



Regional and Local Development—The Exchange View

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Flow

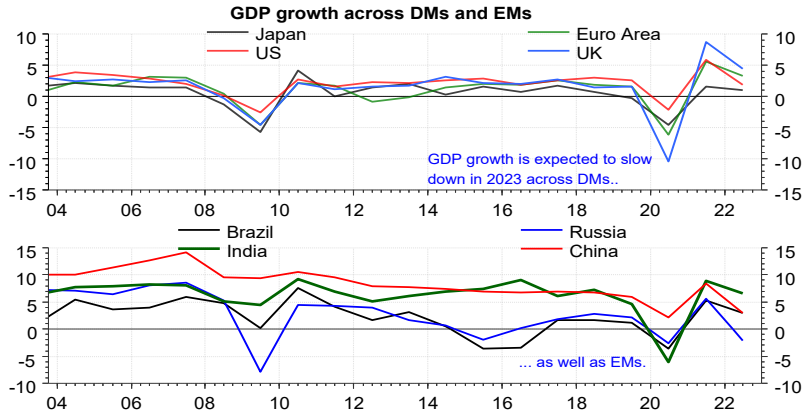
- ❖ Global macros: Slowing growth however better than anticipated
- ❖ The India Story: Bright spot in an uncertain world
- ❖ Market performance: Testament to India's fundamental
- ❖ Retail investors: Standout feature since pandemic
- ❖ Exchange as an enabler: Regulatory and product related developments

Global macros

Slowing growth however better than anticipated

Weak global backdrop...

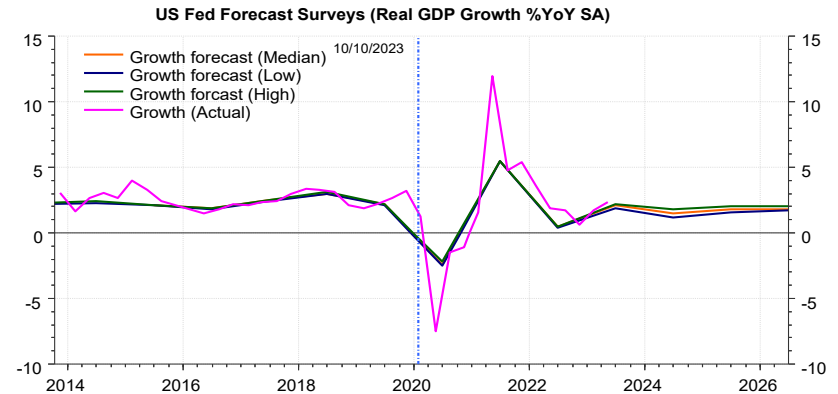
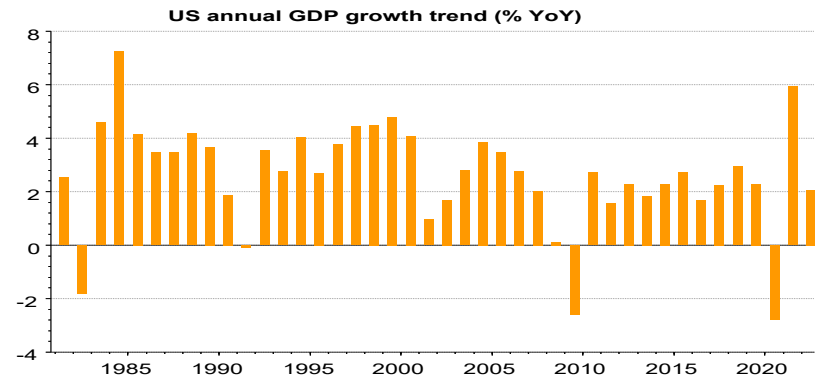
Slowing global growth



- Global growth has been slowing in 2023 after recovering from the pandemic and Russia-Ukraine war, thanks to tightened financial conditions.
- Weak demand in Euro area leading the decline in global growth with Germany and Netherlands entering recession.
- US economy holding up with tight labor markets, rising retail sales and strong Q3 FY24 GDP growth indicating robust consumer demand.

Source: Refinitiv Datastream, IMF, NSE.

However, US economy holding up...



IMF revises growth forecast upwards for 2023

- ❖ The IMF has **revised global growth projection in October 2023 upwards to 3% for 2023**—20bps higher than projected in January 2023.
- ❖ Slowing demand in Euro Area, reflected in downward growth projections of over 1 percentage point for all the three years.
- ❖ Japan seems to have hit bottom and is expected to bounce back with a growth of 2%—70bps upwards than the Jan'23 growth projections.
- ❖ China's growth revised downwards by IMF and is expected to revolve around 5% in 2023
- ❖ **India's growth has been revised upwards to 6.3% in 2023 and it continues to be the fastest growing major economy.**

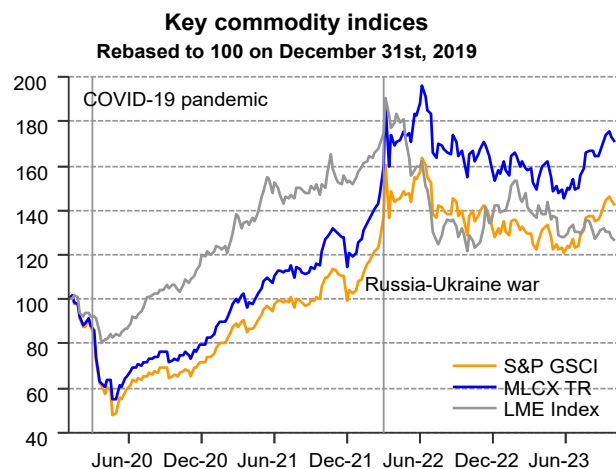
IMF growth forecast 2023 revised upwards for all major economies barring Germany

Real GDP Growth	Projections		
	2022	2023	2024
World	3.5	3.0	2.9
Advanced Economies	2.6	1.5	1.4
United States	2.1	2.1	1.5
Euro Area	3.3	0.7	1.2
Germany	1.8	-0.5	0.9
France	2.5	1.0	1.3
Italy	3.7	0.7	0.7
Spain	5.8	2.5	1.7
Japan	1.0	2.0	1.0
United Kingdom	4.1	0.5	0.6
Canada	3.4	1.3	1.6
EMDEs	4.1	4.0	4.0
China	3.0	5.0	4.2
India	7.2	6.3	6.3
Russia	-2.1	2.2	1.1
Brazil	2.9	3.1	1.5
Mexico	3.9	3.2	2.1

Source: IMF World Economic Outlook, October 2023

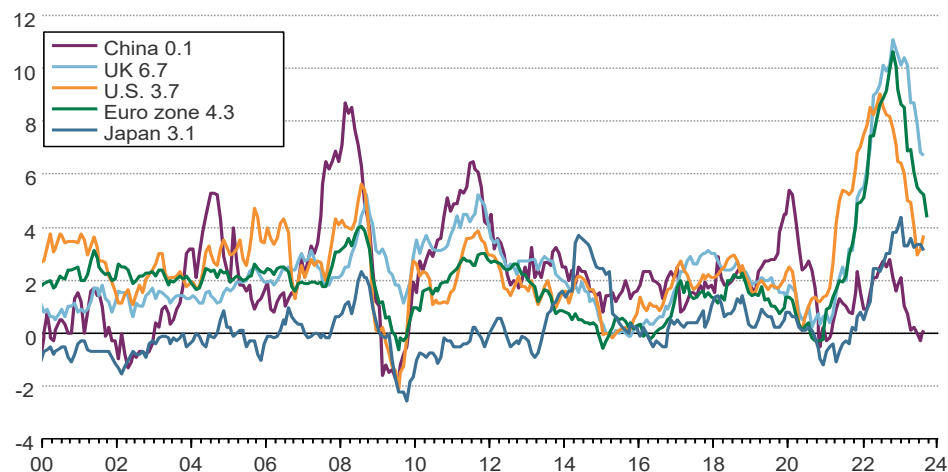
Global inflation coming off...

- ❖ Supply-side bottlenecks induced by the pandemic were amplified by the Russia-Ukraine war. This led to a sharp rise in commodity prices, consequently leading to inflation skyrocketing to multi-decadal highs.
- ❖ Further, **the ongoing Israel-Hamas war could further fuel inflation.**
- ❖ While slowing demand and easing commodity prices (courtesy China slowdown) have started to reflect in recent inflation prints, the trajectory remains elevated.



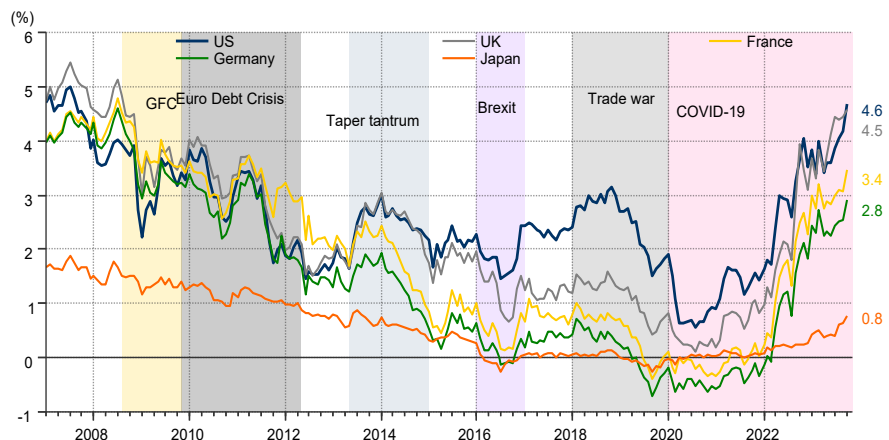
Source: Refinitiv Datastream, IMF, World Bank, NSE

Global inflation rates



Global bond yields inching up

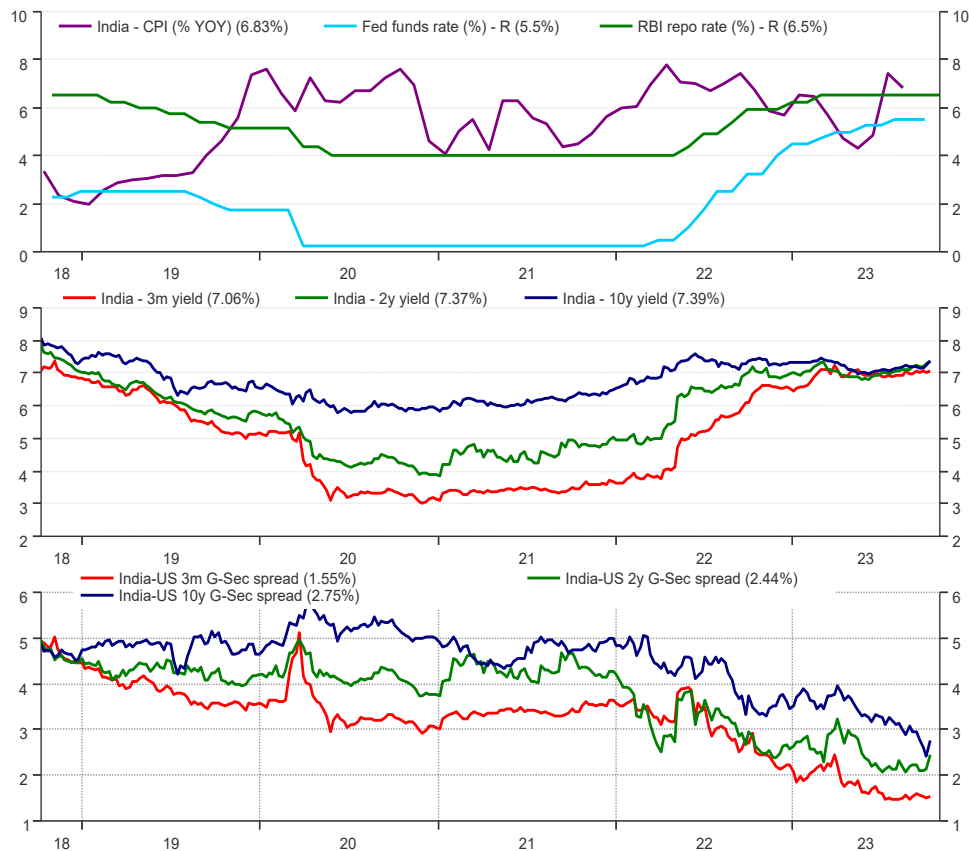
Is the era of easy money over?



Implications:

- Headwinds to global growth with rise in cost of funds.
- Spreads coming off. **The spread has compressed from 400 bps (Feb'22) to 164 bps (Sep'23) making US more attractive.**
- Capital flows to all risk assets (Commodities, EMs, etc.) likely to face headwinds.
- Both FDI and FPI likely to be affected.

Source: Refinitiv Datastream, CMIE Prowess, NSE.



Near-term concerns

- ❖ Global growth slowing down in 2023, thanks to tightened financial conditions.
- ❖ Global political situation remains fluid. Great power struggle continues, with falling opportunities of multilateral cooperation.
- ❖ The recent geo-political conflict between Israel- Palestine pose risk for oil prices.
- ❖ High global leverage, and US debt ceiling
- ❖ May see another hike by the Fed. Interest rates now highest since GFC.
 - ❖ Fed rates have risen by 525bps
 - ❖ Another 25bps hike likely in this year.
- ❖ With global yields rising, is the era of easy money over?
- ❖ China's 5% GDP target shows caution, likely to weigh on growth prospects in 2023.
- ❖ Global headwinds remain in form of higher cost of funds and volatile geo-political environment

The India story

Resilient local environment

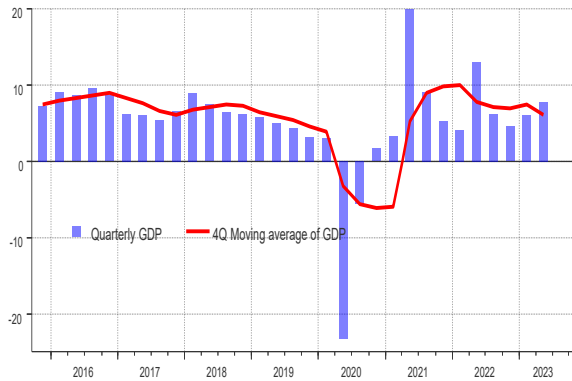
Flow

India shines bright in an uncertain world...

Among the fastest growing economies

- ❖ India remains one of the fastest growing large economies in the world.
- ❖ **Drivers:** Strong consumption demand, robust capex push by the Government, rapid digitization and favorable policies.

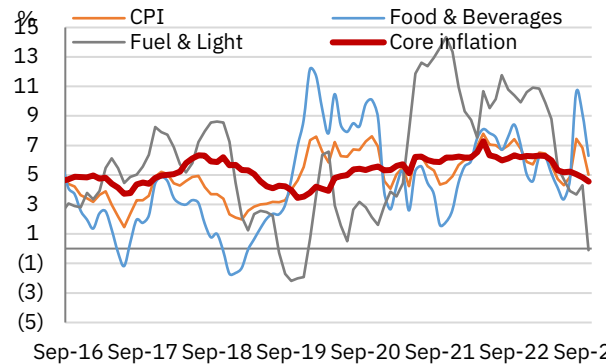
Q1FY24 GDP growth at 7.8%



Inflation cooling-off

- ❖ India's CPI inflation in 2022 was lower than peers, thanks to lower share of energy in India's consumption basket.
- ❖ Pickup in headline is transient due to surge in veggie prices, but now coming off
- ❖ RBI expects it to drop to 5.2% by Q4 FY24.

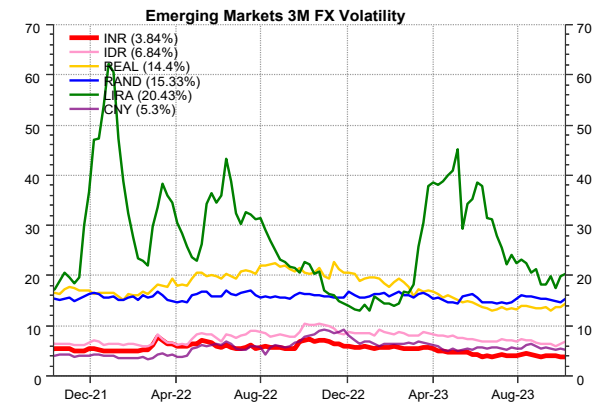
India inflation (Sep'23)



Rupee range bound

- ❖ INR depreciated against USD, in line with other emerging market currencies, albeit with a meaningfully lower volatility.
- ❖ While RBI has been actively intervening in FX markets and taking measures to attract foreign inflows, Govt. has been taking steps to curb imports.

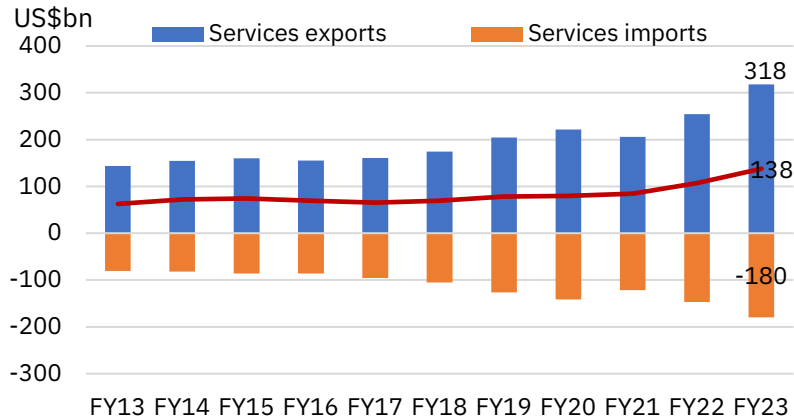
Emerging markets 3M FX volatility



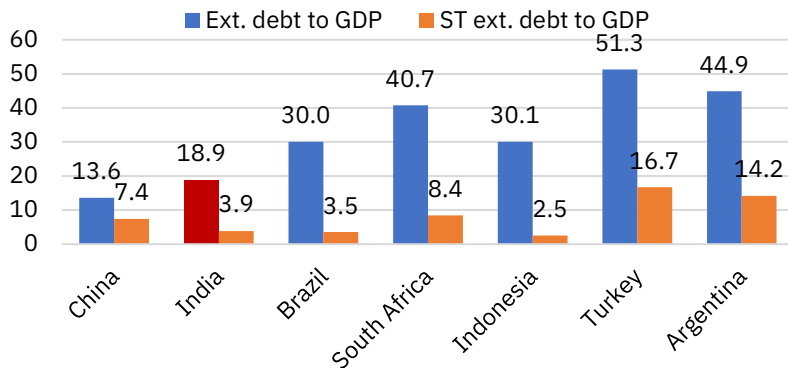
...contained vulnerabilities

External vulnerability under control, thanks to service exports

- ❖ India's external debt to GDP ratio is one of the lowest among major EMs and has been declining over the years. Share of ST external debt to GDP ratio is also the lowest at around 4%.



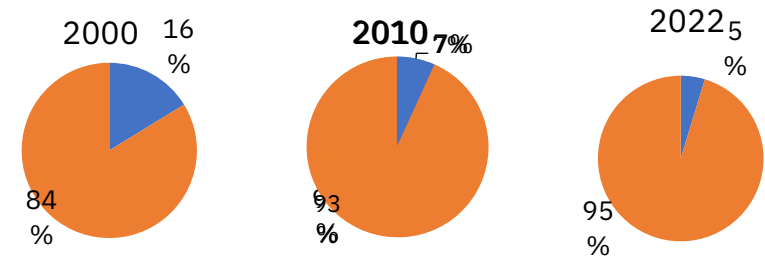
External debt to GDP ratio across countries (2022, %)



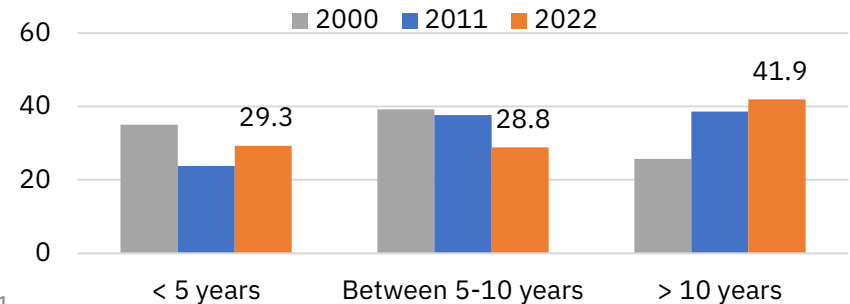
Government funding primarily local and long-term

- ❖ More than 95% of sovereign liabilities are internal.
- ❖ India sovereign debt to GDP ratio at 89% is much lower than many developed nations—a large part of which is long-term.

Break up of Government liabilities

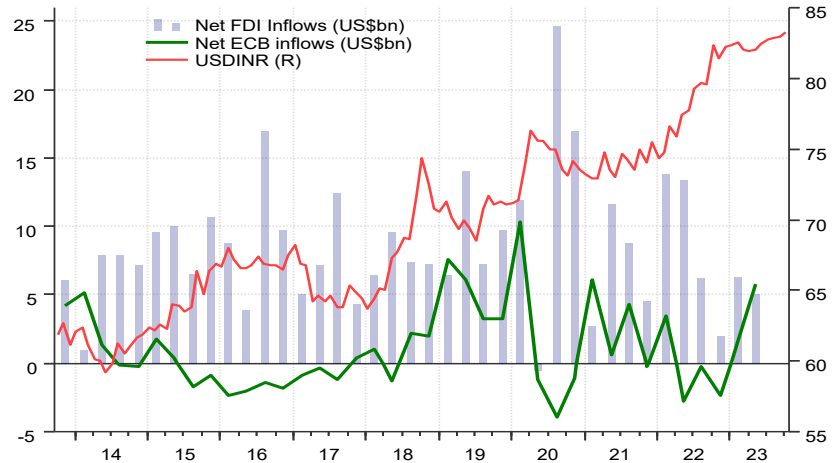


Maturity profile of outstanding Government borrowings

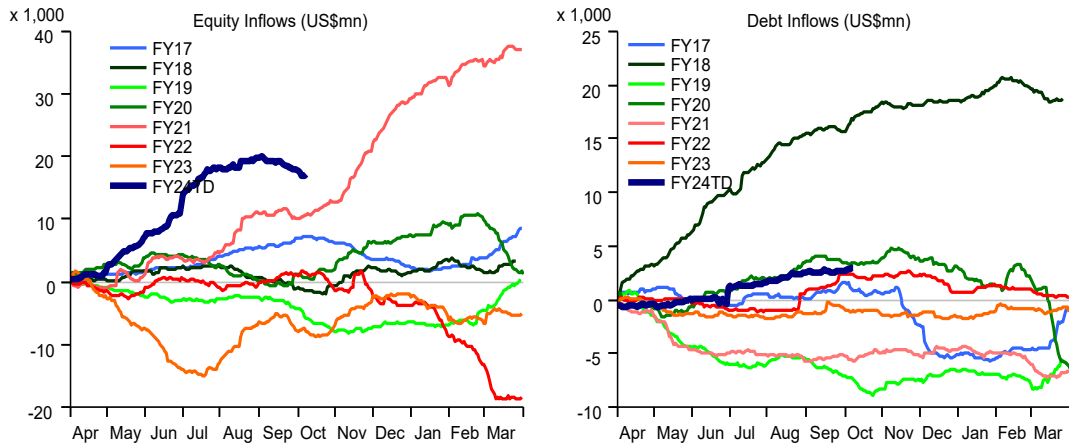


Capital flows remain strong

Net FDI and ECB inflows into India



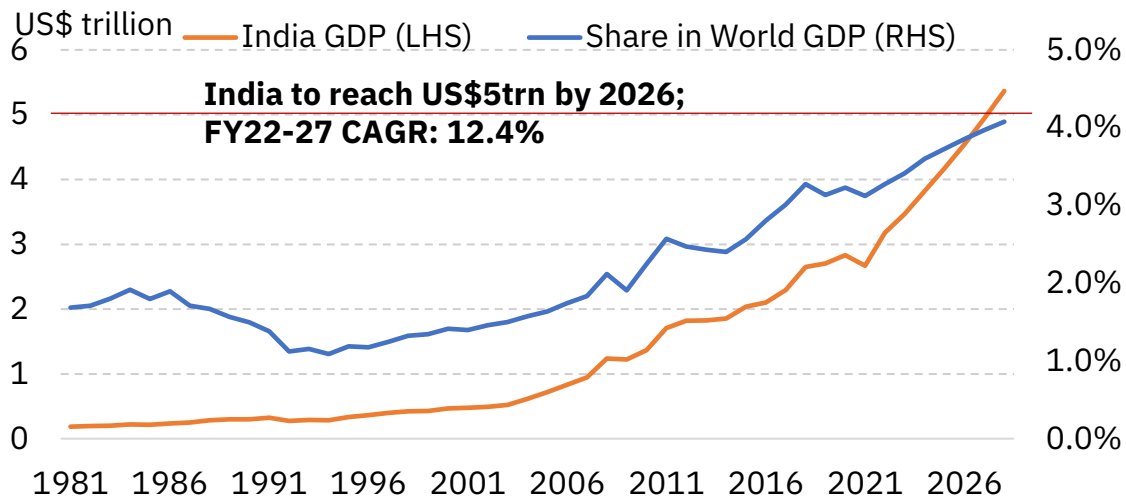
Cumulative FII net inflows over last eight years (FY)



- ❖ India's outperformance was supported by tapering-yet-robust foreign capital flows, particularly in the early part of the fiscal year, strong macroeconomic landscape and robust corporate earnings for Q1 FY24.
- ❖ Renewed buying by domestic investors—institutional as well as retail—since the last couple of months more than made up for FPI outflows during this period, thereby providing downside support to Indian equities.
- ❖ Domestic institutional investors invested a total of Rs 704bn (US\$8.5bn) in the last four months (Jul-Oct'23), aided by robust indirect retail participation via the SIP route

On course to reach US\$5trn by 2026

India set to reach US\$5trn by 2026 (FY27)



India to become the third largest economy in nominal terms by 2027 (FY28)

2000		
Rank	Country	GDP (in USD bn)
1	US	10,251
2	Japan	4,968
3	Germany	1,949
4	UK	1,665
5	France	1,366
13	India	477

2010		
Rank	Country	GDP (in USD bn)
1	US	15,049
2	China	6,034
3	Japan	5,759
4	Germany	3,402
5	France	2,647
9	India	1,708

2020		
Rank	Country	GDP (in USD bn)
1	US	20,894
2	China	14,863
3	Japan	5,032
4	Germany	3,887
5	UK	2,759
6	India ¹³	2,668

2022		
Rank	Country	GDP (in USD bn)
1	US	25,035
2	China	18,321
3	Japan	4,301
4	Germany	4,031
5	India	3,469

2027		
Rank	Country	GDP (in USD bn)
1	US	30,282
2	China	26,438
3	India	5,366
4	Japan	5,172
5	Germany	4,925

US\$5trn by 2026...

- ❖ India on course to become a US\$5trn economy by 2026, to remain one of the fastest growing economies.
- ❖ **Drivers:** Digital public infrastructure helping in formalization of the economy, healthy banks and corporate balance sheets providing the conducive environment for capex boost, favourable demographics
- ❖ **Key risks:** Global economic slowdown, financial market volatility.
- ❖ **Key challenges:** limited credit availability, slower technology adoption, inadequate skill development.

Market performance: A testament to India's strong fundamentals

Indian benchmark indices vs. global assets

Asset performance (Ranked by % change each year)

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023TD
Bitcoin 5,428.7	SSE Comp 52.9	Bitcoin 34.2	Bitcoin 122.7	Bitcoin 1,394.5	Nifty 50 4.6	Bitcoin 94.1	Bitcoin 304.5	Bitcoin 59.4	WTI Crude 6.7	Bitcoin 110.4
Nasdaq 100 36.9	Nifty 500 39.3	STOXX 600 10.2	WTI Crude 45.0	MSCI EM \$ 37.8	Nasdaq 100 0.0	Nasdaq 100 39.5	Nasdaq 100 48.9	WTI Crude 55.8	Nifty 50 5.7	Nasdaq 100 37.3
Russell 1000 33.1	Nifty 50 32.9	Nasdaq 100 9.8	FTSE100 19.1	Nifty 500 37.7	Gold -1.7	WTI Crude 35.3	Gold 24.8	Nifty 500 31.6	FTSE100 4.7	S&P500 14.0
S&P500 32.4	Nasdaq 100 19.4	SSE Comp 9.4	DJIA 16.5	Nasdaq 100 33.0	Nifty 500 -2.1	S&P500 31.5	Russell 1000 21.0	S&P500 28.7	Nifty 500 4.3	Russell 1000 13.5
DJIA 29.7	S&P500 13.7	S&P500 1.4	Russell 1000 12.1	Nifty 50 30.3	DJIA -3.5	Russell 1000 31.4	MSCI EM \$ 18.7	Nasdaq 100 27.5	Gold -0.4	MSCI World 11.6
MSCI World 27.4	Russell 1000 13.2	Russell 1000 0.9	S&P500 12.0	DJIA 28.1	S&P500 -4.4	MSCI World 28.4	S&P500 18.4	Russell 1000 26.5	DJIA -6.9	Nifty 500 10.3
STOXX 600 21.5	DJIA 10.0	Nifty 500 0.2	MSCI EM \$ 11.6	MSCI World 23.1	Russell 1000 -4.8	STOXX 600 27.6	Nifty 500 17.9	Nifty 50 25.6	STOXX 600 -10.1	Gold 9.3
FTSE100 18.7	STOXX 600 7.8	DJIA 0.2	Gold 9.0	S&P500 21.8	MSCI World -8.2	DJIA 25.3	MSCI World 16.5	STOXX 600 25.5	SSE Comp -15.1	STOXX 600 7.6
Nifty 50 8.1	MSCI World 5.5	MSCI World -0.3	MSCI World 8.2	Russell 1000 21.7	FTSE100 -8.7	SSE Comp 22.3	Nifty 50 16.1	MSCI World 22.4	MSCI World -17.7	Nifty 50 6.8
WTI Crude 7.2	FTSE100 0.7	FTSE100 -1.3	Nasdaq 100 7.3	Gold 12.6	STOXX 600 -10.2	MSCI EM \$ 18.9	SSE Comp 13.9	DJIA 21.0	S&P500 -18.1	DJIA 3.9
Nifty 500 4.8	Gold -1.8	Nifty 50 -3.0	Nifty 500 5.1	WTI Crude 12.5	MSCI EM \$ -14.2	Gold 18.7	DJIA 9.7	FTSE100 18.4	Russell 1000 -19.1	WTI Crude 3.5
MSCI EM \$ -2.3	MSCI EM \$ -1.8	Gold -10.5	Nifty 50 4.4	FTSE100 12.0	SSE Comp -24.6	FTSE100 17.3	STOXX 600 -1.5	SSE Comp 4.8	MSCI EM \$ -19.7	FTSE100 3.3
SSE Comp -6.8	WTI Crude -45.9	MSCI EM \$ -14.6	STOXX 600 2.4	STOXX 600 11.2	WTI Crude -25.3	Nifty 50 13.5	FTSE100 -11.6	MSCI EM \$ -2.2	Nasdaq 100 -32.4	MSCI EM \$ -0.1
Gold -27.3	Bitcoin -56.2	WTI Crude -30.5	SSE Comp -12.3	SSE Comp 6.6	Bitcoin -74.2	Nifty 500 9.0	WTI Crude -21.0	Gold -4.0	Bitcoin -64.1	SSE Comp -2.6

With a gain of 5.7% in 2022, Indian equities have shown a strong relative outperformance.



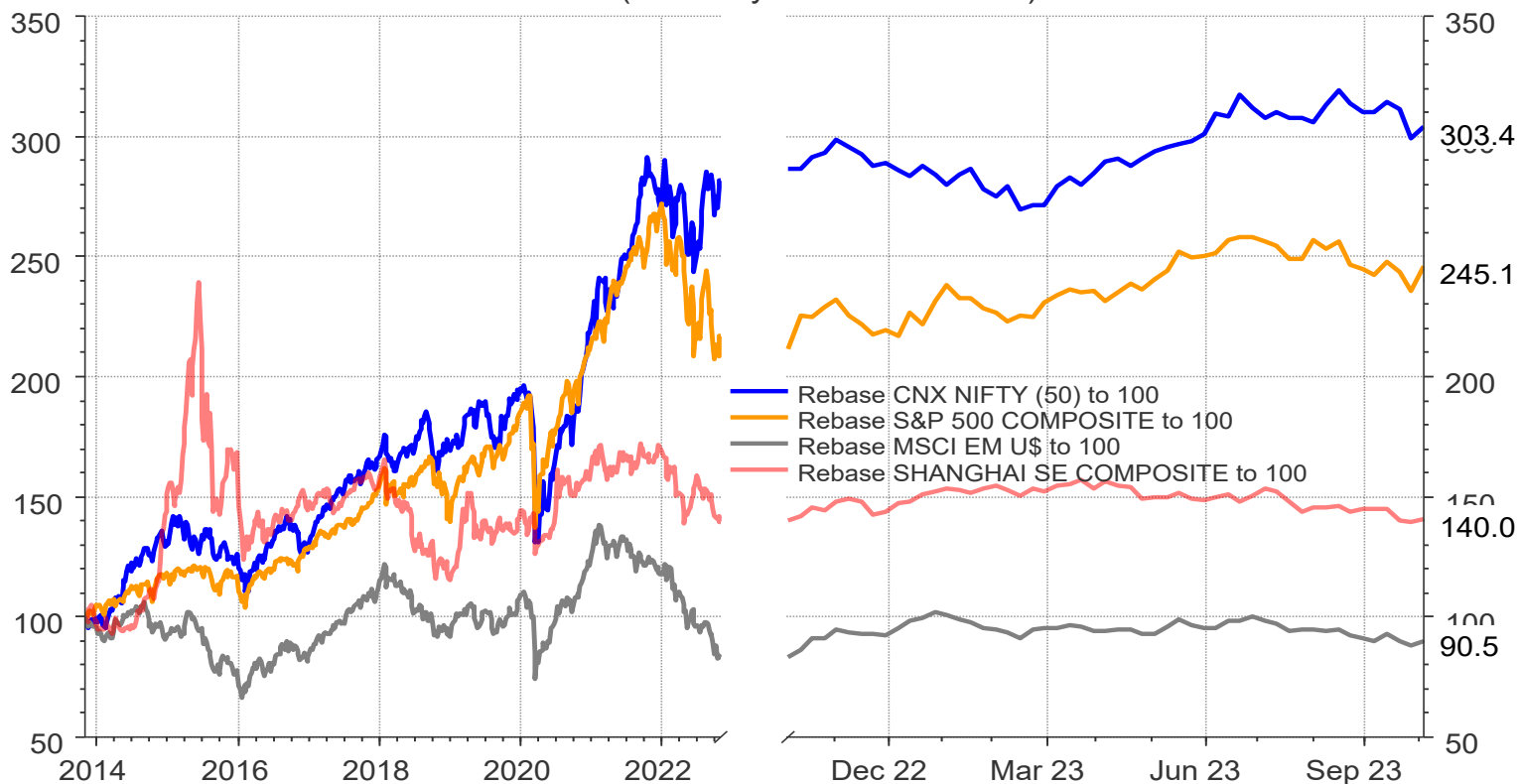
Source: Refinitiv Datastream. Note: Returns for equity indices are based on total return index values except for Shanghai SE Composite Index.



Indian and global markets

NIFTY 50 vs. Global Indexes

Relative Performance (Last 10 years and 2023TD)



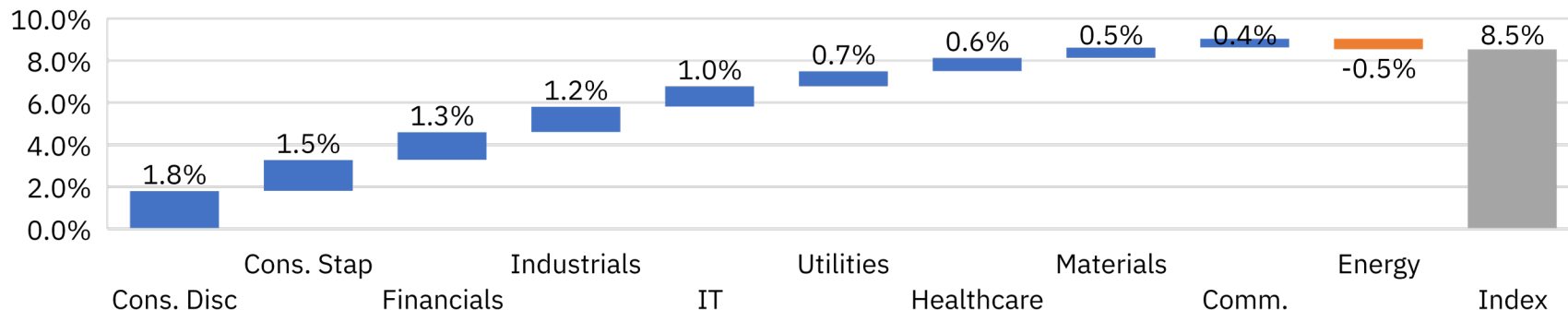
Source: LSEG Datastream

Nifty 50 performance attribution

Sector-wise contribution to Nifty 50 price return in 2023 thus far (Jan'23-Sep'23)

Contribution to Nifty50 Index percentage change (YTD)

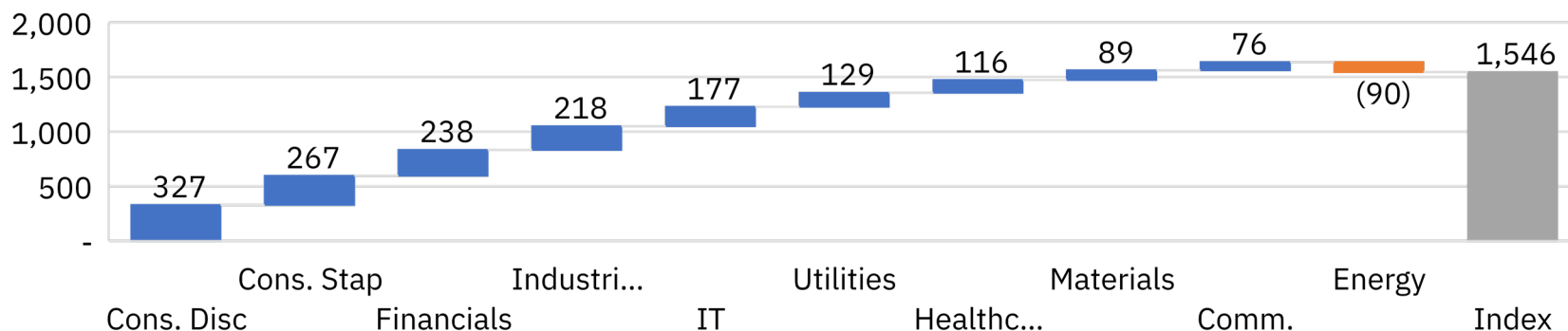
■ Increase ■ Decrease ■ Total



Sector-wise contribution to Nifty 50 Index change (points) in 2023 thus far (Jan'23-Sep'23)

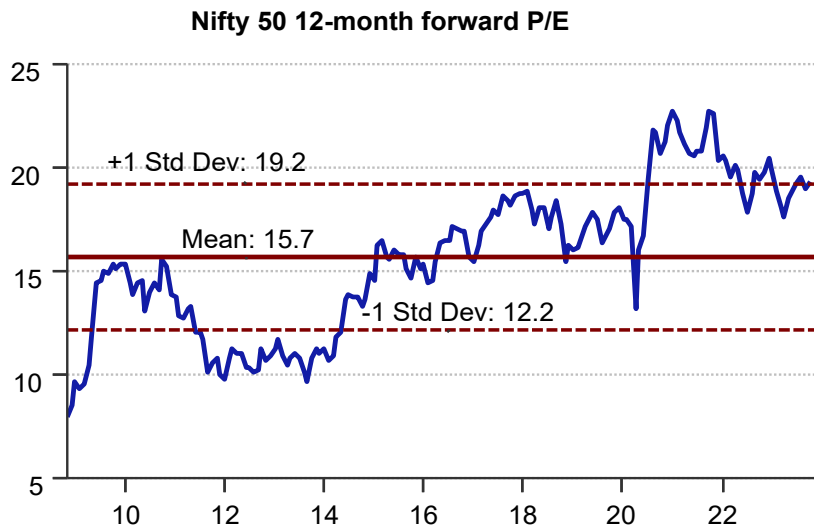
Contribution to Nifty50 Index percentage change (YTD)

■ Increase ■ Decrease ■ Total

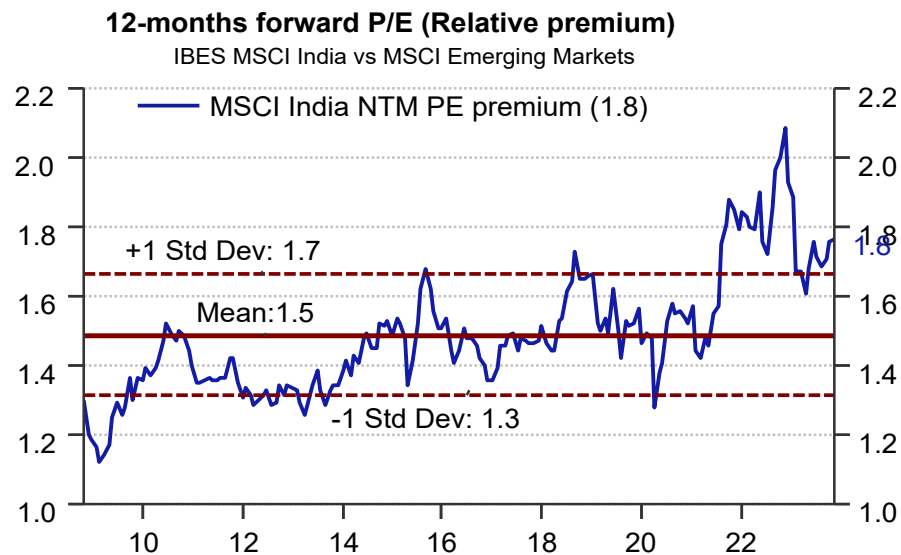


Consensus valuations of Indian equities hovering above +1SD

Nifty 50 12-month forward price-to-earnings multiple



12-month forward P/E of MSCI India vs. MSCI EM



- ❖ Following a significant derating in 4QFY23, Indian equities have re-rated over the last four months as strong foreign capital inflows and improving domestic macroeconomic landscape drove markets higher.
- ❖ The Nifty50 Index currently trades at a 12-month forward multiple of 19x, a tad lower than this year's peak level of 19.9x seen towards the end of Sep'23 but higher than one standard deviation above the long-term average multiple (15.5x).
- ❖ MSCI India currently trades at a premium of 70% to MSCI EM on 21-month forward P/E vs. recent peak of 110%.

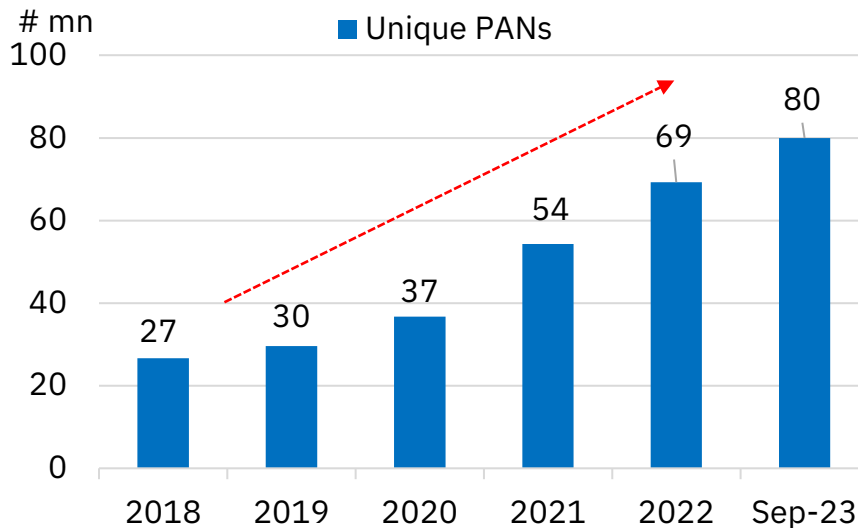
Retail participation

A standout feature since pandemic

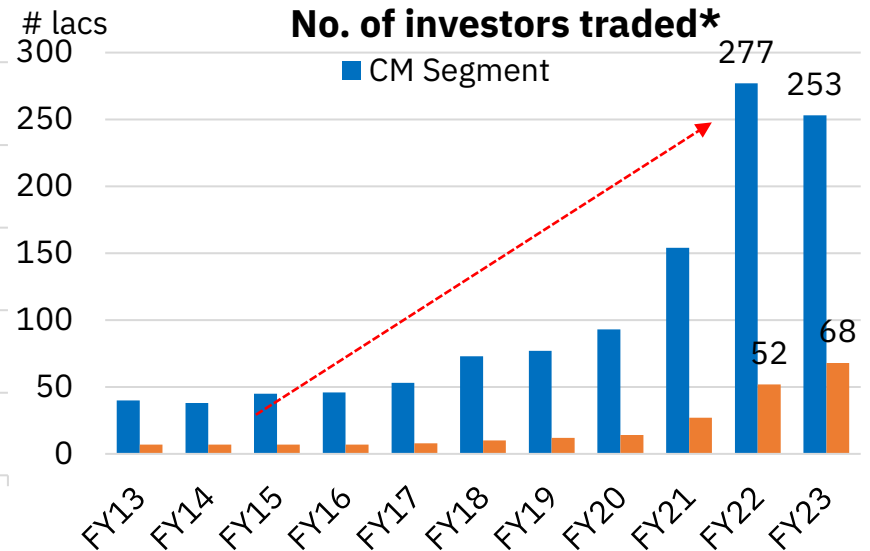
Flow

Retail investor Growth

2.7x in the last five years



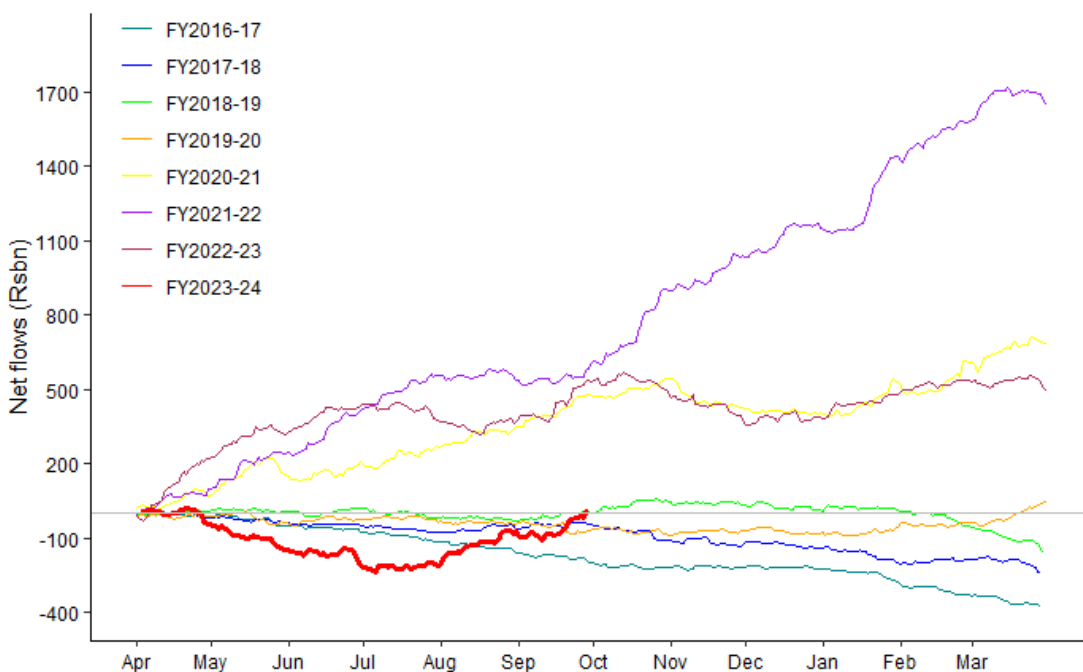
6x in CM & 8x in F&O segment in last 10 years



- ❖ NSE covers 99.8% of pin codes in the country and over 8 Crore registered investors.
- ❖ Number of investors traded increased at a CAGR of 20% in CM and 26% in FO over the last 10 years ending March 2023.

Retail flows and...

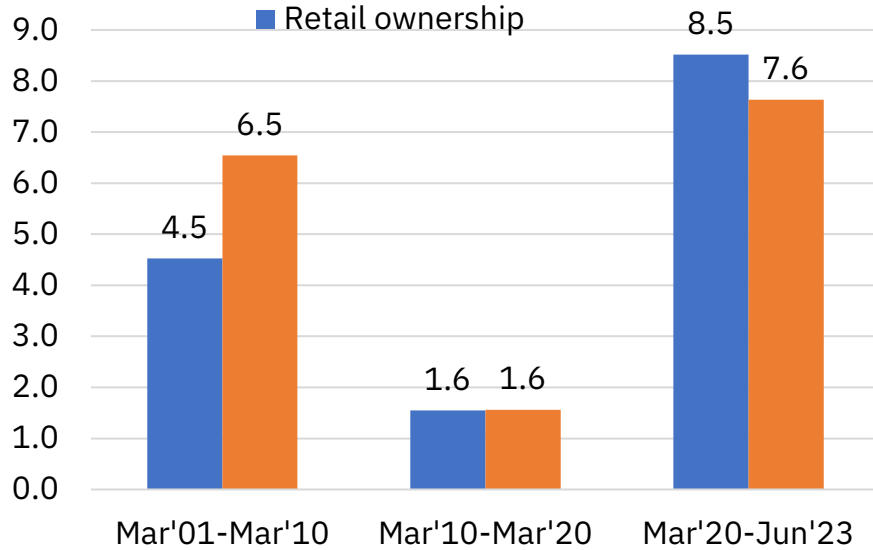
Annual net inflows by retail investors through NSE's CM segment



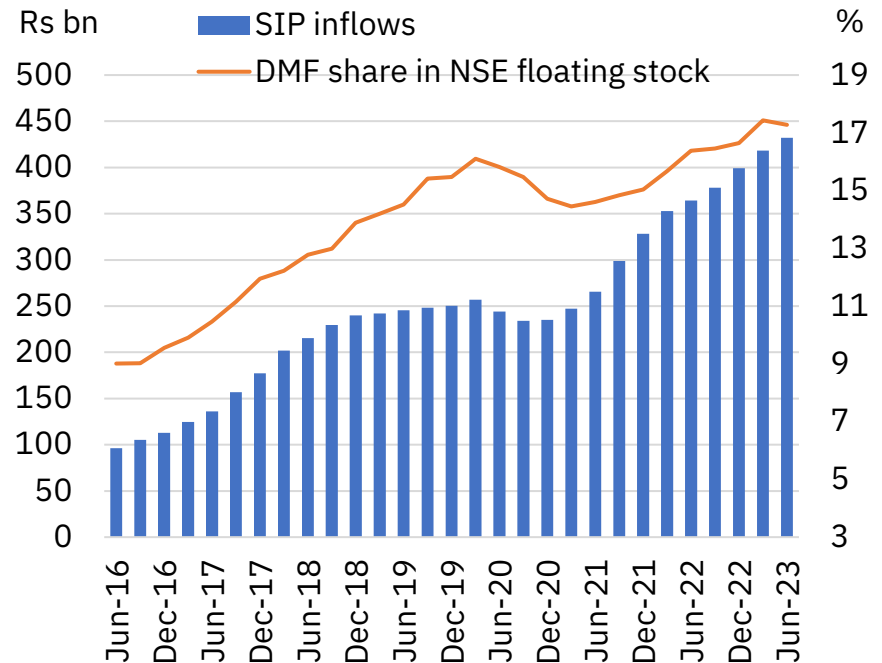
- ❖ Direct retail participation in Indian equities has risen meaningfully in last couple of years, which can be witnessed in huge inflows in secondary markets, increase in new investor registrations and surge in retail share in the overall cash market turnover.
- ❖ The rally fueled by post-pandemic liquidity, combined with limited investment avenues in the face of declining interest rates, induced retail investors to enter the equity markets in a big way
- ❖ In FY21 and FY22 net retail investments reached Rs2.3trn during both the fiscal years.
- ❖ *After a drop in 2022-23, retail participation in Indian equities in terms of active investors has been steadily rising this year. NSE saw participation from a monthly average of slightly over 10 million retail investors in the quarter ended September 2023, up from around 8 million in the previous quarter ended June 2023.*

...increasing ownership of retail investors

Compounded quarterly growth rate (%)

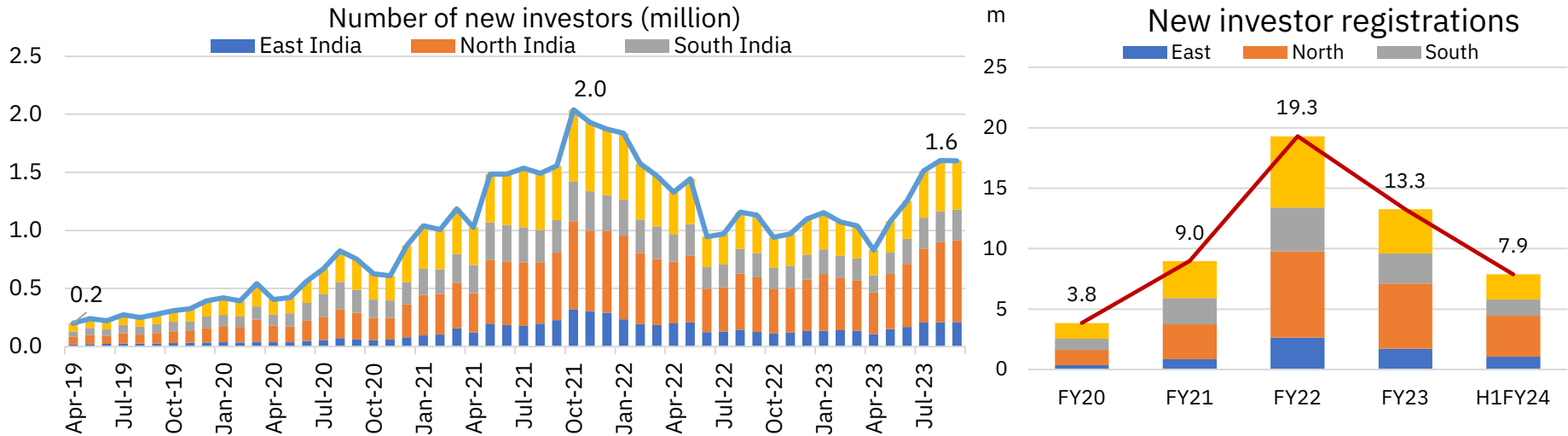


Trend in SIP inflows and DMF share in NSE floating stock



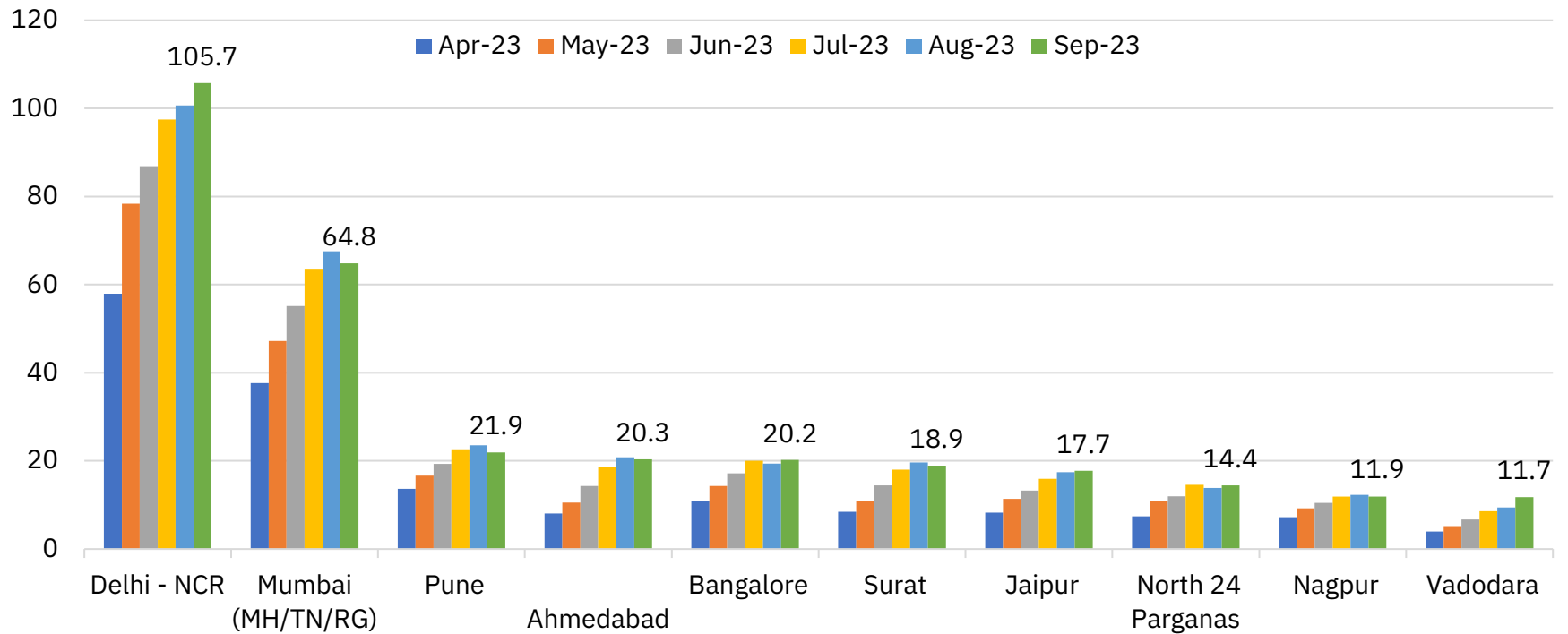
New investor registrations surged 6x in two years of COVID

Trend of new investor registrations at NSE



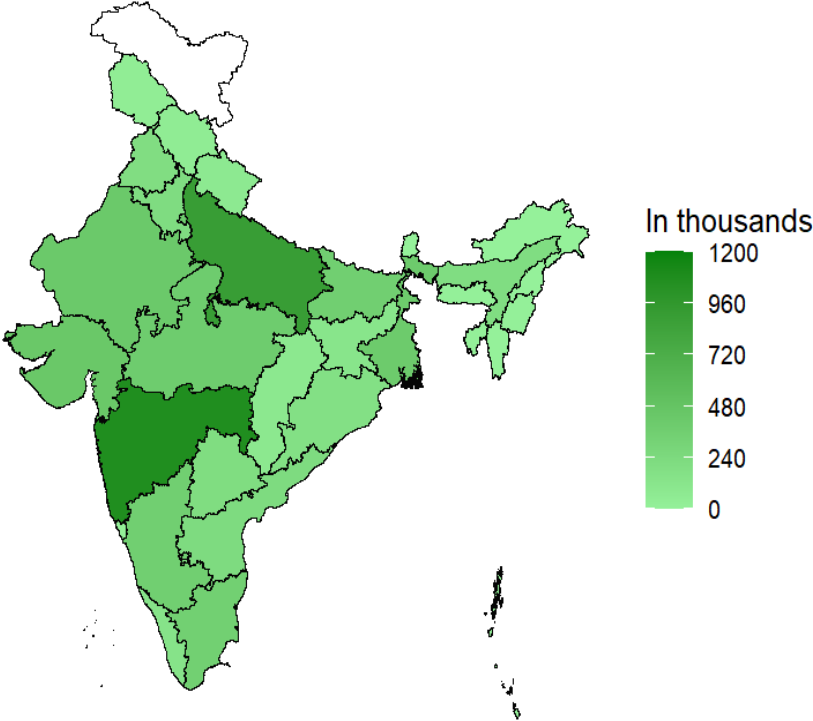
- ❖ The yearly run-rate of new investor registrations more than doubled every year in two fiscal years post the onset of the pandemic (FY21 and FY22).
- ❖ After dropping last year, weighed by uncertain financial conditions, new investor registrations have picked up again this year.

Number of new investors registered in top ten districts (in '000)

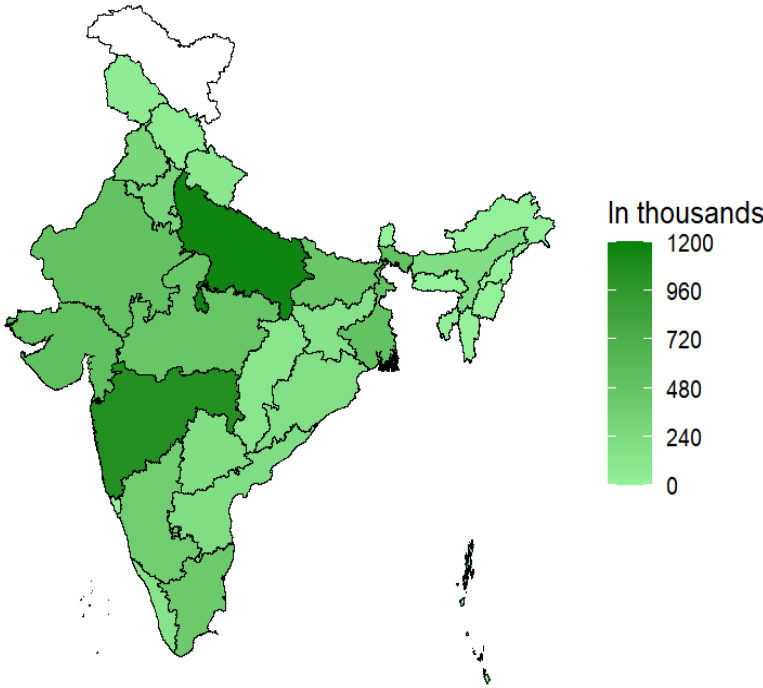


State-wise distribution of new investor registrations

Apr-Sep 2022

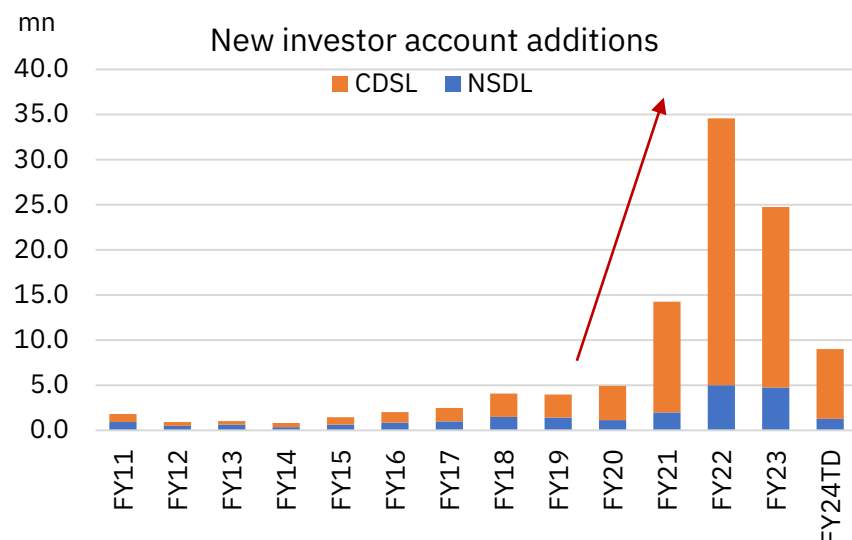


Apr-Sep 2023

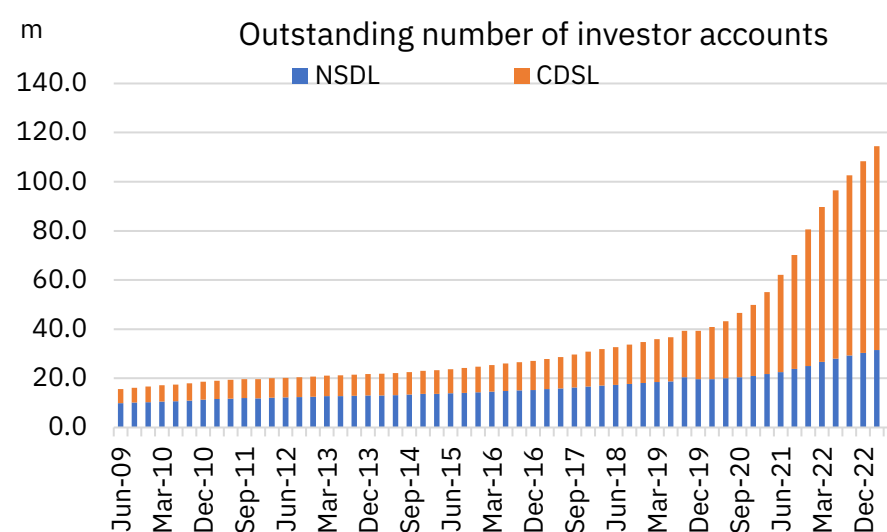


Demat account additions

New investor account additions with depositories



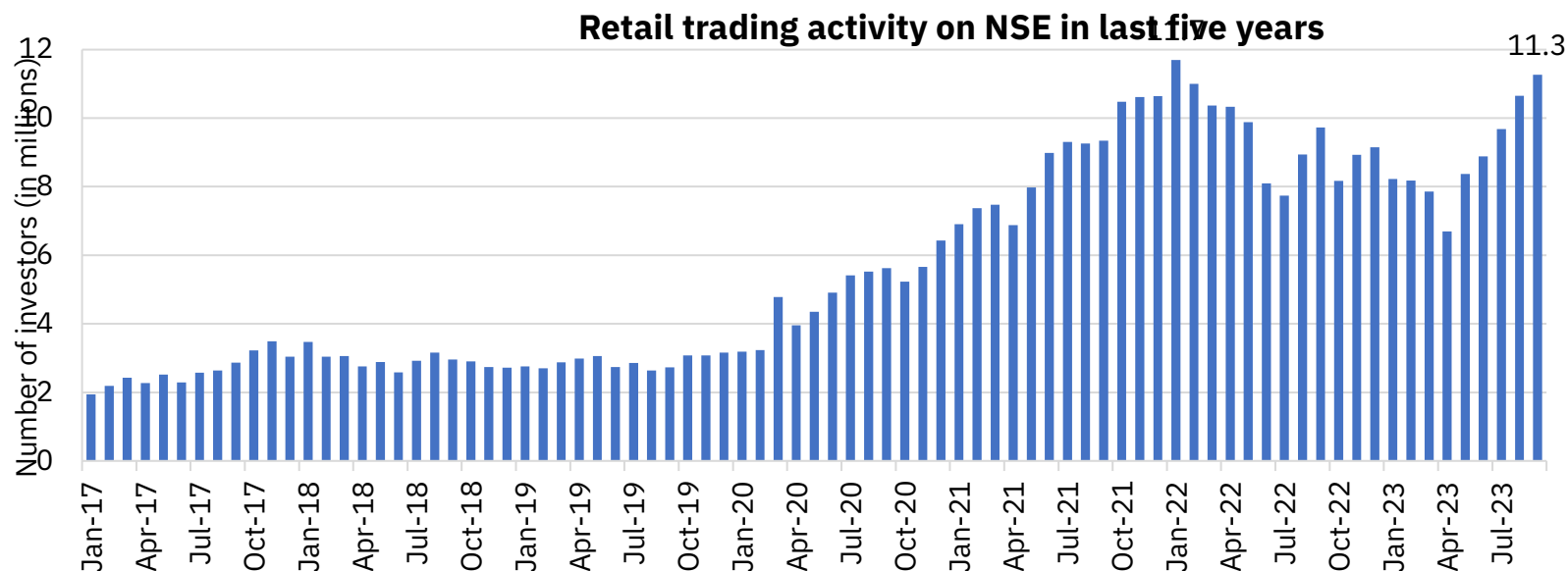
Outstanding number of investor accounts



- ❖ The outstanding investor accounts with depositories have risen 5.5x in the last 10 years to 12cr currently, recording a growth of ~20% CAGR.
- ❖ The last three fiscal years saw an addition of 72.5m new accounts by NSDL and CDSL combined, representing ~64% of the total outstanding accounts as of March 31st, 2023.

Retail activity picked up commensurately...

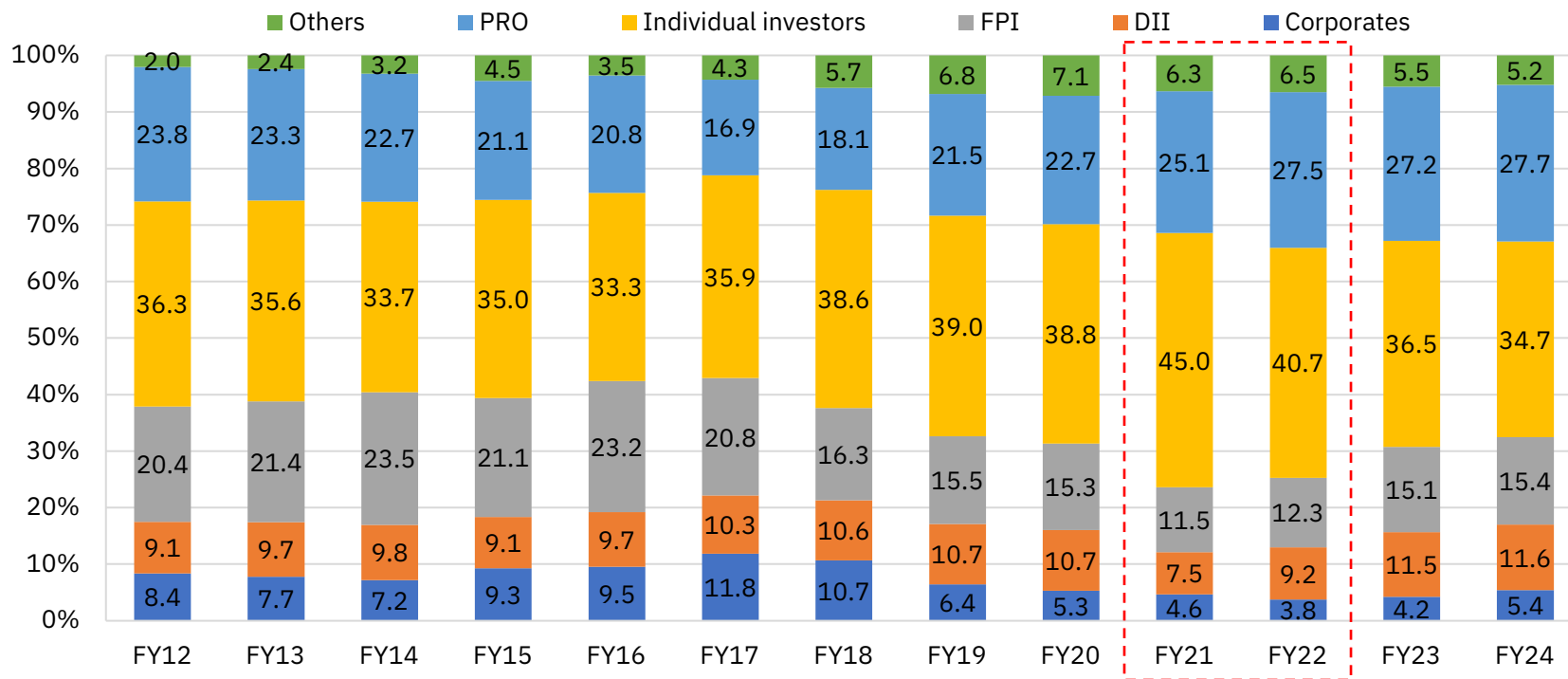
Number of active investors in the NSE's CM segment



- ❖ There has been a 4x jump in number of retail investors participating in the NSE's cash market segment since the onset of the pandemic until beginning of last year.
- ❖ After falling steadily in FY23, retail activity has picked up meaningfully again this year.

...Reflected in rising retail share in NSE's CM turnover

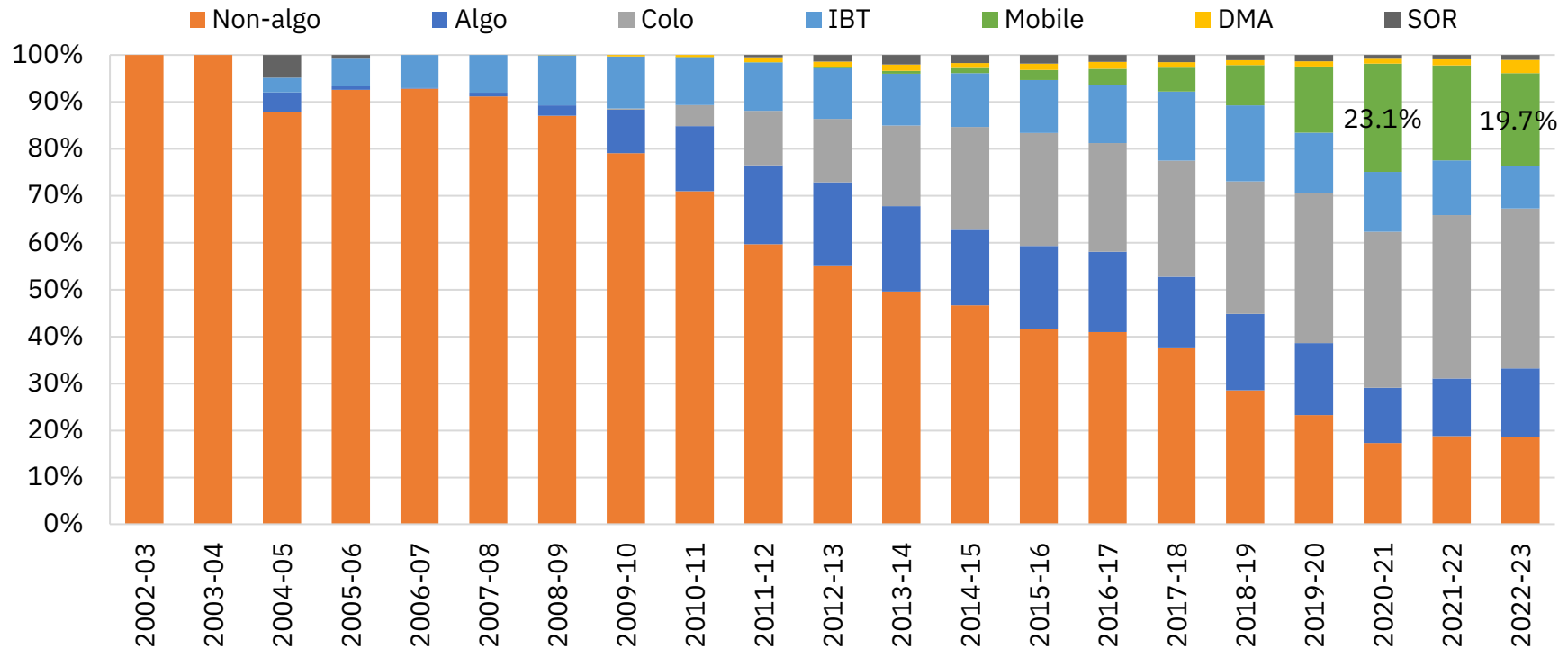
Category-wise participation in NSE's capital market segment



- ❖ Share of individual investors in NSE's capital market turnover rose from 39% in FY20 to 45% in FY21.
- ❖ While the overall turnover of individual investors is still much higher than pre-pandemic turnover, share has fallen (FY22 vs. FY20 up 93%; FY23 vs. FY20 up 39%).

Modes of trading

Share of mode of trading in NSE's capital market segment in last five years

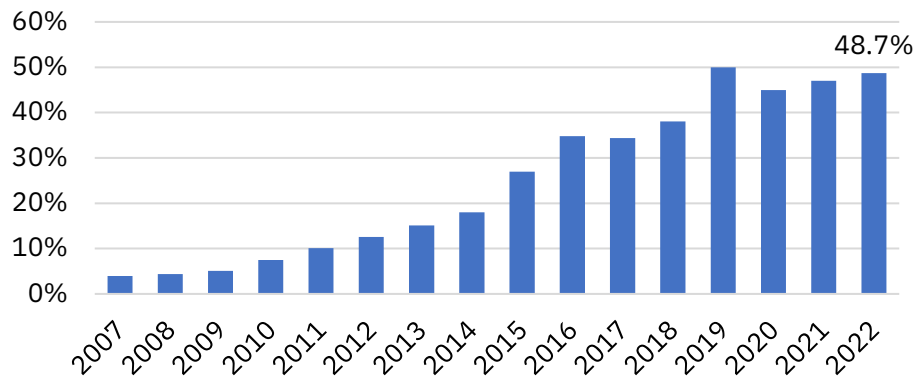


- ❖ Cheap internet and smartphones expanded accessibility to financial markets for retail investors.
- ❖ Mobile-based trading has quadrupled in five years, taking ~20% share, but with an even higher peak in 2020-21 at 23%.

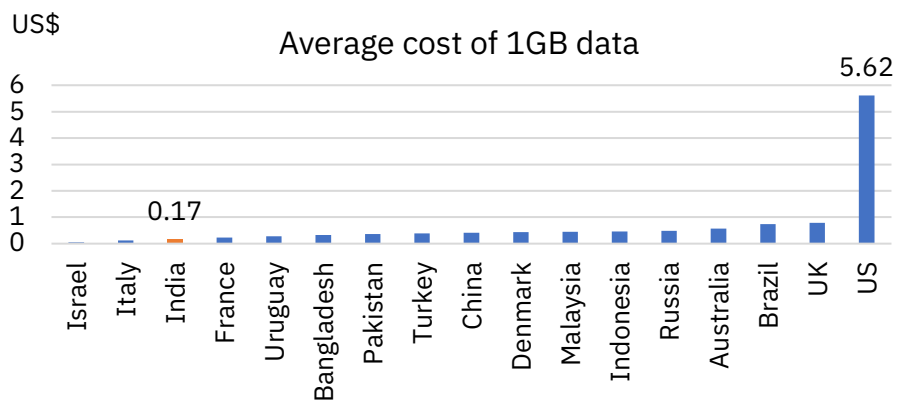
Rapid growth in internet penetration acted as an enabler...

- ❖ Internet penetration rate in India went up to nearly 48.7% in 2022, from just about 4% in 2007.
- ❖ Mobile data in India is the third cheapest in the world.
- ❖ Average data per user per month has grown at a CAGR of 19% in last five years,

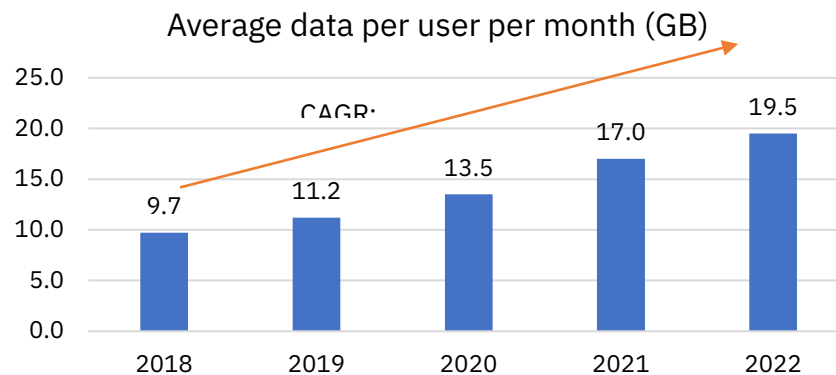
Nearly half of India's population has access of internet



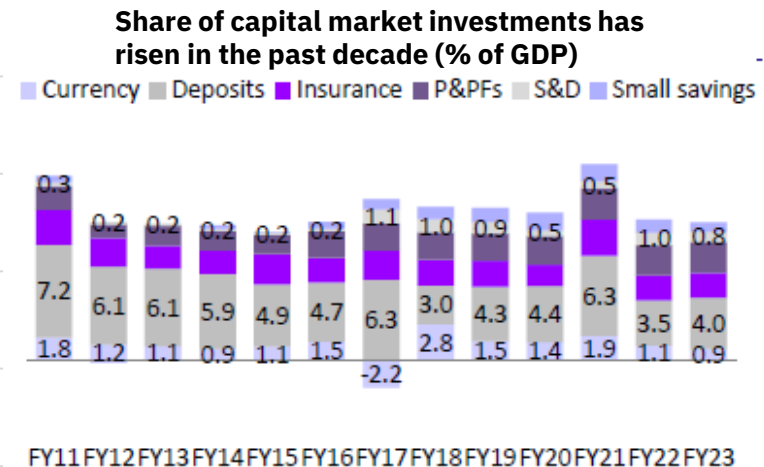
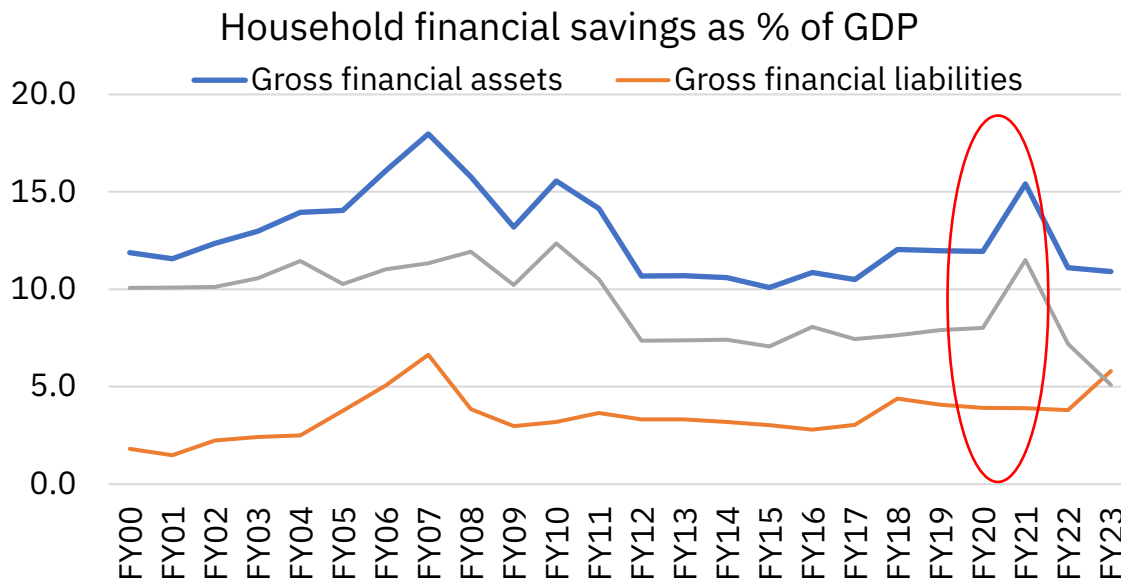
Mobile data in India is the third cheapest in the world



Average data per user per month has grown at a CAGR of 19%



Household financial savings surged post COVID



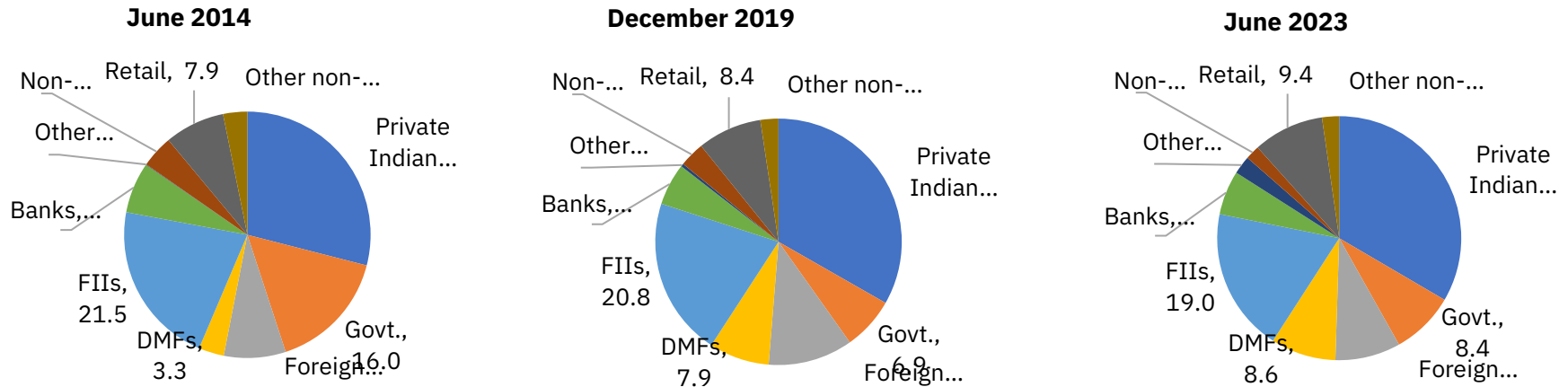
Source: RBI, CSO, MOFSL

Source: RBI.

- ❖ Gross household financial savings rose to 11-year high levels in FY21.
- ❖ A sharp surge in financial liabilities has resulted in net financial savings falling sharply in FY23.

Ownership trends in NSE listed universe (1/3)

Who owns India Inc.? Ownership trends in NSE listed universe



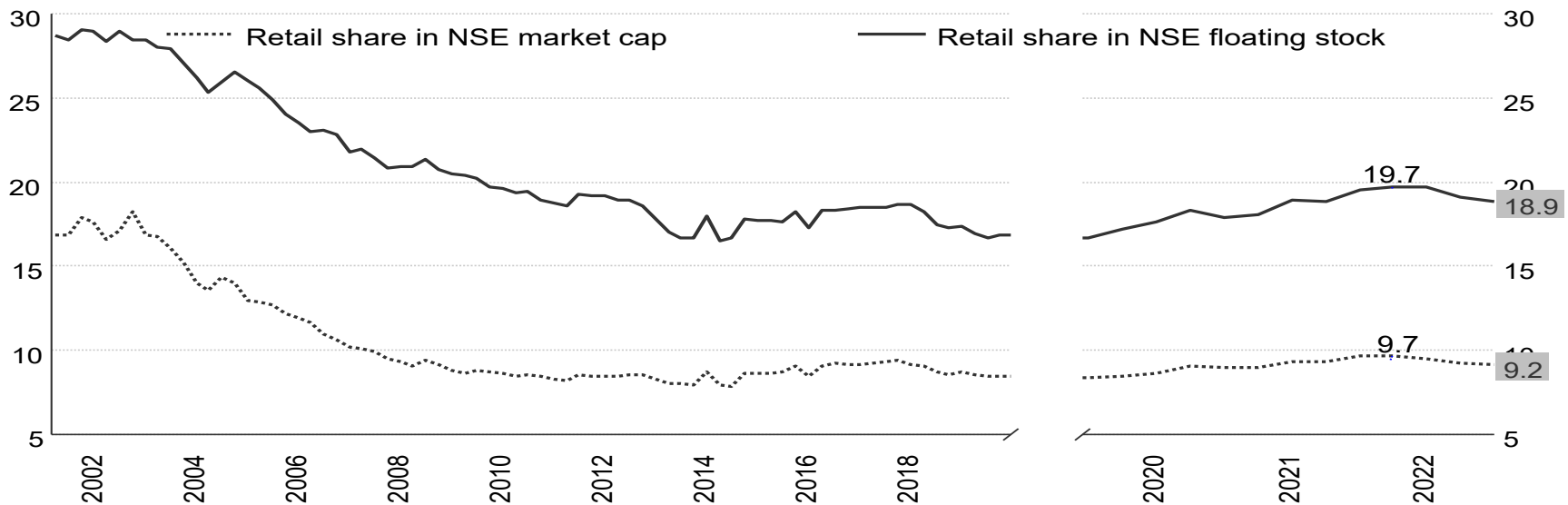
- ❖ Retail share in India Inc. has increased by ~100bps pre pandemic level (+200bps in free floating stock).
- ❖ Indian non-promoter ownership of the listed space (Retail+ Mutual Funds+Banks, FI) surpassed FIIs in FY21, and at ~23.9% in Jun'23 is much higher than the FPI share of 19.0% (Gap is the highest in 12 years).
- ❖ Further, ownership of the free-float at 47.5% now meaningfully higher than FPIs 38.8%.

Ownership trends in NSE listed universe (2/3)

Retail ownership trend

Retail ownership trend of NSE listed companies (%)

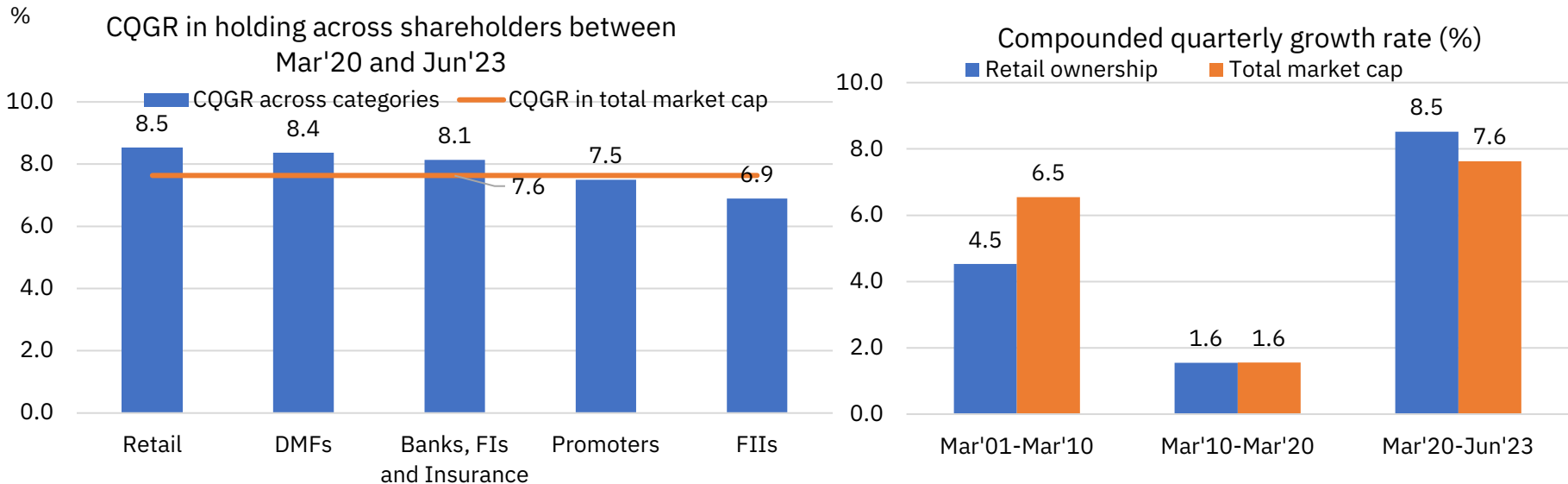
March 2001 - December 2022



❖ Retail investors own ~19% of the free float market cap of NSE listed universe.

Ownership trends in NSE listed universe (3/3)

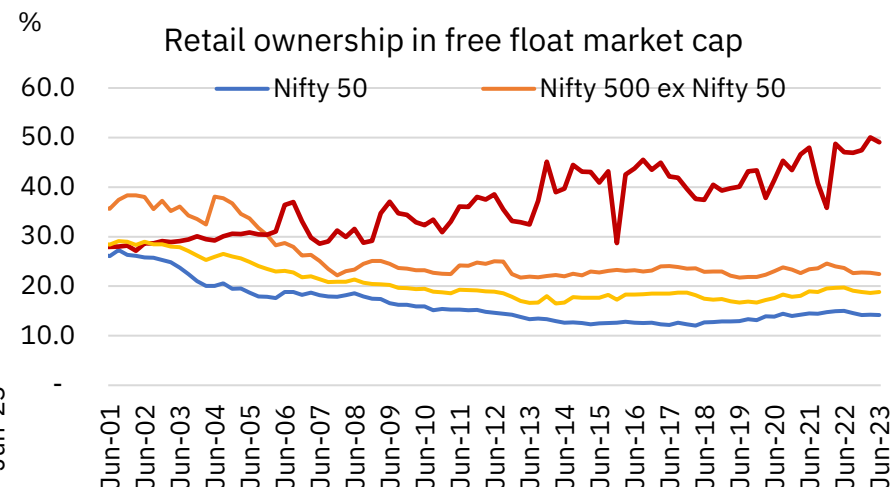
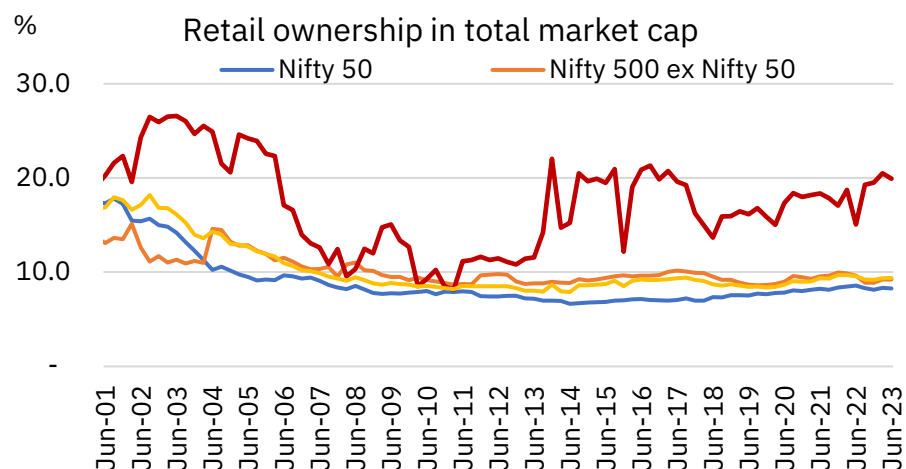
Compounded quarterly growth rate in holding across key shareholders and periods



- ❖ Retail investors have seen the highest CQGR during this period, nearly a percentage point higher than the CQGR in total market capitalization.
- ❖ Between 2001 and 2010, retail ownership grew at a quarterly compounded rate of 4.5%, much lower than the 6.5% growth in total market cap. During this period, retail ownership halved from 18% to slightly below 9%.

What have retail investors been buying? (1/3)

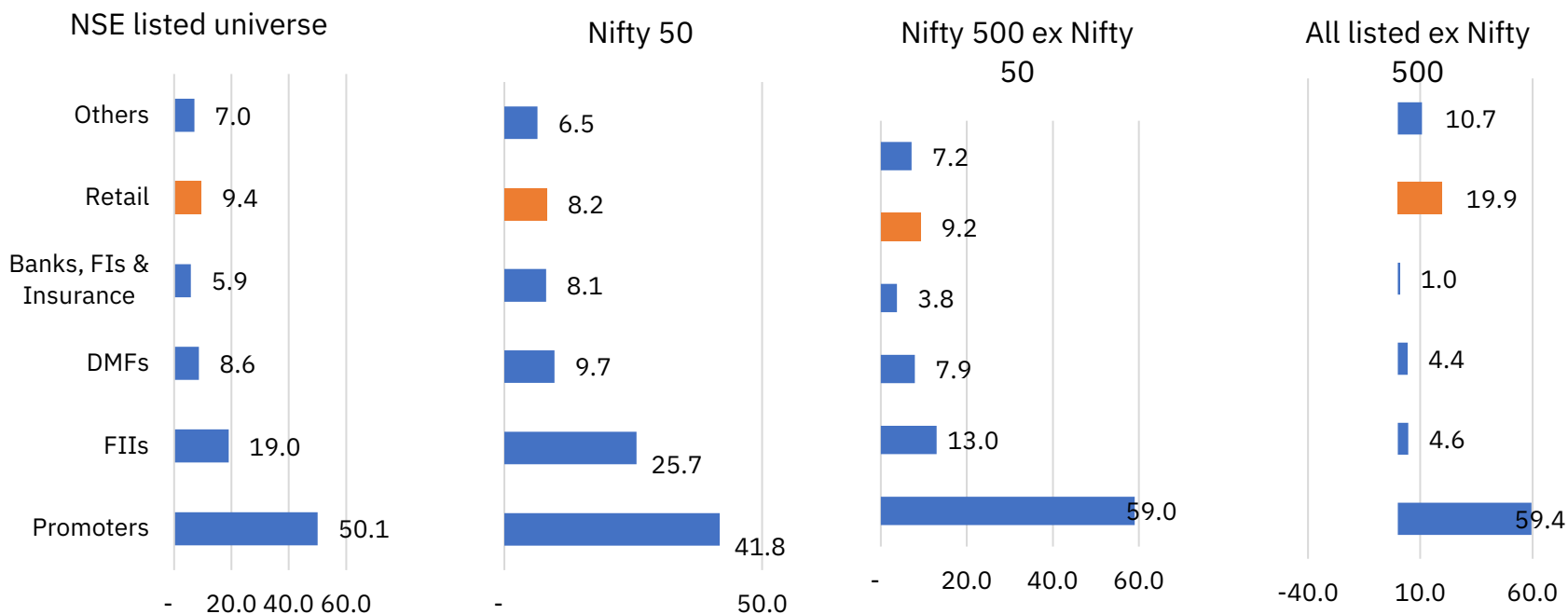
Retail ownership in total and free float market cap



- ❖ Even as retail ownership has risen since the pandemic, it has primarily led by increased share in smaller companies.
- ❖ The retail share in all listed companies excluding Nifty 500 has increased from 15% in March 2020 to ~20% now. In terms of floating stock, retail share has increased from ~38% to ~50% now.

What have retail investors been buying? (2/3)

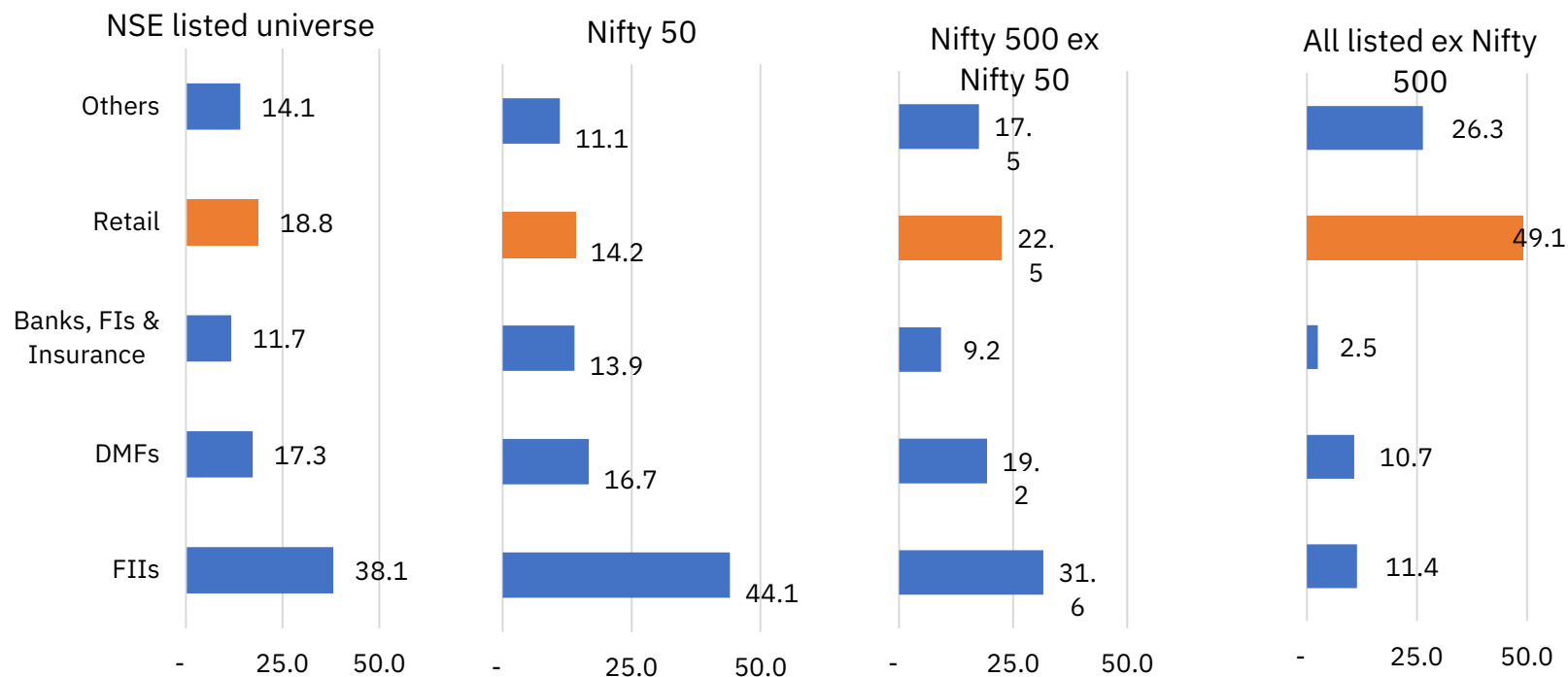
Category-wise ownership in NSE total market cap across different portfolios (June 2023)



- ❖ Retail share at 19.9% in NSE listed companies excluding the top 500 companies was much higher than its 8.2% share in Nifty 50 Index.
- ❖ This is in contrast to institutional investors, who have a much lower share in smaller companies.

What have retail investors been buying? (3/3)

Category-wise ownership in NSE's free float stock across different portfolios (June 2023)

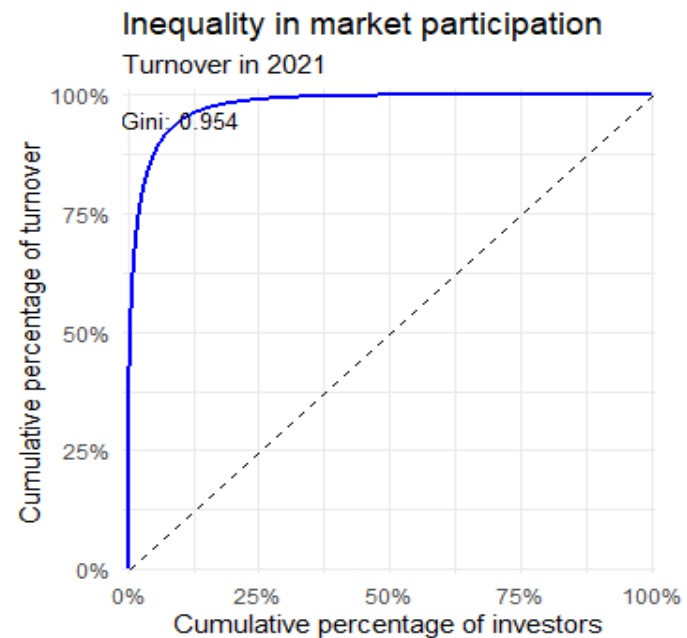
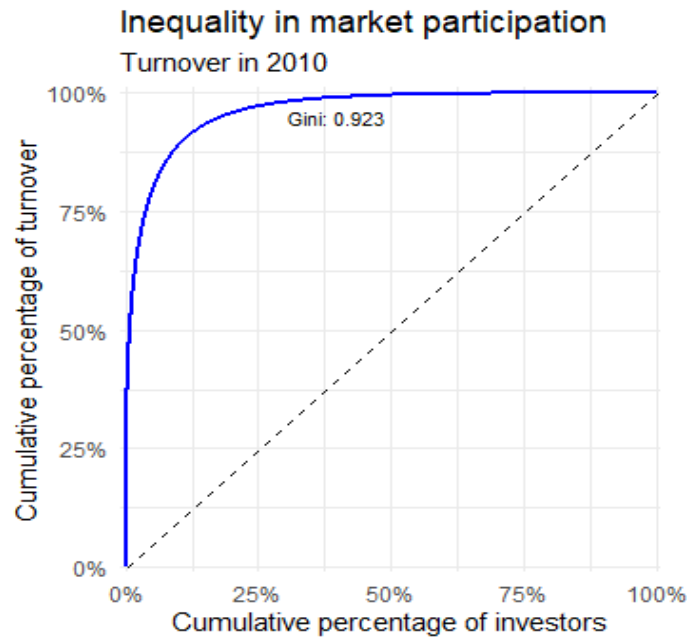


❖ Retailers own nearly half of the free float stock of listed companies excluding Nifty 500.

Retail investors differ by activity...

- ❖ There were more than 13m active (non-zero trades) investors in 2020, over 19m in 2021.
- ❖ Most of these traders had only marginal interest in the market, both in terms of their activity—measured by turnover—and their investment.
- ❖ Illustratively, over 80% of investors had net investment of less than Rs50,000 over an entire year.

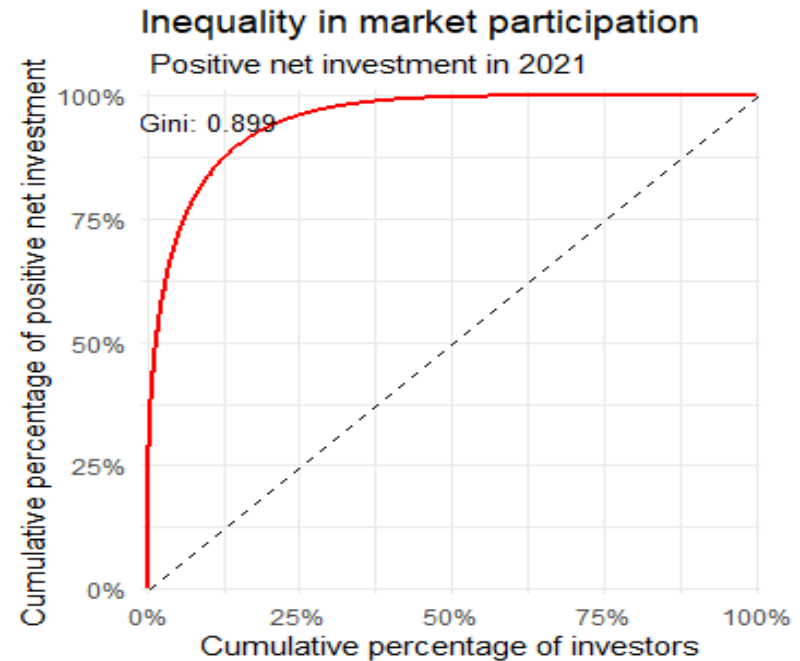
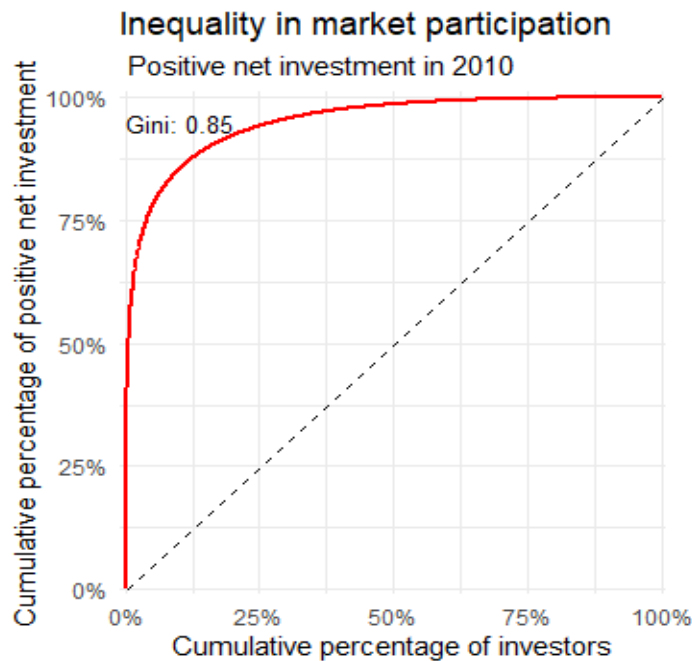
Lorenz curve for inequality in retail participation in cash market in 2010 and 2021 based on turnover



...and in their investments

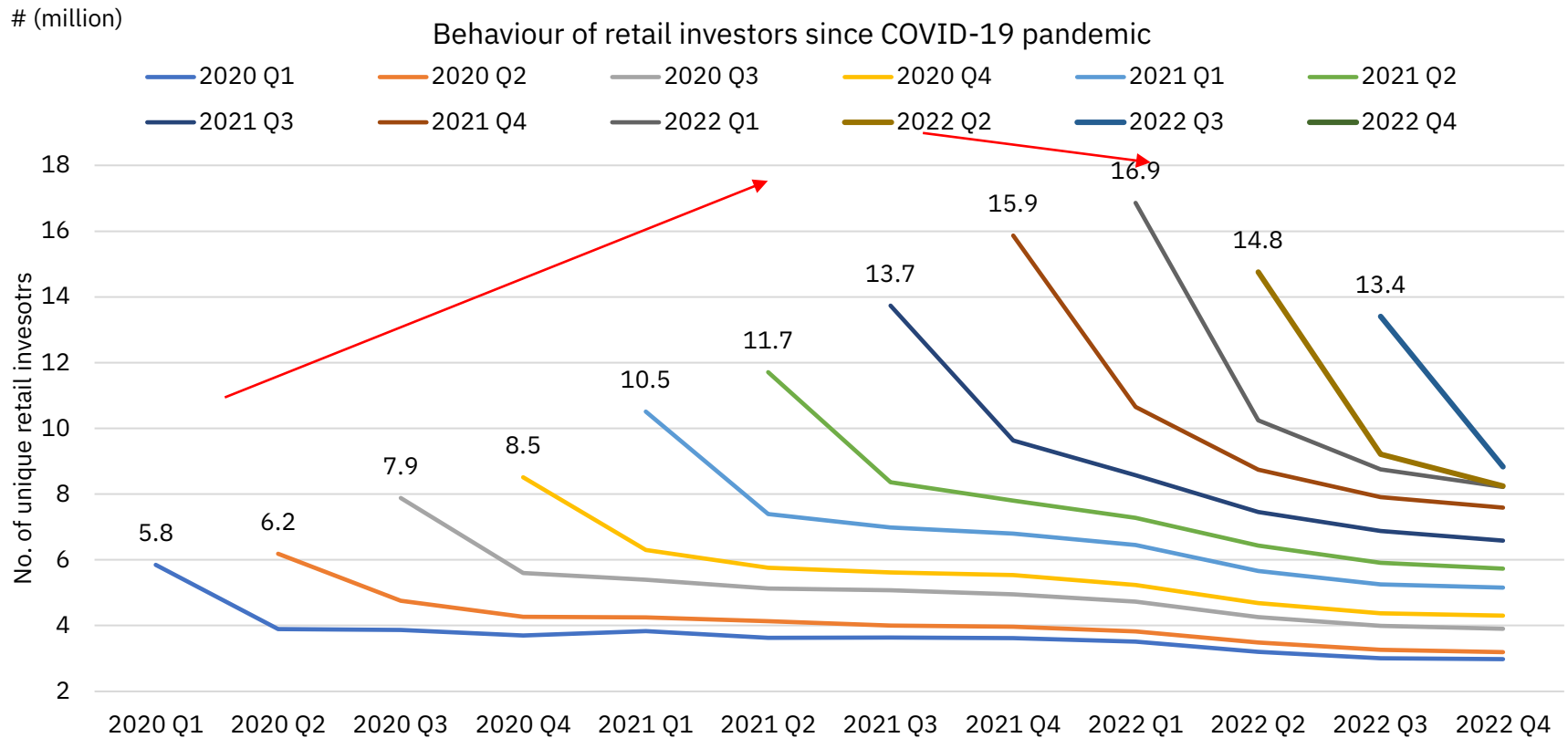
- ❖ The distance away from the (dashed) line of equality in a Lorenz curve shows the extent of dispersion in all cases.
- ❖ Gini coefficients are above 0.85 for net investment, and above 0.9 for turnover.
- ❖ The characteristics of the retail universe have remained similar from this prospective over 2010-2021.

Lorenz curve for inequality in retail participation in cash market in 2010 and 2021 based on positive net flows



Buyer's remorse observed in the active investor base

Trading behavior of quarterly cohorts of active retail investors since the COVID-19 pandemic (no. of unique investors)



Exchange as an Enabler

NSE at a glance

Global Ranking

Largest
Multi-asset Class
Exchange

3rd largest
Equity Exchange
(No. of trades)

Largest
Derivatives
Exchange
(No. of contracts)

Market Share

93% Equity Cash

99.9%
Equity Futures

99.3%
Equity Options**

71%
Currency Futures

99%
Currency Options

Reach

1400+
Trading Members

2300+
Listed Companies

2000+
Cities

99.8%+
Pin codes

80+ million
Investors

Trading Infra

4 Core Trading
Systems

99.999% uptime

4.4 mn order
Capacity (FO)
(messages/second)

10 billion +
Daily avg. messages

Fault tolerant
indigenous systems

Clearing Infra

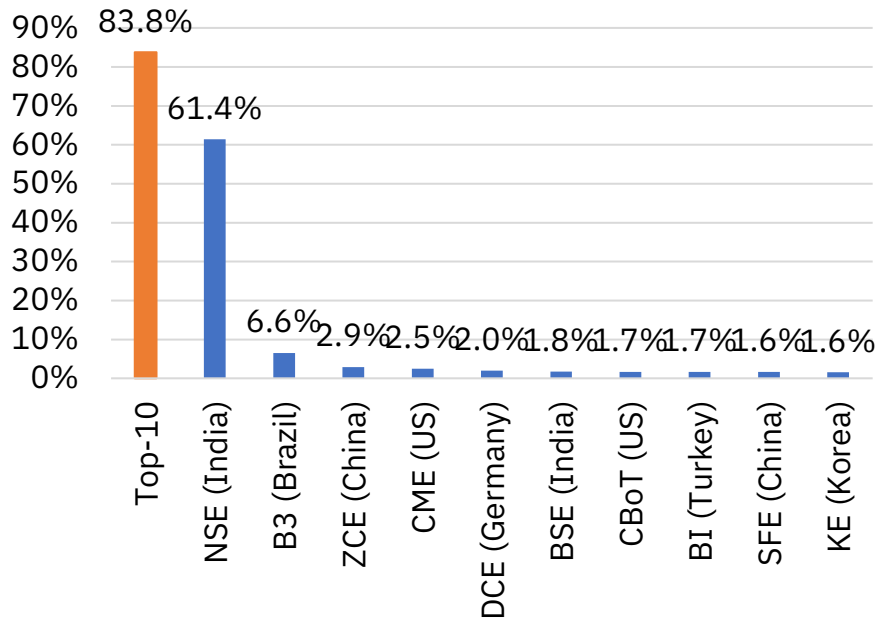
1st
Clearing Corporation
in India

AAA-rated
(by India's premier
Credit Rating
Agency)

Rs 47+ Billion
Settlement
Guarantee Fund

Leading derivatives exchange

Share of derivatives contracts traded globally



- As per FIA data, 45% of all derivatives contracts globally trade at NSE for CY2022
- This number has increased to 61% in CY2023 (As on September 30th, 2023)
- Fifty-eight (58) trillion derivatives contracts have traded on NSE in CY2023 (As on September 30th, 2023).

Product Landscape

Cash Segment

Equities
Exchange traded funds
REITs
InvITS
Mutual funds
Securities lending & borrowings
Offer for sale (OFS)
SME platform

Fixed income

G-Sec
Corporate bonds
OTC clearing
Sovereign gold bond

Equity derivatives

Index options
Index futures
Stock options
Stock futures

Currency derivatives

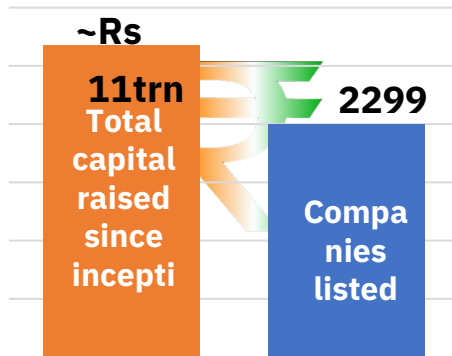
Currency futures
Currency options
Interest rate futures
Interest rate options

Commodity derivatives

Commodity futures
Commodity options

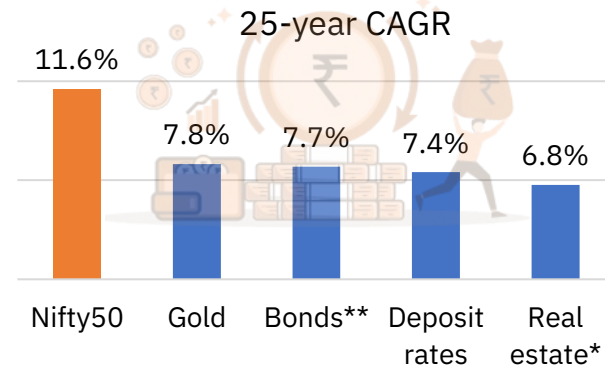
Market contribution to the economy

Supporting the growth story



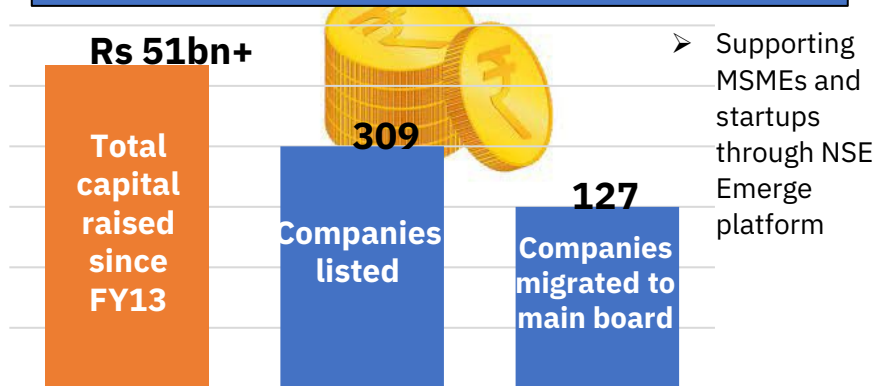
- Funding future growth and contributing to capital formation of the country
- Nearly Rs 11trn raised thus far

Partner for India's wealth creation



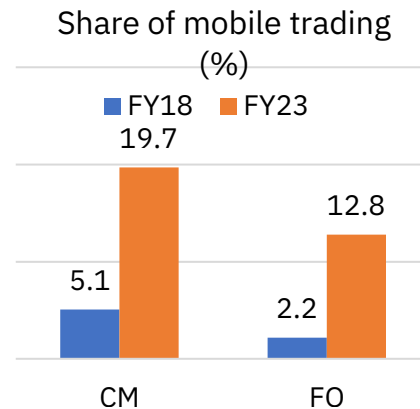
- 8cr. direct investors + 6.3cr SIP accounts => **NSE touches ~1/3rd of Indian households[^]**
- Rs 1 lk invested in 1998 would be **~Rs. 15.5 lk today**

Dedicated platform for MSMEs/start-ups



- Supporting MSMEs and startups through NSE Emerge platform

Pioneer in digitisation



- First exchange to start nation-wide electronic trading
- Started settlement in dematerialized securities
- NEAT-On-Web platform for mobile devices
- Mobile trading share rose from **5% to 20% in the last five years**

108 listings in CY2023



New Products

• Fixed Income Index Derivatives

- ❖ SEBI has permitting Stock Exchanges to introduce derivative contracts on indices of corporate debt securities rated *AA+ and above*.
- ❖ Exchange plans to introduce Futures on Nifty Bharat Bond Index Series subject to regulatory approval.

• Commodity Derivatives

- ❖ NSE has received regulatory nod to launch rupee dominated NYMEX WTI Crude Oil and Natural Gas (Henry Hub) futures contracts.
- ❖ Key Advantages: Expand NSE's product offering in the energy basket and its overall commodity segment and help market participants hedge their price risk

Nifty Bharat Bond Index Series	ETF AUM (Rs. in crores)
Nifty BHARAT Bond index - April 2023	8,067
Nifty BHARAT Bond index - April 2025	9,564
Nifty BHARAT Bond index - April 2030	15,277
Nifty BHARAT Bond index - April 2031	11,650
Nifty BHARAT Bond index - April 2032	8,380
Nifty BHARAT Bond index - April 2033	2,962
Total	55,900

Commodity	Type of Contract
Gold (Excl. – Custom duty)	Futures
Gold Mini	Futures
Silver	Futures
Brent Crude Oil	Futures
Gold Mini	Options (On Goods)
Silver	Options (On Goods)
Copper	Futures
Copper	Options (On Goods)
Gold (1g)	Futures

Social Stock Exchange as a Segment

- ❖ The Social Stock Exchange (SSE) segment on NSE provides social enterprises (NPOs and FPEs) engaged in eligible activities a unique opportunity to register itself and raise funds on a recognized exchange platform, akin to a normal IPO.
- ❖ The participants here will be allotted Zero Coupon Zero Principal (ZCZP) instruments, which unlike normal shares would not yield any returns.

Key benefits of SSEs

- Improved market access
- Fund raising avenue for social enterprises
- Performance-based philanthropy
- Synergy between investors and investee in social aims
- Zero listing and admission cost

Salient features of ZCZPs

- Issuance in dematerialized form only
- Issuance mode – Public Issue or private placement
- Minimum issue size: Rs 1 Crores
- Minimum application size: Rs 1 Lakhs

List of eligible activities for demonstrating primacy of Social Impact



NSE received final approval for launch of SSE on Feb 22nd.

NSE IX – SGX GIFT Connect (1/2)

NSE IX SGX GIFT CONNECT

Onshoring the Offshore

Gift Nifty

SGX NIFTY



- Migration from SGX NIFTY to GIFT NIFTY
- Full-scale operations of NSE IX-SGX GIFT Connect commenced on July 03 with **US\$8.05 billion open interest in Nifty futures** and over **US\$1.04 billion open interest in Nifty Options**
- SGX routes the entire order flow in NIFTY products to the consolidated order book at NSE IX
- Development of vibrant and liquid market at GIFT IFSC

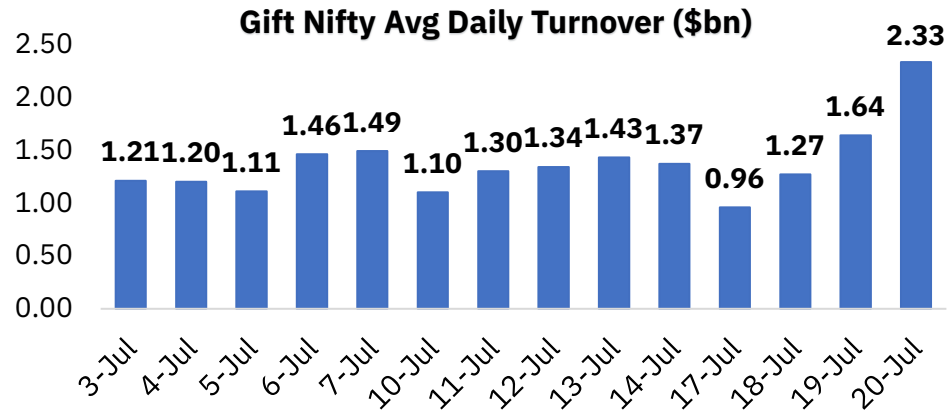
Unique and Innovative Model

A Single pool of liquidity for the world's largest traded Nifty Contracts at GIFT IFSC

Negotiated Large Trade (NLT) Functionality

Regulated and Governed by IFSCA & MAS

Building Connectivity for Unparalleled Access to Global Investors



NSE IX-SGX GIFT Connect is a catalyst in achieving the Government of India's objective of "Onshoring the Offshore"

NSE IX – SGX GIFT Connect (2/2)



Implementation Phase



Transition of trading to NSE IX

Technology

- Enhanced technology infrastructure set-up
- Risk framework in line with existing global practice

Regulatory

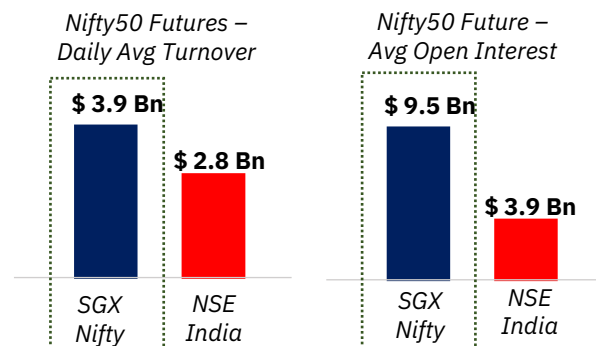
- Creating and enabling regulatory provisions
- Application to HKSFC and Taiwan SFC
- IFSCA and MAS working jointly towards smooth and seamless transition

Marketing

- International Roadshows
- Joint training session & webinar with SGX to appraise members
- Pan India seminar & conferences

GIFT IFSC
Global Financial Hub

- Bring more participants to set up business units in IFSC
- Enhancing capital flows between India and World
- Connectivity for unparalleled access to global investors



“A Single Pool of Liquidity at GIFT IFSC”

NSE IFSC-SGX GIFT Connect is a catalyst in achieving the Government of India’s objective of “Onshoring the Offshore”

NSE IX – SGX GIFT Connect Timeline



NSE IFSC – SGX GIFT Connect Timeline



NSE IFSC-SGX Connect will enable the true objective of GIFT IFSC – “Onshoring the Offshore”



Thank you

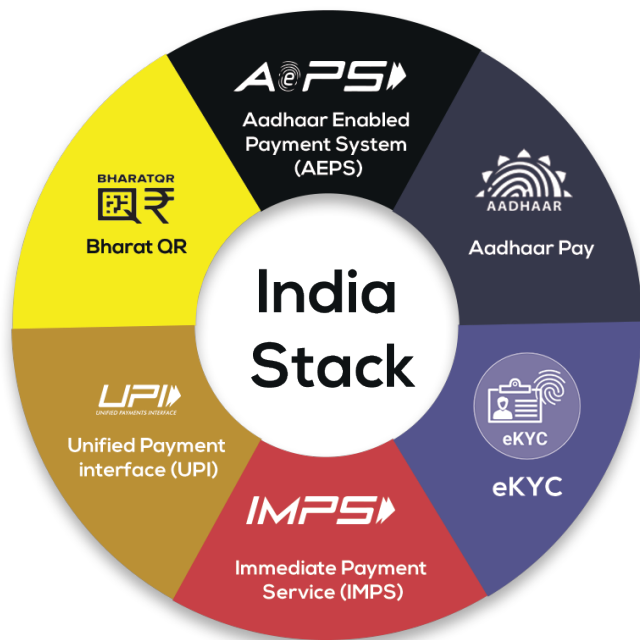
Flow

Appendix

Flow

Leader in soft infrastructure

India stack...

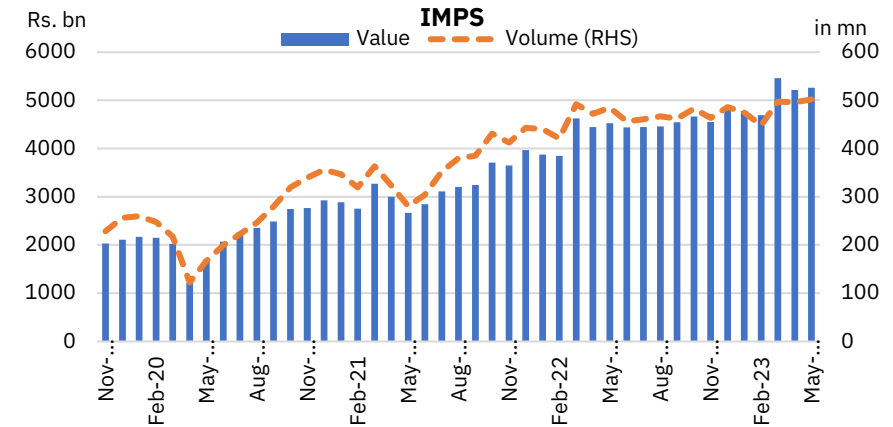
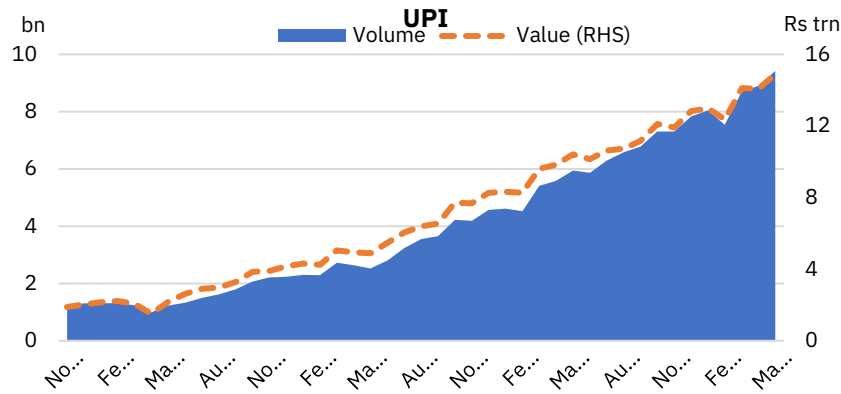
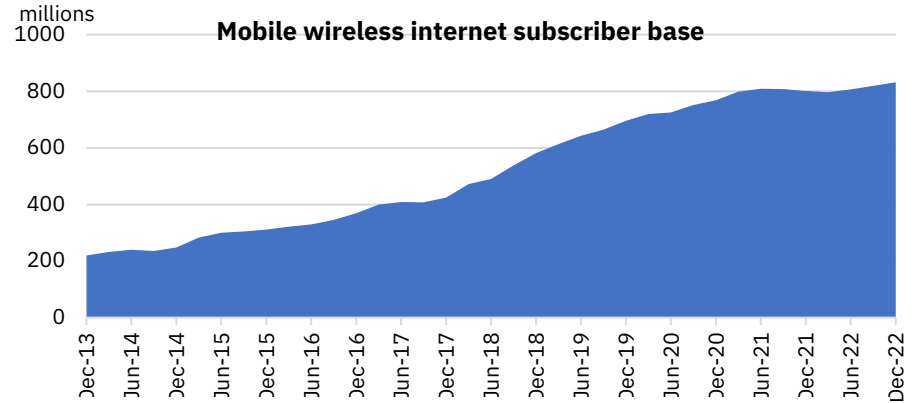
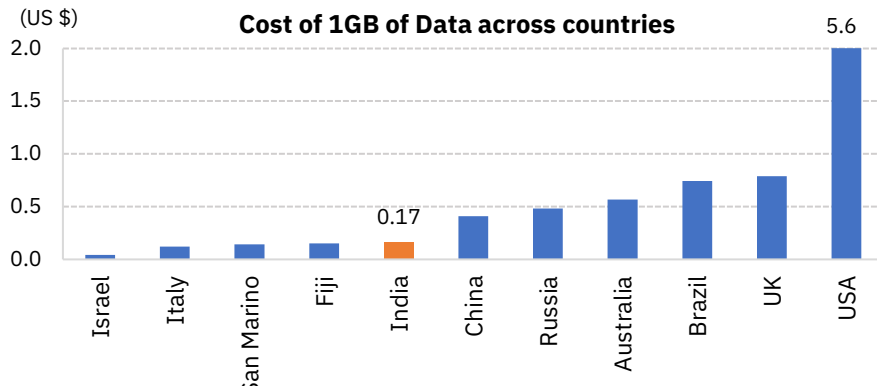


Technology at population scale:

1. Indians use more data than any other country with fastest 4G penetration.
2. Aadhaar is the largest biometric mapping in the world.
3. Digital transactions now highest in the world (UPI).
4. CoWIN enabled administration of 2bn vaccines, produced for India, and the world.
5. DBT covers 319 schemes across 53 ministries and benefitted 730m people (cash), and 1050m (kind) in FY22, saved Rs2.2trn in leakages.

 Aaykar Setu	 Aarogya Setu	 BHIM UPI	 DigiLocker	 ePathshala	 GST Rate Finder
 mAadhaar	Useful Government Apps During Lockdown and Social Distancing			 Indian Police at Your Call App	
 MADAD	 mParivahan	 mPassport	 MyGov	 PMO India	 UMANG

With low internet and cost and expanding subscriber base

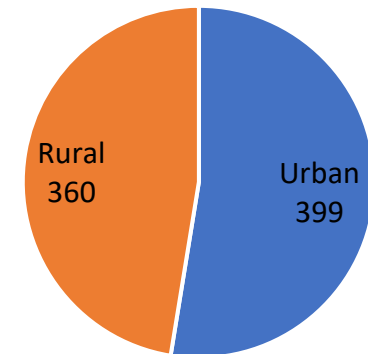


Source: <https://www.cable.co.uk/mobiles/worldwide-data-pricing/#pricing>, PMJDY, NPCI

Internet growth in rural India

- ❖ According to a report by IAMAI and Kantar, over 759 m actively use the internet and browse at least once a month, largely driven by rural areas at 399 m
- ❖ **According to the report, it is estimated that 56% of all new internet users in India will be from rural India by 2025**
- ❖ The **gender divide** in internet usage is expected to improve from the **current levels of 54% male users to 65% of new internet users being women by 2025.**
- ❖ Recent Developments
 - Social commerce experienced a sharp growth of 51%YoY.
 - Digital payments grew by 13% to an estimated 338 m users, with 36% from rural India.
 - UPI users make up 99% of all digital payment users.

Distribution of active internet users (m)



Source: <https://swarajyamag.com/infrastructure/indias-internet-landscape-over-50-per-cent-of-population-are-now-active-internet-users-rural-areas-driving-growth-says-report>

Economic Policy and Research

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