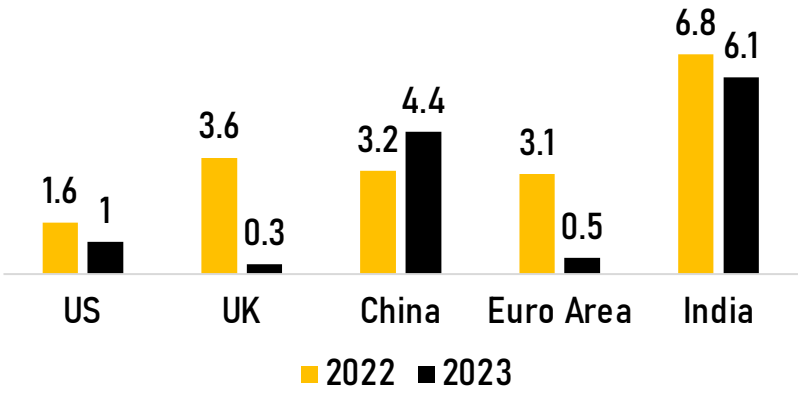
The Success Story

India is the 5th largest economy in the world, with a GDP of $3.2 trillion. It is believed that India has remained largely unaffected by the global economic slowdown and is doing better than other countries.

Well, is it the truth or just an illusion? To get some perspective, read till the end for we will be comparing both the positives and the negatives of this headwind on the Indian Economy.

Did you know that the IMF has predicted a strong GDP growth for India in 2022, more than double the world average? Astonishing, right?

IMF Real GDP Growth Projection (%)



Government's Atmanirbhar Bharat (Indian self-reliance) initiative and numerous other steps on the policy front over the last few years like PLIs, incentives given to manufacturers, lower corporate tax, etc. have provided structural tailwind to the economy and given confidence to both domestic and global investors which would contribute to more jobs, more production and hence more money would be spent, which would counter the slowdown and jump-start economic growth.

As US and European markets suffered undergrowth concerns and inflation woes over the last 10 weeks, Indian markets rode on global liquidity flows and the resilience of domestic investors who held on to their investments and brought fresh investments. Since July 1, India's benchmark index has been the best performer among key indices in the world.

India expects to export services worth $350 billion in 2022-2023, a 40% increase over the prior fiscal year as important industries like travel, hotel, and entertainment are expected to quickly recover from the pandemic. India is also prepared to grasp the moment and profit from the shift in manufacturing hub away from China.

Since banks' bad debts have been cleared up, the financial system is now more resilient. When the economy becomes more formalised as a result of digitalization, the government automatically gets more power to raise taxes. There has been an increase in tax collection of Rs 1.43 lakh crore indicating high performance metrics of growth in the economy.

Last but not the least, the majority of India's sovereign debt is held domestically, which shields the nation from default risks and a full-blown sovereign debt crisis.

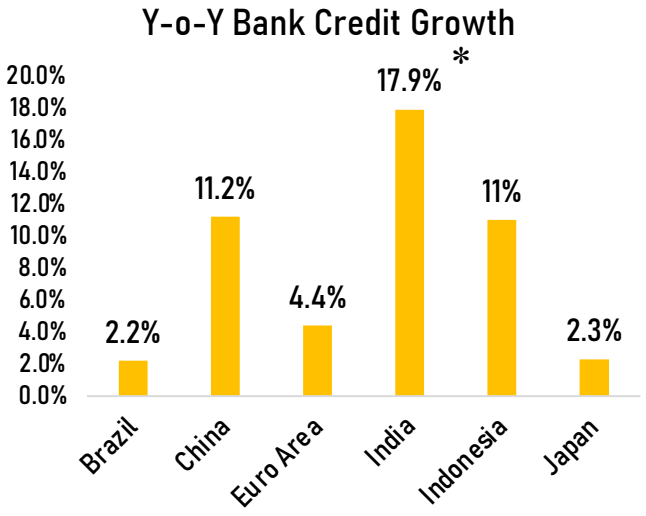
AATMA-NIRBHAR
BHARAT

Healthy Credit Growth

The expansion of credit in an economy is viewed as beneficial for national development and economic progress. Bank credit in India has grown by 17.94% year-on-year to Rs 128.6 trillion as of October 7th, a 9-year high. It is important to observe that this growth in credit is not accompanied by a deterioration in asset quality. In fact, net performing assets in both public as well as private banks have been following a downward trend in recent times.

Strategically Combating the Surge in Oil Prices

During the Russia-Ukraine War, India maintained strong strategic relations with both US and Russia. India benefitted from these relationships and was offered deep discounts on crude oil prices by Russia. Hence, now it imports about 21% of its oil imports from Russia, compared to just 1% earlier. While the larger economies are tumbling under the surging oil prices, India has been successfully sailing through the storm.



* For India, the data is for the month of October. And for the other countries, the data is for the month of September.

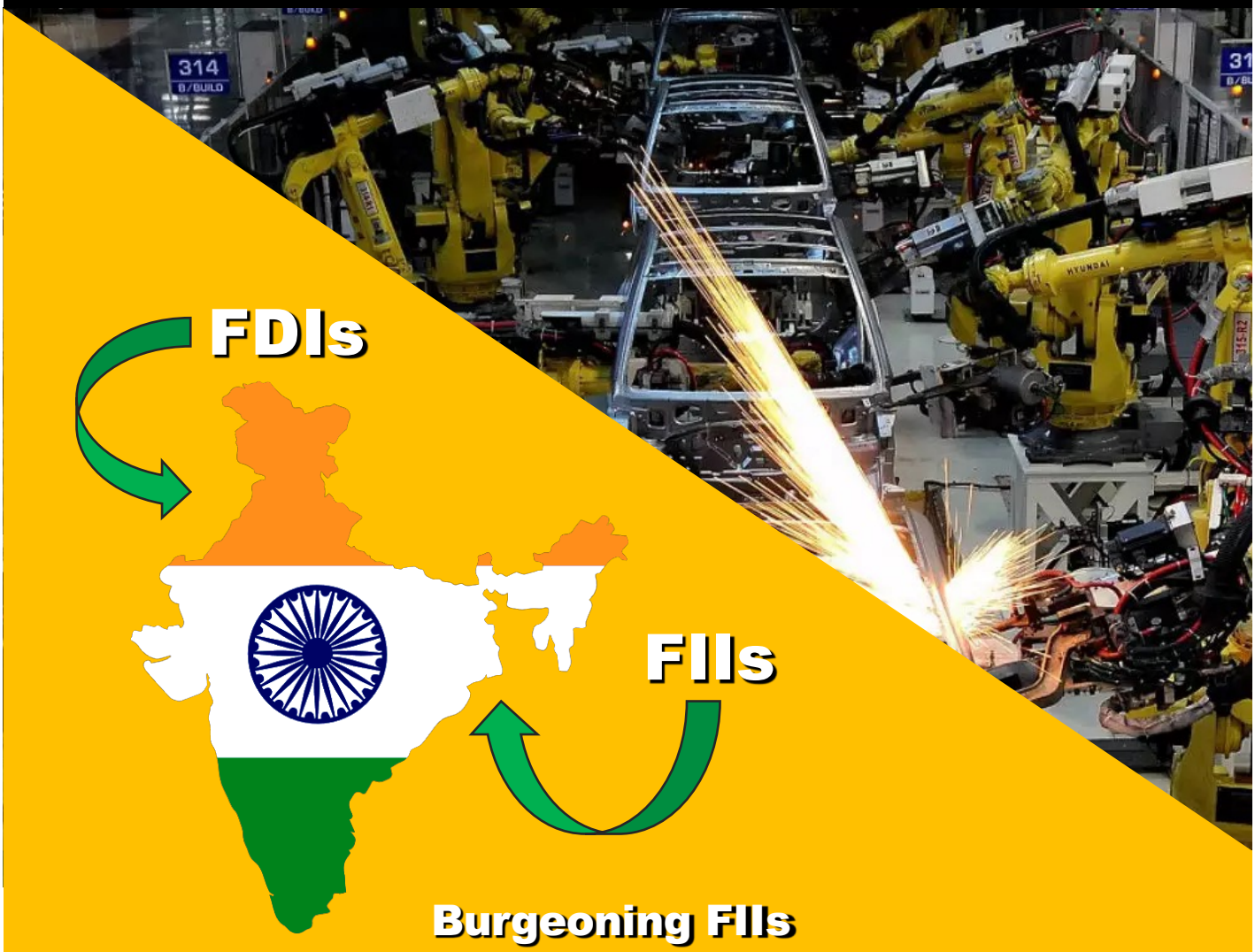
Strong Corporate Earnings

Many Indian corporates have shown their resilience to the global economic headwind by registering stellar earnings. As per Bank of America, the earnings growth of Indian firms is expected to outpace other large emerging markets due to a number of factors benefitting the whole economy and ultimately the corporates, such as rapid infrastructure ramp-up, capex for achieving decarbonization goals, improved tax compliance, digitalization and financial inclusion, etc.

INDIA The New Manufacturing Hub!

With the shift in manufacturing businesses' ideologies toward not relying on a single nation for all of its needs, there is a structural transformation taking place globally. The firms are currently searching the world for opportunities to establish a new manufacturing base, and India may be an excellent starting point for them given its abundance of land and human resources.

From the future of manufacturing semiconductor chips to Tesla and Apple opening production facilities in India, India appears to be benefiting from the shift in mentality brought on by the recent pandemic and global economic unpredictability.



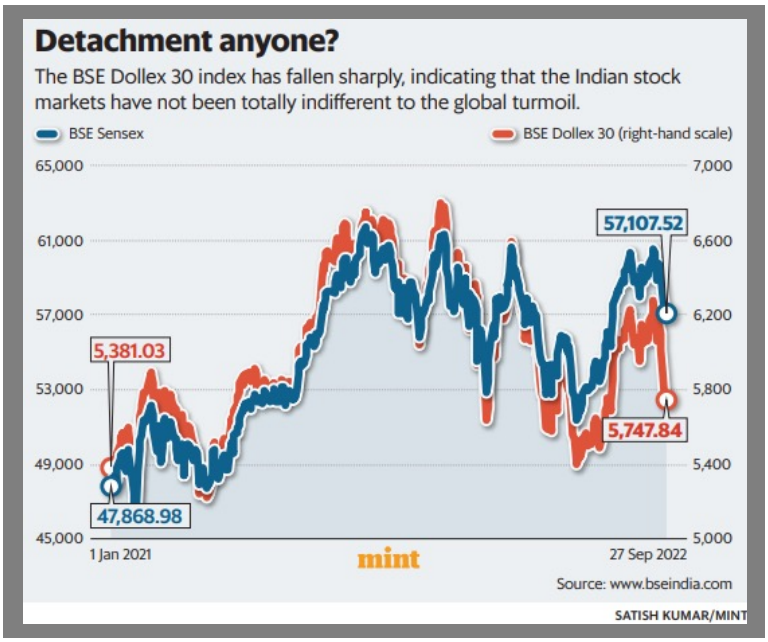
Burgeoning FIIs

FII flows are volatile and sentiment driven. Currently, investors are eyeing India as a more stable economy than most of the developed economies. Government initiatives as well as the stability of the economy is augmenting FIIs and FDIs to flourish in India as evidenced by the country's greatest annual Foreign Direct Investment (FDI) inflow of 83.57 billion US dollars during FY22.

THE ILLUSION: Decoupling from Global Shocks?

Indian stocks have decoupled from global markets in recent months. In the last one year, the BSE Sensex has fallen just 3.3% in contrast to the Dow Jones Industrial Average, America's premier stock market index, which has fallen 15%. Hence, India has emerged as a shining star in FY22.

However, there is another side of the story to which most of us are unaware. The Dow Jones Industrial Index consists of companies that report their earnings in dollar terms. In comparison, the BSE Sensex comprises companies that report their earnings in Indian Rupees. Hence, any comparison between the two indices has to take this into account. To set this right, we need to look at the performance of the BSE Dollex 30, which is the US dollar version of the BSE Sensex.



The BSE Sensex has fallen 7.5% from its October peak in contrast BSE Dollex 30 index has fallen by 14.6%, closely tracking the 17.4% fall in the DJIA during the same period. This puts the decoupling theory to rest. Over the years, the returns generated by the BSE Dollex 30 have been significantly lower than the BSE Sensex as the rupee has lost value against the US dollar, given the higher inflation in India.

As the US Federal Reserve keeps raising interest rates, the chance of a continued selloff by foreign institutional investors will also go up which would finally refute the decoupling theory.

Therefore, India may not be able to completely avoid the impact of a global recession.

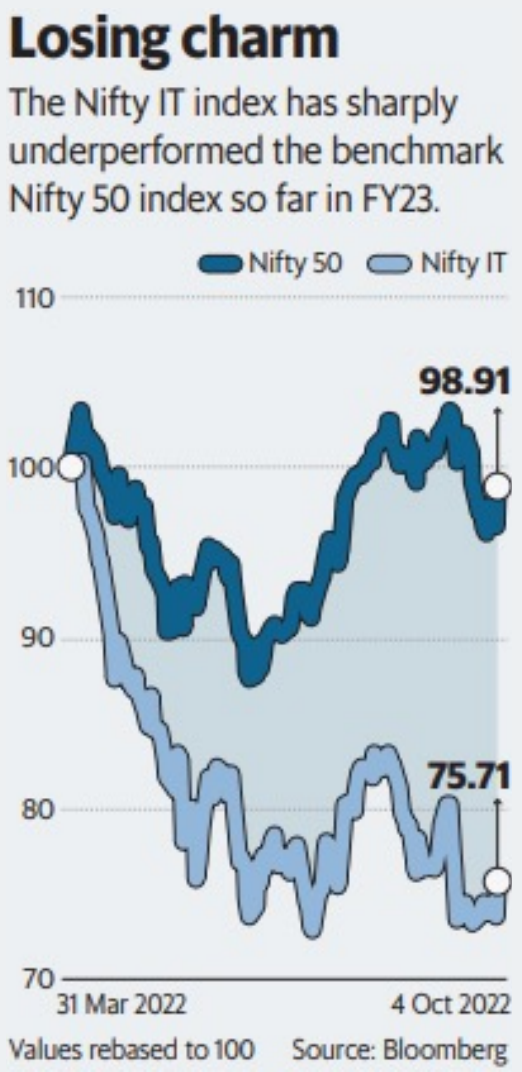
Let's now have a look at the various challenges one by one:

Looming Risk of Unemployment in Services Sector

IT industry contributes around 8% to the entire GDP of India and it employs around 5 million people. It is so much dependent on US and Europe that they contributed around 86% to Indian IT firms' revenues in FY22. Therefore, if US faces a recession then the domino effect will be seen in the Indian IT industry.

Due to the Covid pandemic, there has been a rapid transition to digitalization in the previous two years, which has been extremely beneficial for the Indian IT business. However, a slowdown in the US and EU economies could mark the turning point for a pause in staggering salary increases.

The top three cloud platforms in the world, Amazon Web Services, Microsoft Azure, and Google Cloud, reported a 7% reduction in sales, indicating that a downturn in the US economy is already having an impact on Big Tech revenues. This might reduce TCS, Infosys, and Wipro's sales by 33% and hence would force the organisation to layoff employees.



Weakening Rupee Against Dollar

Hawkish rate hikes in US accompanied by the anomaly in crude oil prices and widening trade deficit are pushing rupee to new lows.

With interest rates in the US going up, the likelihood of money moving out from countries and going to the US goes up. The prospect of this happening has an impact on the exchange rate of currencies against the dollar.

The Indian currency, though relatively better performing in comparison to other emerging market counterparts, has declined close to 9 percent against the US dollar so far in the current fiscal. It recorded a new all-time low level at 82.32 against the US dollar as on October 14, 2022.

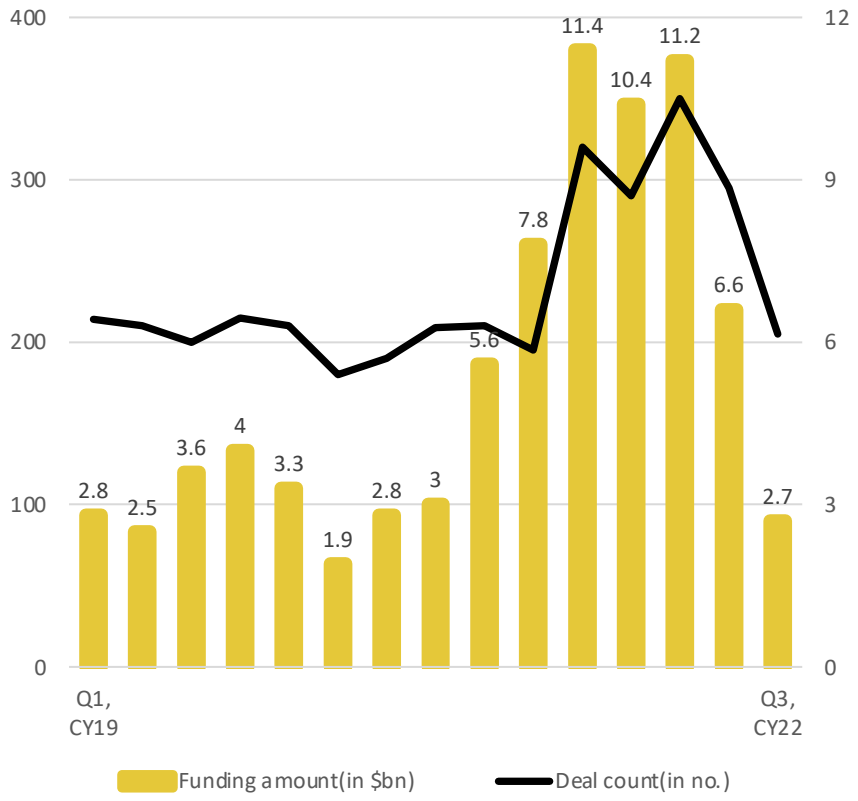
Winter is Here for Start-ups

Indian startups have struggled to raise money due to the unpredictability of the international markets. As lenders hold on much more tightly to their money during recessions, the founders were unable to convince the investors that they would be successful in growing at a profitable rate during this period.

The rising interest rates have increased the cost of borrowing money. Additionally, it lowers the incentives of investors to invest in risky businesses as they can get a guaranteed return on safer investments.

The depreciation of Rupee has also made it difficult for Indian start-ups to borrow money from international markets.

According to PwC, startup funding in India fell to a two-year low of $2.7 billion in the third quarter of 2022 amid a slowdown in the global economy.



Many stocks have fallen and a correction in public-market valuation ultimately trickles down into the private markets as well. As a result, venture-capital funds and other investors will be pickier about where they invest their money, which means companies will require stronger financials than they did last year to achieve the same valuation.

Sluggish Economic Growth

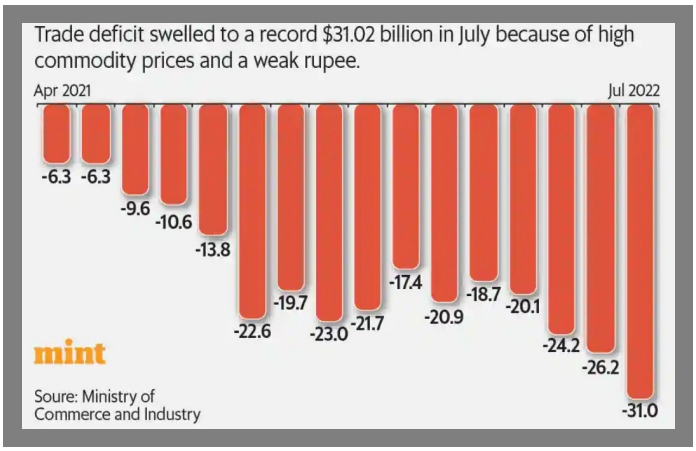
To control inflation, RBI has raised the repo rate by 190 basis points (bps) since May 2022, to 5.90%. Increasing interest rates makes borrowing more expensive, which reduces consumer and business expenditure, lowers demand and ultimately the prices thereby controlling inflation. In that regard, raising the repo rate is a prudent move.

However, there exists a trade-off between inflation and economic growth. Tackling inflation this way comes at the cost of lower economic activity.

With prices skyrocketing and growth stagnating, the economy is being tugged in two opposing directions. The Growth Inflation dilemma also needs to be tackled effectively, and this is where the fiscal policy needs to do the heavy lifting.

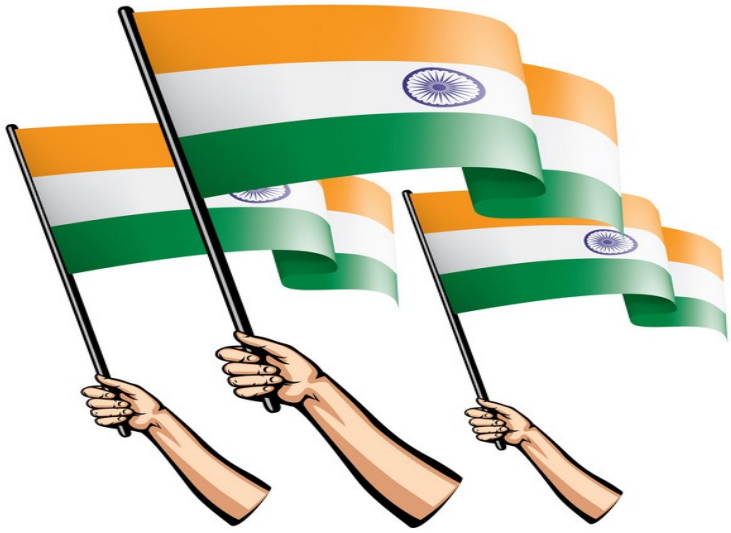
Widening Trade Deficit

According to trade experts, US is the largest export destination of India as it accounts for around 16% of India's total exports. So, a recession in the US would affect the GDP of the country.



India's rising merchandise imports and slowing exports have already resulted in trade deficit widening to $49.47 billion in the first six months of the current fiscal, putting further pressure on the Rupee.

CONCLUSION



While it is true that recession is a serious threat and it will lay down some challenges for the Indian Economy, directly or indirectly, India still appears to be doing better. Though there may be a short-term turmoil, India's basic economic fundamentals are stronger, thus the impact on the long-term outlook is likely to be minimal.

Indian Government has taken adequate steps to combat recession by investing in Capex to boost long-term economic growth which will ease supply chain bottlenecks and also spur job creation and consumption. Government Capex will also induce private Capex into the economy.

Additionally, it is anticipated that the recent drop in fuel taxes and the ban on the export of important commodities will relieve price pressures, thereby eliminating the need for the RBI to raise interest rates too quickly.

Thus, we can say that due to its robust credit growth, rising corporate investment, and a substantial budget allocation for capital spending by the government, India is in a better position than other nations.

Written and Designed by :
Shreya Prasad, Vanshika Relhan & Akul Singh

HISTORY REVISITED

India's response to the 2008 economic crisis and the current economic turmoil post the Russia - Ukraine war

"Resilience is all about being able to overcome the unexpected. The goal of resilience isn't to just survive but thrive."

To predict India's future policy actions, we must look back in time. Let us try to understand how India dealt with the past economic crises and whether it stood resilient or not.

India became a global economy in 1991. **'Economic Globalization' is the term used to describe the rising interdependence of world economies** due to the expansion of international capital flows, the vast & quick diffusion of technology and the level of cross-border trade in goods and services.

Today, all major economies are integrated and a crisis in any one affects all. Globalization of the financial sector has become the most rapidly developing and influential aspect of economic **globalization. The 21st century has seen multiple financial crises that have hit different countries and—in the case of the Great Recession and the Pandemic—the whole global economy was affected.**

Today, India is well-integrated with the global economy. **It is the world's fifth-largest economy by Nominal GDP and the third-largest by Purchasing Power Parity (PPP).** It is, to a considerable extent, affected by the changes in the global economy like geo-political changes, policy changes in developed countries, and global economic growth.

However, during the global financial crisis and the Covid19 pandemic, **the effect on the Indian economy was less severe than the global economy.** India was quick to take action against the falling economic situation.
Both the government and the central bank were able to minimize the impact to some extent. Similarly, they are trying to control and minimize the effect of the Russia-Ukraine war-induced global recession. Let's read further to draw a parallel between the current and the past crises and see how the government's efforts are panning out!

Glance at the Past: Global Financial Crisis 2008

The 2008–09 financial crisis, commonly referred to as 'The Great Recession' was one of the most severe financial collapses since the 1930s' 'The Great Depression'. This catastrophe was unprecedented and no theoretical or empirical model could have predicted it.

Most developed economies were severely affected by this crisis, while other economies such as **India, China, Indonesia, etc., fared better and saw faster economic recovery. Indian banks were somewhat insulated against the crisis due** to the presence of regulators like the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI), which ensured that the banks did not lend to clients with lesser credibility and at higher interest rates.

The crisis was caused by the investment instruments created out of subprime mortgage lending in the United States. The subprime mortgage was a home loan extended to individuals with poor and incomplete credit histories.

As the borrowers, in that case, presented a higher risk for lenders, subprime mortgages typically charged higher interest rates than standard (prime) mortgages. The securitization process however was not backed by due diligence and led to large-scale default.

The impact on the Indian economy was less severe because of:

- The **lower dependence** of the economy on export markets and the fact that a sizeable contribution to GDP was from domestic sources.
- **No direct exposure of** the Indian banking system to subprime mortgage assets or failed institutions like the US banks and the stock market.

The Indian corporate sector was financed by foreign investment due to liquidity in the global economy. **It was mainly because of these trade and capital flows that** the Indian economy observed an indirect impact due to the global recession.

After the crisis, the FII portfolio was reversed to replenish cash balances abroad. Withdrawal of FII investment led to the stock market crash and depreciation of the currency. **There was net disinvestment of US$ 13.3 billion during the period from January 2008 to February 2009.** With slackening global demand and declining commodity prices, it led to falling exports, thereby transmitting the financial sector crisis to the real economy.

Despite indications of strain in the capital account, which were shown by the net reversal of FII flows, the overall balance of payments situation nevertheless remained stable. Both the government and the Reserve Bank of India responded to the challenge in close coordination and consultation.

- **The government adopted an expansionary fiscal policy** whereas RBI took an accommodative monetary policy stance. Through the expansionary fiscal policy, the government aimed to increase the demand in the economy by increasing government expenditure and reducing taxes.
- **Whereas through an accommodative policy stance,** the **RBI** aimed at increasing the demand by injecting money supply into the economy by decreasing interest rates like repo rates which led to an increase in demand for loans at low-interest rates.

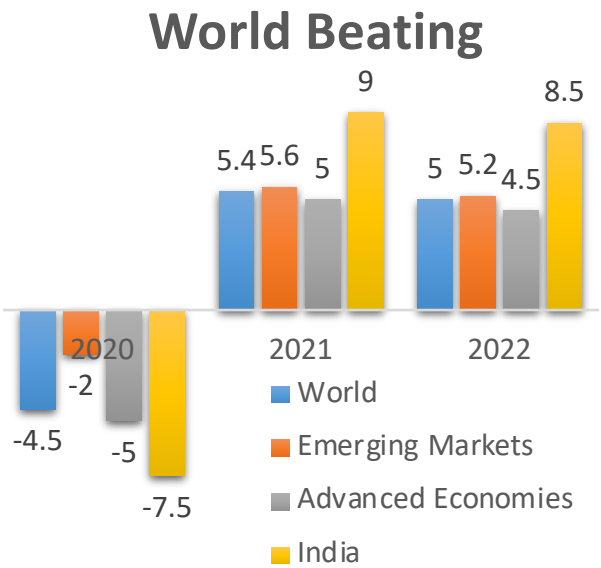
RBI aggressively and quickly lowered the policy interest rates, decreased the number of bank reserves seized by the central bank, and widened & liberalized the refinancing options for export credit.

The government issued two fiscal stimulus packages in December 2008 and January 2009 after invoking the FRBM Act's emergency provisions to request a waiver of the fiscal targets. The swift response of RBI and the government helped in overcoming the crisis where fiscal policy helped in controlling the falling demand and monetary policy controlled the depreciation of the rupee.

Pangs of the Pandemic and its Aftermath

It was in 2020 that India and the world got hit by the Covid 19 pandemic. The aftereffects and scarring caused by the pandemic **exacerbated** the cyclical decline that had already begun in the Indian economy prior to the outbreak.

The economy has surpassed its pre-COVID level in 2021–2022, thanks to exceptional policy assistance from the monetary and fiscal authorities, despite having experienced one of the worst contractions in Gross Domestic Product (GDP) in Q1:2020–21 and being hit by three subsequent waves.



Despite the inherent strength of its macroeconomic fundamentals, India's recovery from the pandemic is still fragile and hasn't yet reached a broad-based level. Disruptions in supply, low labour participation, dangers from new viral types, and the Russia-Ukraine war have emerged as the dampeners to global growth outlook. According to a report by the UN, the projected economic growth of India's GDP has been cut down to around 6-7%, due to the oil price spike and exports being affected.

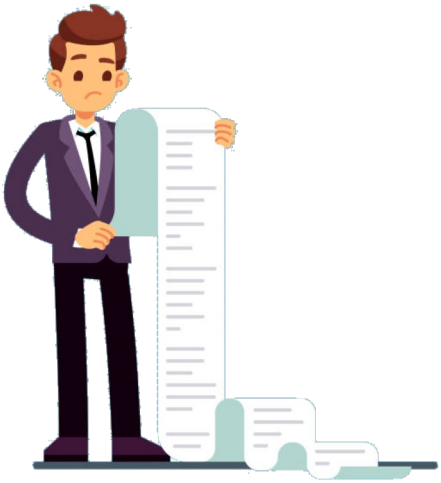
The War and India

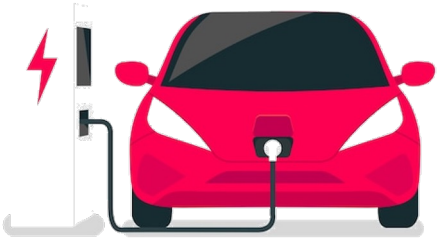
The liquidity issue that already existed in the Indian economy has gotten worse as a result of the Russia-Ukraine conflict. Due to the pandemic's aftereffects and the restricted availability of liquid cash, consumer spending has decreased. Major corporations are reluctant to invest money in the market because of low returns, while people are reluctant to spend money because they have restricted access to cash.

The Indian exchequer (Treasury) has suffered from increased import costs for crude oil as well as a gradual increase in the price of essential oils. The most significant victim of the escalating economic crisis has been revealed to be household diets.

The protracted conflict has increased the price of commodities like "sunflower oil," which is produced in large amounts in Ukraine and is a staple in the traditional Indian kitchen. According to an article in India Today, "the rise in gasoline prices has affected the prices of food items, especially perishable ones, therefore raising logistic costs."

Since the state has always overemphasized crude oil as a commodity over renewable goods, rising crude oil prices have historically disadvantaged Indian consumers. The efforts of India's successive governments to transition the country to a greener economy have been modest. For instance, despite existing tax exemptions, Indian consumers have not been particularly motivated to purchase fuel-efficient electric cars due to their expensive prices. Considering that a large portion of the population only makes INR 10,000 a year, an electric car that costs more than 10 lakh rupees on the Indian market is unattractive to the masses who shift towards buying less fuel-efficient cars, which increases their reliance on fossil fuels.





Now that the cost of payment has been generously transferred to the consumer who has limited capacity for absorption, banking institutions—the primary organisations assisting the populace—are raising interest rates on loans to protect themselves from the problem. This strategy was implemented at a period when the annual budget overlooked changing realities; initiatives for infrastructure improvement and urban planning account for the majority of budgetary costs, while financial aid for the needy is scarce even after the pandemic.

Steps Ahead

By acquiring Russian oil to satisfy its ensuing needs for energy security, India may exert influence and work towards resolving the internal situation at home. Being a fuel-dependent economy, India 'needs oil to operate the country' because it is a basic necessity used by both the lower and upper strata. It is in India's best advantage to purchase Russian oil at lower prices, even though doing so may result in greater accusations of India siding with Russia. India's **acquisition of Russian oil will lower energy import costs and help the Indian economy recover from the pandemic-caused slump.**

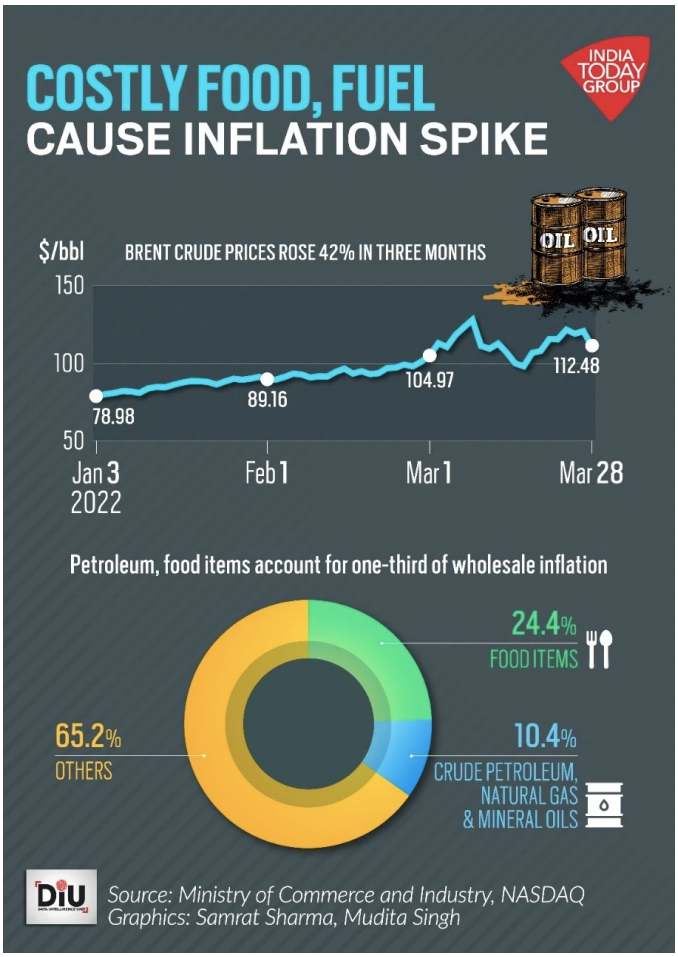
Indian purchases of oil from Russia could ensure that a crucial cooking ingredient does not disappear from Indian kitchens since the "yellow revolution"—intended to make India self-sufficient in "edible oil production"—did not produce the desired results. Long-term, India should lessen its reliance on fossil fuels to avoid getting caught in the middle of the conflict between the West and Russia once more—at least not when it comes to the issue of energy security.

India might use a multifaceted strategy to accomplish this. To lessen the crisis' immediate effects, government should think about providing one-time subsidies to their vulnerable populations.

By resolving concerns about asset quality and bolstering the balance sheets of banks, India may simultaneously enhance its banking sector.

Finally, by awarding Special Economic Zones (SEZs) to greener businesses, India might move toward a circular economy that is more environmentally friendly.

The government could also provide incentives for the manufacturing sector to seize the chances provided by the "lucrative Indian market."



In an ideal world, producers would tailor their goods to the needs of Indian consumers, both in terms of price and quality, making it possible for every Indian to possess an "Indian electric car" that was made in India.

CONCLUSION

On a concluding note, we would like to draw a parallel between the 2008 Financial crisis and the Russia-Ukraine war. Both the 2008 financial crisis and the Russia-Ukraine war caused an economic downturn.

In both cases, there was a major involvement of the Indian government and the central bank in mitigating the crisis. India was less affected by both of these as the Indian economy is majorly driven by domestic demand.

The plan of action, though, was distinct because of the different aftereffects. The current recession has resulted in inflationary pressure due to supply chain constraints and oil imports after the war.

As a result, the central bank has now adopted a contractionary monetary policy where it is trying to reduce the demand for money in the economy by increasing interest rates. In the 2008 crisis, the approach was completely different, where RBI adopted an expansionary monetary policy where it injected money into the economy by decreasing interest rates. Both crises resulted in an FII outflow and a crash in the stock market.

However, in both crises, India stood strong as compared to other developed economies like the USA and Europe. Strong buffers in the form of adequate international reserves, sufficient food grain stocks, and a well-capitalized financial system have helped the Indian economy stand strong and recover fast from the crisis. Now we need to wait and observe how India will fare with the frequent changes in the global economy and whether it will emerge somewhat victorious like the previous times in response to the present crisis?

Written and Designed by :
Aditi Singhal, Deepanshu Ashara & Parthiv Sikdar

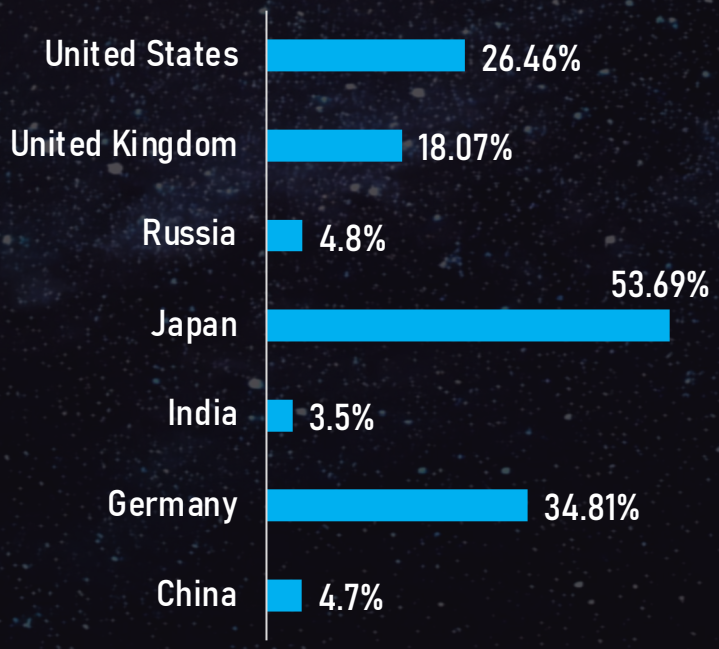
WINNER | THEME 1

The HOWs & WHYs of India's Resilience

Impact of the Global Recession on the Indian Economy

It was in the winter of 2019 when a small virus was born, and three years later we find ourselves on our way to a global recession. How did the biggest, most robust economies in the world find themselves in this current position? When the world was in the midst of the COVID pandemic, multiple countries released fiscal stimulus packages. The United States, for example, spent 27% of its GDP in doing so, 18% for the United Kingdom, and a mind-boggling 53% for Japan. I urge you to go back to macroeconomics 101, the more money in the hands of people, the less value money holds. Obviously, it is also good politics but it is precisely what has landed these countries under their current inflationary pressures. Contrastingly, India only spent about 3.5% of its GDP. Call it luck or good decision making, India focused its efforts more on matters like food subsidies, liquidity and growth incentives instead of cash in hand. However, this is a victory we cannot boast about for too long. As the saying goes,

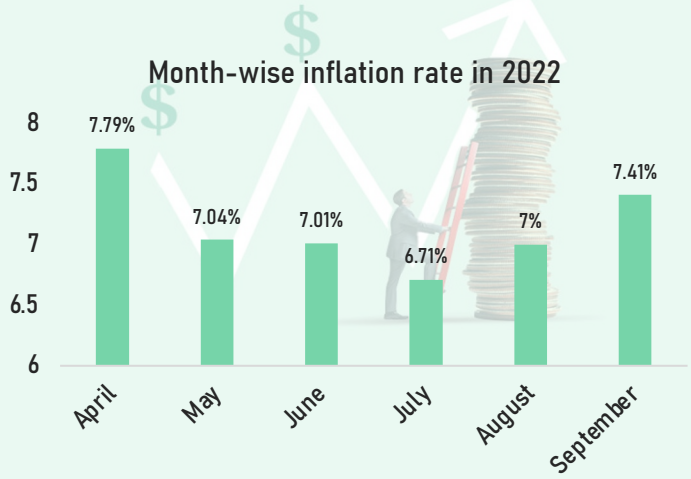
Value of fiscal stimulus measures as a share of GDP



"When America sneezes, the world catches a cold."

As the world tries to recover from the global pandemic, the inflationary pressures built up by the Russia-Ukraine war add a speed bump on the journey. The world is experiencing a negative supply shock, with gas prices skyrocketing and the Consumer Price Index (CPI) reaching record high levels. The US currently faces 8.5% inflation with a growth forecast of 1% for 2023. To put it in context for India, the US is a major export destination, especially when it comes to the textile (58% of all textile exports) and software (42.5% of all software and related exports) industries, signaling a direct impact on the Indian economy. Furthermore, the global inflationary pressures are being met with interest rate hikes, and when one finds oneself in the wake of interest rate hikes, Foreign Portfolio Investments (FPIs) start to decrease and find their way to countries offering higher returns, which is exactly what India is witnessing. This will continue to haunt India till the Fed signals a clear end to the rate hikes.

Internally as well, India is not free of its own troubles. India is currently experiencing an inflation rate of 7.41%, which is well above the RBI target inflation rate and is being met by a decreasing Indian Rupee against the US Dollar, while on the cusp of the two is an ever-increasing working population with a limited job market. Before you start cursing the skies for stumbling across my negatively worded article, let me point you towards the rainbow that quietly shines amidst the grey clouds.



"Furthermore, with the Purchasing Managers' Index (PMI) rising, we find India's manufacturing output increasing and the economy signaling positive growth"

The diplomatic and political ties of India have paved the way towards a renewed relationship with Russia. After the US banned Russia from the SWIFT network, Russia finds itself on India's newly founded Vostro network with the ability to trade with India in Indian rupees. Not only does this enable India to trade oil with Russia at $30 less per barrel to reduce input costs further, it also takes us back to macroeconomics 101 – the more the demand, the more the value. The Indian rupee could possibly see a rise in value along with a decrease in commodity prices, thereby increasing demand and keeping supply-side inflation in check.

Furthermore, with the Purchasing Managers' Index (PMI) rising, we find India's manufacturing output increasing and the economy signalling positive growth. With encouraging market-oriented reforms, India is also paving its way to becoming the next biggest manufacturing hub after China finds itself caught in the middle of a geopolitical whirlwind. With numerous government incentive programs, the manufacturing sector of India should soon see a much-needed boom.

“India walks in the midst of a global recession scare with her head held high and strong buffers in her satchel”

Overall, the Indian economy is growing at a much faster rate than any of the developing countries, with a projected growth rate of 6.8% for 2022-23, owing to an increase in domestic consumption. Typically, private expenditure makes up 55% of India's GDP, and with the upcoming festive season, domestic consumption is likely to rise even more. Additionally, with rising incomes and purchasing power, a huge spike is expected in the luxury merchandise and automobile industries. The spending made by Indian enterprises in the IT industry can also be seen stabilizing, adding a great deal to domestic consumption. A big part of the Indian economy is also its agricultural sector (~20% of GDP), which, as luck would have it, is booming with the revival of the monsoons. Needless to say, all of these macro parameters have helped instil a feeling of confidence in the Indian economy, as can also be seen with Foreign Institutional Investments (FIIs) reaching a value of 51,200 crore rupees (monthly investment) in August 2022.

India walks in the midst of a global recession scare with her head held high and strong buffers in her satchel, with $532 billion in forex reserves, sufficient food grain stock, and a well-capitalized and robust financial system. However, being the bright spot is not enough. India needs to know how to build on this resilience. Front-loaded and aggressive monetary tightening is critical at this juncture to avoid inflation and de-anchoring, which is happening as a consequence of households and businesses basing their wage and price expectations on short-term inflation fluctuations. Let us hope India comes out of this stronger, bolder and brighter as it paves its way towards becoming a $5 trillion economy.

Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)	2021	PROJECTIONS 2022	PROJECTIONS 2023
World Output	**6.0**	**3.2**	**2.7**
Advanced Economies	**5.2**	**2.4**	**1.1**
United States	5.7	1.6	1.0
Euro Area	5.2	3.1	0.5
Germany	2.6	1.5	-0.3
France	6.8	2.5	0.7
Italy	6.6	3.2	-0.2
Spain	5.1	4.3	1.2
Japan	1.7	1.7	1.6
United Kingdom	7.4	3.6	0.3
Canada	4.5	3.3	1.5
Other Advanced Economies	5.3	2.8	2.3
Emerging Market and Developing Economies	**6.6**	**3.7**	**3.7**
Emerging and Developing Asia	7.2	4.4	4.9
China	8.1	3.2	4.4
India	8.7	6.8	6.1
ASEAN-5	3.4	5.3	4.9
Emerging and Developing Europe	6.8	0.0	0.6
Russia	4.7	-3.4	-2.3
Latin America and the Caribbean	6.9	3.5	1.7
Brazil	4.6	2.8	1.0
Mexico	4.8	2.1	1.2
Middle East and Central Asia	4.5	5.0	3.6
Saudi Arabia	3.2	7.6	3.7
Sub-Saharan Africa	4.7	3.6	3.7
Nigeria	3.6	3.2	3.0
South Africa	4.9	2.1	1.1
Memorandum			
Emerging Market and Middle-Income Economies	6.8	3.6	3.6
Low-Income Developing Countries	4.1	4.8	4.9

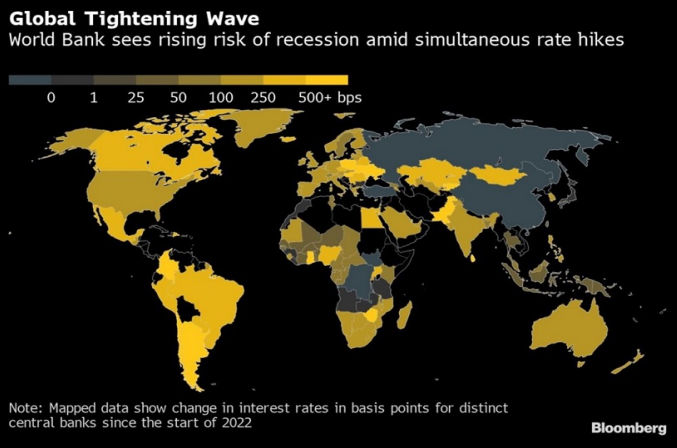
Written by: Akanksha Kaul, NMIMS Mumbai
Designed by: Akul Singh

Effect of the Recession Paranoia on the Financial Sector and Stock Markets

The narrative around the economic environment globally has seen a sea of changes in the last one year, pivoting from one of euphoria over control on the pandemic and flood of liquidity – to one of untrappable inflation and slowdowns coming from interest rate hikes.

The picture of a recession has turned vivid, especially after major institutions are beginning to sound alarms. Case in point - the World Bank after cutting 2023 global growth forecast from 3 percent to 1.9 percent, believes the global economy is very close to recession. Continued sternness globally around monetary policy is not at all obliging. Central banks seem to have gone into a sync not seen in the last 50 years. However, what makes the situation exceptionally challenging is that despite economic activity tapering off, inflation continues to be revised up due to the impact of hot labour markets and disrupted supply chains from wars and sanctions.

At this level of income, people are living a life of sustenance and the level of saving is also low. Lower savings mean that amount they would be willing to invest would also be low.



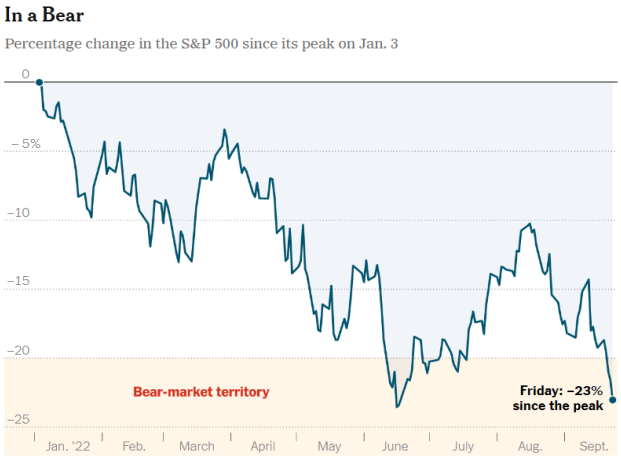
With the latest reports on the relentless rise in food and energy prices coming in, economies may see interest rates rise by another 200 basis points. Under a stress scenario, global growth may go into a 0.4 percent contraction on a per-capita basis – stumbling into a technical recession.

Is the Paranoia warranted?

Well, let's have a look at how major economies have fared over the past year –

U.S. economy: 2021 turned out to be a year to remember for investors. The S&P made 70 all-time highs and not even elections, pandemic and trade frictions could temper the bull market. The strong stimulus push from policy made for a remarkable labour market recovery, and investors kept pushing markets higher in hopes of strong corporate performance going forward. The approach proved costly as a strong job market and optimistic price expectations created a stubborn inflationary environment, which can only be solved by measures that cause certain short-term pain. It is necessary to bring spiraling inflation down to near the target of 2%, without which America's standard of living would take a beating and hurt the economy much more.

In 1979, then Fed chairman Paul Volcker vowed to raise rates until inflation was controlled. His aggressive approach was instrumental in bringing inflation down to 3.4% from 10%. Jerome Powell is now looking to adopt the same stance. Investors have come to terms with this and are pricing in 4-6% global rates, double that of last year, just to contain inflation at 5%. The US markets have been hammered and are now in bear territory.

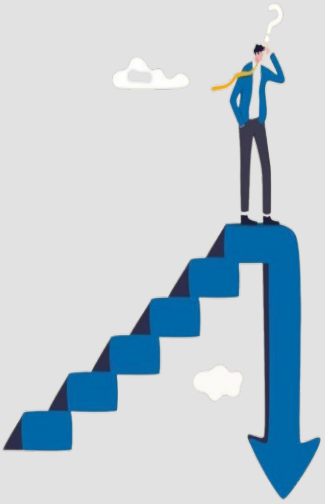


Source: Refinitiv

Source: Bloomberg

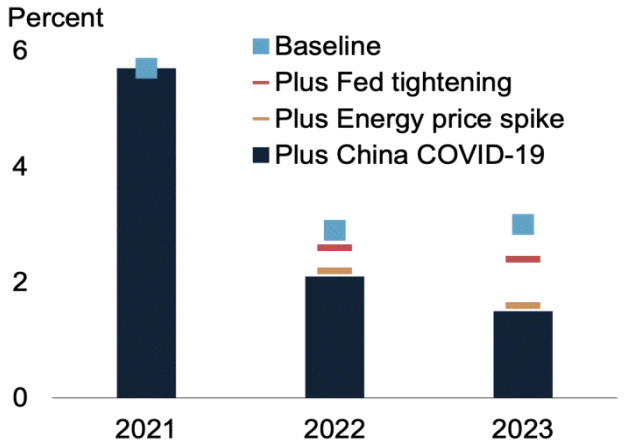
Europe: Europe is a serious concern. The eurozone is dependent on subsidies by governments to cover part of energy and food costs. The ongoing Russian conflict could cut gas supplies and raise price insecurity further. The single-currency area known as the eurozone is currently benefiting from government assistance to help deal with soaring energy and food costs. That amounts to around 1% of GDP.

However, the benefit of the subsidies will likely end by 2023, raising the risk of a European recession as the continent suffers from energy shortages. The war in Ukraine could end European gas supplies from Russia altogether; rising prices could cause widespread food insecurity and social unrest; and geopolitical fragmentation may impede global trade and cooperation. Moreover, the impact of the Ukraine invasion is estimated to count for 1.2 percent of downward revision of global growth this year.



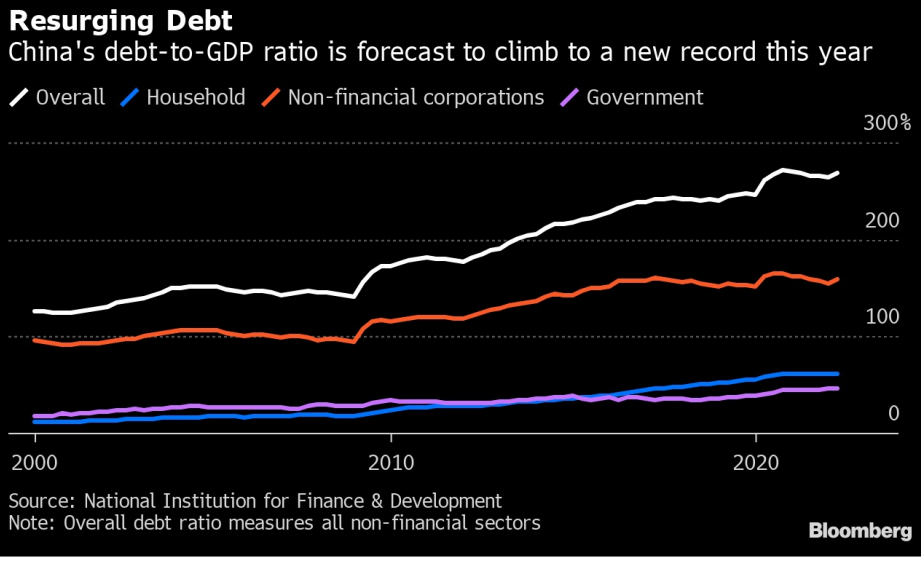
China: The Red Dragon has come to be under pressure because of its domestic debt burden and stringent COVID policy that sees no end. Economic activity is reeling under deep disruptions caused by large outbreaks of COVID. A string of such intermittent curbs would amount to a 0.5 and further 0.3 percentage decrease in China's GDP growth in 2022 and 2023, respectively.

The following figure by the World Bank shows the cumulative effect of three scenarios amounting to Fed tightening, a spike in energy prices, and China's zero COVID policy.



On the domestic front, China is further dealing with a potential banking crisis sparked by defaulting debt payments by its property developers. Years of excess capacity in the infrastructure sector, which accounts for a quarter of the country's GDP, are finally showing cracks as borrowers start walking away from incomplete projects. Overseas as well, accounts like Sri Lanka show a lack of foresight in lending to commercially unviable projects.

Investors have been dumping assets and fleeing Chinese markets given recession fears, rate hikes by the Fed, and trade sanctions by the US. Hong Kong's stocks recently hit 11-year lows after the Fed hike last month. The Yuan has depreciated 11% since the start of the year, given the PBOC's slashing of rates. China's slowdown is slowly being exported to its trade partners like Germany and South Korea through falling demand for manufactured goods, thus potentially having spill-over effects globally.



India: Stock markets in India were the darling of equity investors in 2021, becoming the best performing among Asian countries with a 20% rise. However, valuations have since been humbled by $30B of outflows from FPIs. The IMF has lowered India's FY23 growth forecast to 6.8%, a 0.6 percentage point downward revision, the biggest after the US. India is also having its own battle to control food prices and supply side inflation.

Key vulnerabilities for India include a sharply declining rupee, causing large import bills and falling exports due to recessionary conditions abroad. That said, investors have placed hopes on a resilient local economy and stocks have been able to defend some turf compared to other emerging market peers. But remember, India is not immune to global economic risks and should not be ignorant of recessionary paranoia prevalent in markets today, as the above global data points to a very real scenario of de-growth occurring in the quarters to come.

"India is not immune to global economic risks and should not be ignorant of recessionary paranoia prevalent in markets today"

Policymakers and institutions should perhaps look to engage in pre-emptive actions to communicate their actions clearly with industry, generate investments, and improve productivity to defend against a slowdown. Further, fiscal support should be well planned and coordinated in order to reduce misery for the bottom of pyramid populace.

Written by: Pranav Bharara
Designed by : Vaasu Gupta & Hardik Dwivedi

FINOMENON JOURNEY

DECODING FINANCE

An interactive session for first-year students conducted by finance professionals to talk about various profiles offered by finance companies along with resume building tips. This year the keynote speakers were- Mr. Harshvardhan Shah, Risk Analyst at MSCI Inc., Mr Darshil Shah, Equity Research Analyst, HDFC Securities.

GUEST SESSION WITH MR. MOHNISH PABRAI

Finomenon hosted a session with the author of the Best-Selling book "The Dhandho Investor", Mr. Mohnish Pabrai on the topic, 'Methods of Value Investing'. The insightful event turned out to be the perfect beginning for the new academic session

EQUITY RESEARCH + MERGERS & ACQUISITION WORKSHOPS

Finomenon in collaboration with Forevision, organized workshops on financial modelling, equity research and acquisitions, buyout and deal analysis. Students learnt the intricacies involved in a deal right from the basics. Finomenon also assisted the students in obtaining an exclusive corporate project to put their newly acquired abilities to use.

MARKET IMPACT REPORT

As a part of our investor relations, we released The Market Impact report which was a comprehensive report containing themes like fiscal and monetary policies of major countries as well as outlook on the Indian Equity, Commodities, Forex Markets and trends of different industries.

Finomenon
The Finance Cell, NMIMS

B TALKS

B TALKS

An exclusive research competition for the Junior Committee members of Finomenon aimed at preparing them for their summer internship process wherein each team presented detailed analysis of the companies allotted to them by analyzing their MD&A reports and financial statements.

BEAN COUNTERS

As a part of the intra-college fest, Parichay, Bean Counters, an annual fun-filled event served as an ice breaker for the first-year students. There were three rounds; a quiz followed by a portfolio allocation round and lastly a campus treasure hunt.

FINOMENON JOURNEY

SUMMERTHAN

An initiative by Finomenon to float finance dossiers and articles on key recent happenings from the world of business and finance so as to facilitate the first-year students preparing for their summer internship process. It spanned across topics like Venture Capital in India, Digital Transformation in Banking etc

CFA RESEARCH CHALLENGE

The CFAI hosts an annual global competition in which university students receive practical learning, guidance and focused training in financial analysis and professional ethics. Each team's analytical skills, valuation, report writing, and presentation skills are tested. They gain practical experience by taking on the role of a research analyst.

CFA ETHICS CHALLENGE

It is a competition by the CFAI that is designed to increase students' awareness of the ethical dilemmas which they may face once they enter the corporate world. It incorporates common ethical issues and the application of the CFA Institute Code of Ethics and Standards of Professional Conduct.

SEEKING ALPHA

Finomenon hosted a PAN India Portfolio Management competition for first and second-year B-school students wherein they got an opportunity to pitch stocks in their portfolio. They discussed how the portfolio is affected by macroeconomic and microeconomic factors and the various ratios which make their portfolio optimum.

ARTICLE WRITING COMPETITION

Finomenon held an All-India article writing competition for its Bi-Annual magazine, 'The Financial'. It intended to bring together fin-tastic minds to ideate and offer a comprehensive study on India's resilience during the recession paranoia.

MOOLYANKAN

As a part of Pagarna'22, Moolyankan is Finomenon's flagship PAN-India Equity Research Competition, with an interesting twist, which allowed the participants to grasp various valuation techniques while forecasting the future performance of the company based on their understanding. The participants' presentation skills were put to test throughout the event.

FINOMENON JOURNEY

MAD OVER MARKETS

Finomenon releases a monthly report providing the readers a snapshop of the month's market performance and news in focus. It also shows the performance of various global, Indian and sectoral indices for the month and in addition to this, it presents the monthly change in forex rates and macroeconomic indicators.

FIN CHRONICLES

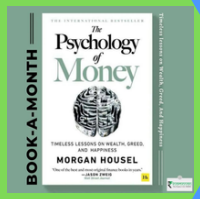
It is a series of financial articles where the topic for the month of October was: Decoding the Rise'N'Shine of Adani Group. The article covered some overarching themes such as factors leading to the rise of Adani, the latest mergers and acquisitions, concerns and risks, economic and market ramifications and the future outlook.

FINSIGHTS AND WINTERTHAN

Finsights are brief analyses of trending topics in the business and finance world. Some of the topics covered in this session so far were Digital Rupee, Fall of Cryptocurrency, Meme Stock Mania, and so on.
Under Winterthan, Finomenon floats research reports, articles and interview experiences to help the final-year students of NMIMS.

SAMRIDDHI EQUITY RESEARCH REPORT AND IPO ANALYSIS

The SERR includes industry-level equity research on a wide range of companies designed primarily to enhance learning among students. The company chosen for this particular report was Titan Ltd.
We also extensively research on various IPOs in India covering a details about offer , key financials, company analysis and risks.



BOOK A MONTH

In a bid to promote the habit of reading amongst students, Finomenon reviews and shares insights from various books on finance and economics. Of late, we have covered books like the Psychology of Money by Morgan Housel and The Intelligent Investor By Benjamin Graham.

PICK OF THE WEEK

POTW is an initiative by Finomenon to check students' stock market awareness through a weekly quiz on our Instagram page. Highlights of the company and previous quarter results are published along with the Top 3 winners to identify the stock correctly on our official Instagram handle.

Samriddhi Investor's Fund

Equity

Data as of 31st October, 2022

Investment Objective

To seek to generate long-term capital appreciation from a portfolio comprised entirely of equity securities from the NSE 200 Index.

Portfolio Managers

Paridhi Jhunjhunwala, Kartikay Sharma, Akshat Baid, Renil Shah, Sanil Desai

Fund Facts

Particulars	Portfolio
Inception	2016
Benchmark	NSE 200 Index
NAV (as of 31-10-2022)	₹ 696
Total number of holdings	22
Subscription frequency	Annual
Withdrawal frequency	Annual

Investment Methodology & Philosophy

Samriddhi focusses on the pursuit of investment opportunities in the Indian equity market from the universe of NSE 200 stocks to seek and award equity investment prospects on the principles of Growth, Sustenance and Value Creation.
The fund seeks to invest in stocks with strong fundamentals strictly screened on robust parameters of Quality, Growth, Risk and Profitability that form the four pillars of the fund's investment philosophy.

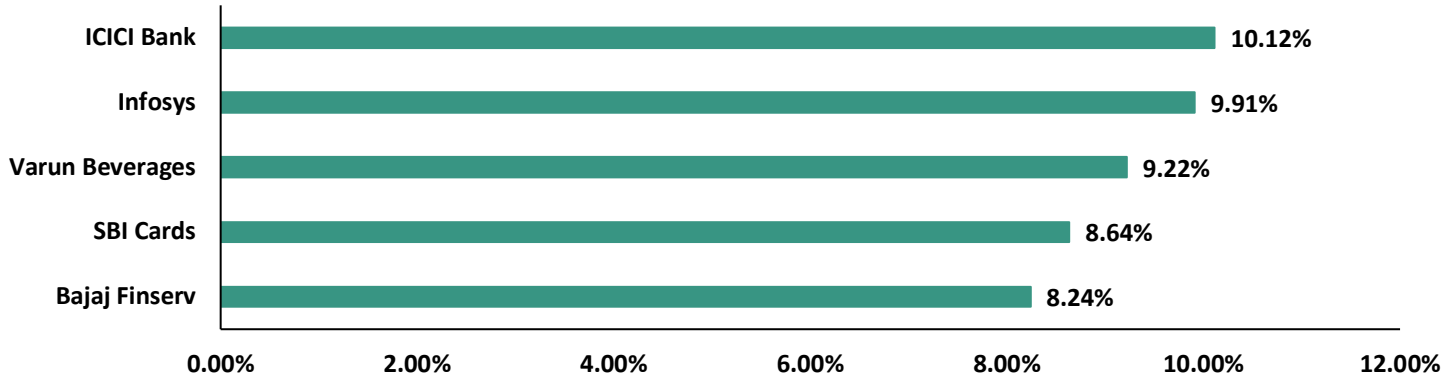
Fund Performance

Particulars	Portfolio	NSE 200
Beta	0.91	1
Standard Deviation	17.88%	18.14%
Returns (7M Annualised)	6.38%	3.07%
P/E	36.43	21.52

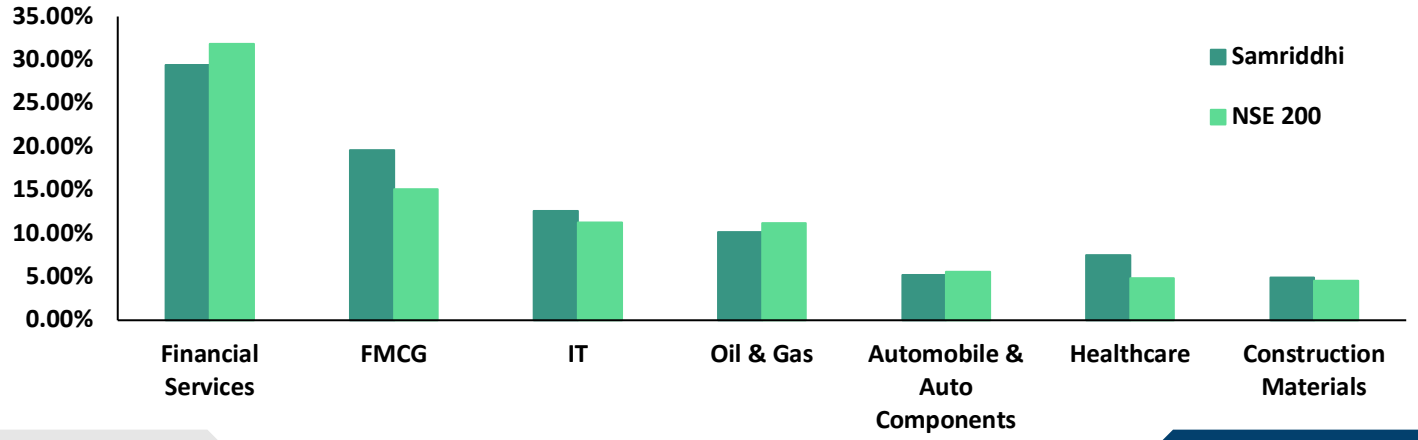
Market Cap (%)

Particulars	Percentage
Large Cap	70.75%
Small Cap	29.25%

Top Holdings & Weightages



Sectoral Weightages

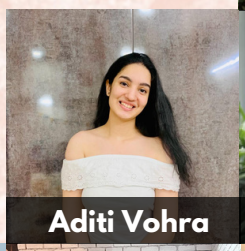


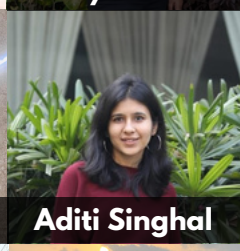
THE SENIOR COMMITTEE

L to R: Deven Sethi, Priyanshi Jain, Kartikay Sharma, Ayush Jain, Nikhil Verma, Mahima Agarwal, Akshat Baid, Paridhi Jhunjhunwala, Renil Shah, Sanil Desai, Spandan Garg

MEET THE TEAM

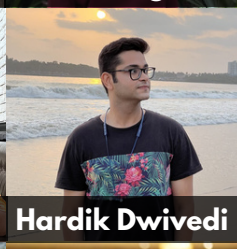

Shreya Prasad


Aditi Vohra


Aditi Singhal


Akul Singh

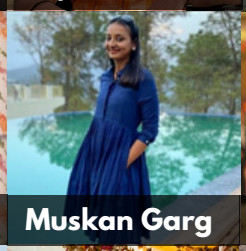

Deepanshu Ashara


Hardik Dwivedi

THE EDITORIAL TEAM

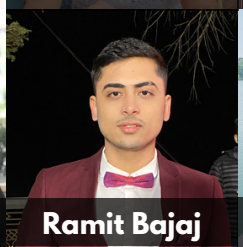

Kriti Jain

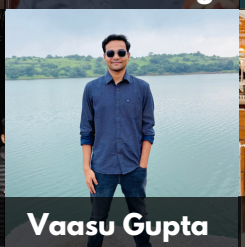

Maharshi Daga


Muskan Garg


Nikhil Mahanandani


Parthiv Sikdar


Ramit Bajaj


Vaasu Gupta


Vanshika Relhan


Vrishti Gupta

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