



10th INTERNATIONAL CONVENTION

WKSIT BHARAT @2047

**WEALTH CREATION
THROUGH**



**CAPITAL & COMMODITY
MARKETS**

Special Edition

Commodity Participants Association of India
(Transforming Rural Economy into Global)



Celebrating 1 year of NSE Crude Oil Options



Highlights of first year of NSE Crude Oil Options

- ◆ More than 1 BILLION Barrels traded
- ◆ Highest single day Barrels traded of 10.8 MILLION Barrels.
- ◆ Highest Open Interest (Intraday) of 6,00,000 Barrels.
- ◆ Turnover upward of Rs 6,90,000 Crores.
- ◆ 240+ members enabled for NSE Commodity Derivatives Segment
- ◆ 50+ FPIs enabled to trade in the NSE Commodity Derivatives Segment.

Key Benefits of NSE Commodity Derivatives Segment



Robust, safe & resilient technology platform



Collateral fungibility across the NSE Segments



Multiple Assets under one roof



Economical transaction charges



All FPI categories (I & II) are permitted to trade



Auto trade confirmation facility for FPI deals



DMA facility available



Settlement guarantee by NSE Clearing Ltd

About CPAI

Commodity Participants Association of India (CPAI) is a pan - India Apex Trade Association of market participants and market intermediaries of National Commodity Exchanges like MCX, NCDEX, BSE, NSE and IFSCs. The Association has its Head Office in New Delhi and has four regions viz Western region, Eastern region, Northern region and Southern region. The National Executive and four Regional Executive Committees of CPAI, comprises of the most sincere and dedicated members from all parts of the country, Value Chain Participants, warehouse service providers, Alternative Investment Funds. It provides a platform to its members to voice their opinion on various policies and operations of conducting the capital market and commodity dealings for its clients.

By the sheer dint of the efforts of its members over the past seventeen long years, today CPAI is recognized as 'The Voice of Commodity Derivatives & Capital Market and its Participants'.

CPAI commits every resource at its disposal to achieve its mission of development of a robust Commodity Derivative & Securities Market through assistance to Govt. & Regulator, coordination with exchanges, guidance to members and education & awareness to investors, producers & consumers through seminars, awareness programmes, workshops and e-mails etc. CPAI has earned recognition and appreciation from the government & the regulator, so much so that the SEBI has included it as a member in its Commodity Derivatives Advisory Committee (CDAC), Risk Management Review Committee (RMRC) and Intermediary Advisory Committee (IAC). CPAI has also been accorded representation in various product advisory and other committees by the exchanges.

CPAI's industry wide networking capabilities, knowledge bank, and outreach programmes will be at the forefront in metamorphosing phase of Institutionalisation of Commodities and growing phase of every conventional & alternative class exchange-traded instruments.

The cherished dream of our Members' fraternity is "Trade in India" i.e our great nation India emerges as a preferred destination worldwide for the trading of Securities and we all at CPAI are all working towards making this dream into a reality.

National Executive Committee 2024-25

Sl. No.	Name of Person	Company Name	Designation
1	Mr. Ashok Agarwal	Globe Capital Market Ltd.	Chief Mentor
2.	Mr. Sanjay Rawal	Open Futures & Commodities Pvt. Ltd.	National President
3.	Mr. Virender Mansukhani	Mansukh Commodity Futures Pvt. Ltd	Alternate President
4.	Mr. Ajay Garg	SMC Global Securities Ltd.	Vice President
5.	Mr. Jay Prakash Gupta	Moneylicious Securities Ltd.	Vice President
CPAI- National Executive Committee			
1	Mr. Avinash Kansal	ICICI Bank, Mumbai	
2	Mr. Jigar Pandit	Sharekhan Ltd., Mumbai	
3	Mr. Nitin Shahi	Findoc Investmart Pvt. Ltd., Ludhiana	
4	Mr. Ponmudi Krishnan	Enrich Financial Services, Bangalore	
5	Mr. R. Bhaskaran	Goodwill Wealth Management, Chennai	
6	Mr. Rajeev Agarwal	Wealth Discovery Commodities, Delhi	
7	Mr. Rakesh Jain	SAS Online Commodities Pvt. Ltd., Delhi	
8	Mr. Sandeep Jain	Trade Swift Broking Pvt. Ltd., Jaipur	
9	Dr. Satish Arya	Steel City Securities Ltd., Visakhapatnam	
10	Mr. Sunil Bansal	Rudra Shares & Stock Brokers, Kanpur	
11	Mr. Sunil Nyati	Swastika Commodities Pvt. Ltd., Indore	
12	Mr. Suresh Arora	Share India Securities Ltd., Noida	
Northern Region			
1.	Mr. Santosh Agarwal	ANG Capital Services Pvt. Ltd., Ghaziabad	Chairman
2	Mr. Jayant Manglik	Motilal Oswal Financial Services, Delhi	Vice Chairman
3	Mr. Saurabh Bansal	Star Finvest Pvt. Ltd., Delhi	Vice Chairman
CPAI- Western Region			
1	Mr. Ajay Kejriwal	Choice Equity Broking Pvt. Ltd., Mumbai	Chairman
2	Mr. Ajay Kedia	Kedia Capitals Services Limited, Mumbai	Vice Chairman
3	Mr. Utpal Shah	Shah Investor Home Limited, Ahmedabad	Vice Chairman

CPAI- Eastern Region

1	Mr. Binay Kumar Agarwal	Fast Capital Markets Ltd., Kolkata	Chairman
2	Mr. Gaurav Bhatey	PRB Securities Pvt Ltd., Kolkata	Vice Chairman
3	Mr. Sudipto Datta	SMIFS Limited, Kolkata	Vice Chairman

CPAI- Southern Region

1	Mr. Akhilesh Agarwal	Acumen Share Services Pvt. Ltd., Cochin	Chairman
2	Mr. Tejas Khoday	Fyers Securities, Bangalore	Vice Chairman
3	Mr. Vijay Kumar	Zebu Share & Wealth Management, Chennai	Vice Chairman

Execution & Co-ordination

Name of Person	Designation	E-mail
Mr. Rajesh Narula	Chief Operating Officer	coo@commoindia.com
Mr. Sanjeev Mehra	Deputy Secretary	info@commoindia.com
Mr. Prakash Bisht	Accounts Officer	cpainr@commoindia.com

* All National Executive Committee Members are in Alphabetical order.

* All Committee's Chairman, Vice - Chairman and Zonal Chairman, Vice - Chairman are permanent Invitee in National Executive Committee.

Disclaimer :

- Views expressed in the articles published the document in are the personal opinion of the respective authors and may not necessarily be the view of the association.
- The articles have been edited for the sake of brevity wherever necessary.

Published by Commodity Participants Association of India, New Delhi and printed by Maansee Printers, Delhi

Index

	From the desk of Chief Mentor (CPAI) Ashok Kumar Agarwal Chief Mentor, CPAI	06
	From the President, CPAI Sanjay Rawal President, CPAI	08
	From the Chairman, Editorial Board Sandeep Jain Chairman, Editorial Board	10
	Wealth Creation in India Dr. Niti Nandini Chatnani Professor (Finance), Head (International Collaborations and Capacity Development, Accreditations and Rankings) Indian Institute of Foreign Trade, New Delhi	21
	The Importance of Capital and Commodity Markets in Wealth Creation: Impact on India's Journey Sriram Krishnan Chief Business Development Officer, NSE	25
	India Can Lead the World Debojyoti Dey Vice President & Head - Research, MCX	32
	Viksit Bharat : Wealth Creation through Capital & Commodity Markets Arun Raste Managing Director & CEO, NCDEX	37
	Wealth Creation through Capital and Commodity Markets Sameer Patil Chief Business Officer, BSE	40
	India - US \$30 Trillion Economy by 2047 Dr Abha Wadhwa Associate Professor of Commerce Deen Dayal Upadhyaya College, Delhi University	43



Empowering Indians through Markets

Sidhavelayutham Mohanamoorthy
Founder & CEO, Alice Blue

47



From Fields to Futures: Shaping a Viksit Bharat through Commodities!

Vandana Bhati
Commodity Research Head, SMC Global Sec. Ltd.

52



Fulcrum to Viksit Bharat: Powering 2047 through Commodity Markets

Amit Gupta
Sr. Technical Analyst Commodity, Kedia Advisory

58



A Developed Bharat is within Reach

Rajesh K
Director, Alice Blue

62



India Can Lead the World

Anuj Gupta
Head - Community & Currency, HDFC Securities

67



Precious Metals: An effective hedge against global uncertainty remains most favourable commodity for Investment & Wealth creation in 2025

Maneesh N Sharma
AVP (Fundamental Research) - Commodities & Currency, Anand Rathi Share & Stock Brokers Ltd.

72



Viksit Bharat@2047

Mrituenjay Kumar Jha
Commodity Editor, Zee Business

77



Gold Soars to New Horizons: The Ultimate Refuge in Turbulent Times!

B.K. Sabharwal
Past President, CPAI

81

From the desk of Chief Mentor (CPAI)



Ashok Kumar Agarwal
Chief Mentor, CPAI

Dear Members,

India is the fastest growing major economy and grew at a real rate of 8.2% for financial year 23-24. This is on the heels of the growth rates of 9.7% and 7%, respectively, in the previous two financial years. The headline inflation rate is largely under control, although the inflation rate of some specific food items is elevated. The trade deficit was lower in FY 24 than in FY 23, and the current account deficit for the year is around 0.7% of GDP. In fact, the current account registered a surplus in the last quarter of the financial year. Foreign exchange reserves are ample. Public investment has sustained capital formation in the last several years even as the private sector shed its balance sheet blues and began investing in, FY 22. Now, it has to receive the baton from the public sector and sustain the investment momentum in the economy.

The signs are encouraging, in all this capital and commodities market has played a big role with an expanding share in capital formation and investment landscape on the back of technology, innovation and digitization.

Amid healthy domestic economic performance and a favorable investment climate, primary markets remained robust during FY 24, facilitating capital formation of Rs. 10.9 lakh crore (which

approximates 29 percent of the gross fixed capital formation of private and public corporate during FY 23), compared to Rs. 9.3 lakh crore in FY 23.

This all has been possible due to our robust economic fundamentals, wealth creation through capital and commodities market and very efficient, reliable and transparent capital market system, compared to any other market in the world.

I think, we are probably the only market in the world where the client collateral segregation is available at clearing corporation level, what that mean is clearing corporation is aware of each and every client's collaterals and can also monitor the same. Also, we are one of the very few markets where settlement of trades is on T+1 basis and the settlement is planned to be on T+0 basis and even further on real time basis.

However, the problem areas remains some of which have been highlighted by our regulators such as more than 90% investors losing money in derivative market and more so in options market. SEBI in consultation with MIIs, market Intermediaries have taken various steps and hopefully the outcome will be positive. However, besides the steps as suggested by SEBI in its paper and subsequent circulars, investor education needs to be one of the focus areas if we have to tackle this problem. So we at CPAI jointly with exchanges are taking steps to make sure that we have well educated investors who while taking action take a very informed decision and also understand and realize the consequences of the decision. However, there is a long way to go and this is a very small begning and we need to do much more in this area.

As far as your organization CPAI is concerned, it has done a tremendous job in representing our community before various authorities for market related issues and is an association which is very well respected by the regulator, exchanges and the Government circle and I am sure that CPAI will keep on contributing more for the development of our market in future.

Before I conclude, I would like to Thank SEBI, Government, commodity & equity exchanges and all the office bearers and members of CPAI for their continuous support.

With warm Regards,

Ashok Kumar Agarwal

From the President



Sanjay Rawal
President, CPAI

Economic Renaissance towards Viksit Bharat

As we pursue the national aspiration of Viksit Bharat 2047, we are driven by the vision of a self-reliant and economically vibrant India. By 2047, as India celebrates its centenary of independence, our goal is to emerge as a global leader – not just through economic might, but through a commitment to innovation, sustainability, and inclusive growth. A core pillar of this vision is to empower every citizen with opportunities and financial literacy, fostering wealth creation and enabling a pathway toward greater prosperity. This ambition resonates with all Indians, forming the bedrock of our collective journey toward a more equitable and prosperous future.

The Government's initiatives such as Make in India, Startup India, Atmanirbhar Bharat, the Production Linked Incentive (PLI) scheme, and the resurgence of manufacturing have laid a strong foundation for fostering entrepreneurship, encouraging investments, and building a robust ecosystem across manufacturing and services.

As a nation, we have made remarkable progress in innovation. Over the past nine years, India has climbed 42 positions in the Global Innovation Index, now ranking first among lower-middle-income economies. Additionally, we rank fourth in the World Intellectual Property Organization (WIPO) Science and Technology Cluster Ranking, showcasing our potential to lead in global innovation and technology.

Wealth creation is central to this transformative journey. Our efforts are shifting India from a nation of savers to a nation of investors. Capital and commodity markets have become key drivers of economic growth, providing opportunities for investors, businesses, and institutions to actively engage in wealth-building. With progressive regulatory frameworks, India is attracting both domestic and international investments, catalyzing unprecedented economic expansion.

The surge in Initial Public Offerings (IPOs) is a clear reflection of this growing appetite for investment opportunities. Between January and August 2024 alone, India led the global IPO market with 227 transactions, totaling \$12.2 billion. This growth, combined with increasing financial inclusion, has driven demand for next-generation financial instruments that offer flexibility, enhanced risk management, and diversified investment avenues.

We must also acknowledge the crucial role of our regulators in building a secure and robust market. Their focus on investor protection, alongside forward-thinking initiatives, ensures that our financial systems remain well-regulated and adaptable. As the SBI Chairperson wisely observed, "Markets today are so complex that any regulator who is arrogant enough to believe that they know and understand every nuance and can actually make sensible regulations are doomed to fail." This humility and proactive approach have been instrumental in safeguarding investor interests and fostering sustainable growth. SEBI, in particular, has taken several initiatives to invigorate the debt and bond markets. We hope that advancements in technology and transparency will further enhance the secondary market for corporate bonds, complementing the healthy primary market, where corporate bond issuances exceeded 8.50 lakh crore in FY24.

This year's convention will explore pivotal topics through three technical sessions: opportunities in GIFT City for financial and global integration, wealth creation strategies in Options within the Futures & Options markets, and the importance of Portfolio and Asset Allocation in regulated equity, commodity, and debt instruments.

Finally, I extend my heartfelt thanks to the editorial team for their dedication in bringing this journal to life, capturing the spirit of our convention and the exciting future ahead for India's markets. We stand on the brink of a transformative journey, and together, we will continue to shape a Viksit Bharat by 2047.

Sanjay Rawal

From the Chairman, Editorial Board



Sandeep Jain
Chairman, Editorial Board

Wealth Creation Journey through Capital and Commodity Markets – Viksit Bharat @ 2047

Bharat is the Right Place and at Right Time

In an era marked by rapid economic transformation and unprecedented opportunities, the title "Wealth Creation Journey through Capital and Commodity Markets – Viksit Bharat @ 2047" encapsulates the essence of BHARAT's aspirations as it strides towards becoming a developed nation. As we stand at a pivotal juncture in our developing economic scenario, the capital and commodity markets are not merely avenues for investment; they are powerful catalysts for wealth creation and sustainable growth.

With a burgeoning middle class, technological advancements, and supportive regulatory frameworks, now is the opportune moment for investors to engage actively in these markets. This journal aims to illuminate the pathways to prosperity, emphasizing that participation in these sectors is crucial for realizing the vision of a prosperous and self-reliant BHARAT by 2047. By harnessing the potential of capital and commodity markets, we can collectively embark on a journey toward economic empowerment and inclusive growth, ensuring that every "BHARTIYA" contributes to and benefits from BHARAT's remarkable development story.

The capital and commodity markets are essential components of BHARAT's economic growth story, significantly contributing to the nation's ambition of becoming a developed economy by 2047. These markets not only provide avenues for investment and wealth creation but also play a crucial role in stabilizing the economy and enhancing agricultural productivity. The contributions of Government, and regulatory bodies like The Securities and Exchange Board of BHARAT (SEBI) and the Commodity Participants Association of BHARAT (CPAI), are vital in ensuring market efficiency, transparency, and investor protection.

Role of Capital and Commodity Markets in BHARAT's Growth

Capital Markets

Capital markets serve as a critical platform for capital formation, enabling businesses to raise funds for expansion and innovation. The increasing market capitalization—projected to reach between \$40-48 trillion by 2047—reflects the potential for substantial economic growth driven by rising domestic consumption, technological advancements, and government reforms.

- ***Investment Opportunities:*** With a growing middle class and increasing disposable income, more individuals are likely to invest in equities, driving demand and liquidity in the market.
- ***Job Creation:*** As companies grow through equity financing, they create jobs, contributing to overall economic development.

Commodity Markets

Commodity markets play an equally significant role by providing mechanisms for price discovery, risk management, and investment diversification.

- ***Price Stability:*** These markets help stabilize prices for essential goods, benefiting both producers and consumers. For instance, farmers can hedge against price fluctuations through futures contracts, ensuring better financial security.
- ***Agricultural Development:*** A well-regulated commodity market encourages investment in agricultural infrastructure, improving storage and transportation facilities. This is crucial for achieving food security and reducing wastage in a country where agriculture is a primary livelihood for many.

Future Participation Trends

As BHARAT's economy continues to grow, participation in equity and commodity markets is expected to increase significantly. Several factors contribute to this trend:

- ***Growing Middle Class:*** An expanding middle class with increasing disposable income is likely to invest more in financial markets.
- ***Financial Literacy Initiatives:*** Government efforts to promote financial literacy will empower more individuals to invest wisely.
- ***Technological Advancements:*** The rise of digital trading platforms makes it easier for retail investors to access these markets.
- **Regulatory Support:** Continued reforms by regulatory bodies will enhance investor confidence and attract more participants.
- ***Democratization of Access:*** Technological advancements have made trading more accessible to retail investors. Digital platforms provide real-time information and trading tools that empower individuals to engage with these markets.
- ***Government Initiatives:*** Ongoing reforms aimed at enhancing market infrastructure will further encourage participation from diverse demographics.
- ***Rising Awareness:*** As financial literacy improves across the population, more individuals are likely to recognize the benefits of investing in equities and commodities as part of their financial planning.

Vision for 2047

By 2047, as BHARAT celebrates its centenary of independence, the synergy between equity and commodity markets will be crucial in achieving the vision of a developed nation. Increased participation in these markets will not only drive capital formation but also contribute to job creation, innovation, and sustainable economic growth.

The collaborative efforts of Government and regulatory bodies like SEBI and associations such as CPAI will ensure that these markets remain efficient, transparent, and accessible to all investors. This inclusive approach not only supports individual wealth creation but also contributes significantly to national economic growth. By harnessing the potential of these markets, BHARAT can pave the way toward a prosperous future where economic opportunities are available to all citizens.

Sandeep Jain

CPAI Events



Webinar Series

STATE OF THE MARKET

Tuesday, 3rd September 2024

Time: 5:00 PM (IST)

Key Speakers



Shri. Jay Prakash Gupta
Founder & CEO-
Moneylicious



Shri. Ajay Kedia
Founder and Director of
Kedia Capital Services

Join Zoom Meeting

MeetingID: <https://us06web.zoom.us/j/8252940123>
7?pwd=zJ7N3x5ZdUabsFPacc6Uj5HkvOr1uZ.1

RSVP: Sanjeev Mehra 8130714907



Commodity Participants Association of India

(Transforming Rural Economy into Global)

National Secretariat : 807, Surya Kiran Building, K G Marg, New Delhi - 110001

Phone : 011-45567724, 9871575990 E-mail : info@commodityindia.com, cpainr@commodityindia.com

Website : www.cpai.co.in

ADVERTORIAL



Sanjay Rawal
National President
CPAI

Together towards 2047: Celebrating 50 Years of Excellence and Shaping the Future of India's Financial Markets

As the Business Standard, India's leading financial newspaper since 1975, celebrates its 50th anniversary, the Commodity Participants Association of India (CPAI) extends its heartfelt congratulations and wishes for continued success.

At CPAI, we deeply appreciate the rich coverage that Business Standard has dedicated to the commodity markets, a sector that plays a pivotal role in the Indian economy. As India strides towards its goal of becoming a developed nation by 2047, the commodity market's contribution will be increasingly significant.

CPAI, as the apex Pan-India association of commodity participants, represents the entire value chain—from hedgers and arbitrageurs to Farmer Producer Organizations, warehouse service providers, Alternative Investment Funds, and Commodity Mutual Funds. Our shared vision is for India to emerge as a price setter in the global commodity space, capitalizing on its vast potential as one of the largest importers, exporters, consumers, and processors of various commodities. We are committed to positioning our markets as the hub for "Trade in India," working closely with policymakers, regulators, and all stakeholders in this mission.

The growing awareness of commodities as an asset class for diversification and risk management is a positive trend. Innovations in financial instruments and the expansion of electronic trading platforms have democratized access to these markets, allowing a broader spectrum of participants to engage in commodity trading.

However, challenges remain. We must work on integrating spot and derivative markets to ensure that farmers and the entire value chain benefit from efficient price discovery and risk management. This includes mandating a portion of hedging activities through domestic exchanges, reducing transaction costs, and developing a lending framework against electronic Negotiable Warehouse Receipts (eNWRs). These initiatives, part of a larger "Commodity Stack," are areas where CPAI is committed to making seminal contributions.

As we look to the future, the commodity and capital markets in India are poised for a new era of growth and innovation. It is our collective responsibility to ensure that this growth is sustainable, inclusive, and beneficial to all stakeholders. The CPAI will continue to lead in promoting best practices, advocating for sound policies, and supporting the development of a vibrant and robust market environment. We at will deliberate over many an issues on 9 November, 2024 at Hotel Hyatt Regency, New Delhi in our 10th National Convention.

Once again, we congratulate Business Standard on its golden jubilee and look forward to continued collaboration in the years ahead.

— Sanjay Rawal

CPAI Events



CPAI Events



CPAI Events



CPAI Events



CPAI Events



CPAI Events



CPAI Events



Wealth Creation in India



Dr. Niti Nandini Chatnani
Professor (Finance)
Head (International Collaborations
and Capacity Development,
Accreditations and Rankings),
Indian Institute of Foreign Trade,
New Delhi

Wealth creation, itself a weighty phrase, is largely the by-effect of the compounding effects of a sound investment. It is commonly said that wealth creation is like running a marathon, not a sprint. Most successful investors in the capital markets not only have a keen understanding of the markets, but they have combined this understanding with immense discipline and patience to achieve wealth creation from wisely chosen investments. Compounding is a slow process, and demands patience from the investor, but disciplined saving with some good investments and a well-designed portfolio are at the core of wealth creation.

Benjamin Graham, the author of the renowned book “The Intelligent Investor” has said: In the short run, the market is a voting machine but in the long run, it is a weighing machine. The most prominent follower of Benjamin Graham is Warren Buffet, who is counted among the world's richest men. The most straightforward explanation of Buffet's approach to wealth creation through the capital markets can be: Make long-term investment decisions that will compound over time and add wealth. Closer home, we have had Rakesh Jhunjhunwala, the “Warren Buffett of India”. He is regarded as one of the greatest stock market investors India has ever seen and is also known as the "Big Bull" of the Indian stock market. As if running a marathon, Jhunjhunwala also approached investing by judging a stock on its long-run performance, rather than through any short-term patterns.



Patience and discipline are the superpowers of a successful investor. What Buffet and Jhunjhunwala achieved through investing strategically in the capital markets, is also possible to replicate with the mindset of a marathon-runner in many other markets. Jim Rogers has been a successful investor in the capital markets, and has also created wealth from the commodity markets, often when the stock markets have underperformed. Known for his bullish stance on commodities, Rogers' investment choices are often based on the belief that real assets such as silver, oil, wheat, and copper gain value in times of inflation. He has identified the commodities that he reasons will benefit from prevailing or foreseeable economic trends and has created wealth from investing in such commodities.

Rogers has famously stated that his investment philosophy is to "Be Boring". He encourages "boring" investing, which amounts to focusing on sound fundamentals rather than chasing the latest fads. Rogers relies on steady, reliable strategies that deliver over time.

Effective investors acknowledge that the optimal approach for generating wealth involves maintaining long-term investments in good quality assets, rather than attempting to predict market fluctuations or engaging in frequent trading. They opt to invest in assets after understanding their potential for growth and allow these investments to flourish over time.

India is a nation of savers. Indian households save a significant portion of their earnings for future security, even at the expense of current consumption. Household savings constituted ~18% of India's GDP as of fiscal 2023, accounting for 60% of India's gross domestic savings. These savings have remained an important engine for capital formation and growth in the Indian economy and contribute significantly to the vision of Viksit Bharat@2047.

The Indian investors have traditionally been wary of the capital markets and have preferred to deploy the household savings into more traditional investments like bank deposits, gold and real estate. However, the demographics of the Indian capital markets witnessed a remarkable change since the onset of COVID-19. The persistent stock market rally since April 2020 encouraged Indian retail investors to set up trading accounts and put their savings into the capital markets. For household savings since then, there has been a movement to equities, mutual funds and small savings. In fact, from FY 22 to FY 24, the number of retail traders has nearly doubled from 5.1 million to 9.6 million.

Unfortunately, the retail investors who have entered the markets in the last 3-4 years have bypassed the very tenets of wealth creation when it comes to their investing approach. Driven by an urgency for making fast gains from the capital markets, they have adopted risky and short-term investing tactics, like making profits through IPOs, and through derivatives and day trading.

As most of the investors entered when the markets turned bullish after the pandemic-induced crash, the surge in prices has created an environment of over-confidence, as profits are easier to earn. Adding to this short-term investing hysteria is the impact of social media, influencers and chat groups on platforms like YouTube, Twitter and Telegram. Yet, the history of the markets has shown that even bull markets eventually come to an end, so the second part of good investing is in anticipating the conclusion of a bull market. Only investors who comprehend the inherent risks of their investments and trading decisions can truly create wealth from the markets.

Indian retail investors have been influenced by the common behavioural bias of herd mentality in making their investment decisions. As an example, when the Zomato IPO was launched in July 2021, it



received an overwhelming response from retail investors. These investors were least concerned about Zomato's absence of profitability at the time of its listing and were excited about the opportunity to invest in an IPO of a homegrown unicorn, and that too at a rather cheap price of Rs. 75. The frenzy that followed, and the rush for listing gains was indicative of the short-termism and herd mentality among the investors.

A research paper published in September 2024 by the Securities and Exchange Board of India (SEBI) has found that retail investors sell almost 50% of the money they invested in IPOs, within a week of listing. In the same paper, another behavioural bias demonstrated by the retail investors, the disposition effect has been highlighted. The retail investors exit an IPO in case they have listing gains but hold on to their allotted shares when there are losses. In the Zomato IPO, had the investors taken a long-term view and held on to their allotted shares, even if they had listing gains to book, their

investment would have increased by nearly four times by September 2024.

Another recent study by SEBI finds that retail traders collectively made net losses adding up to Rs 1.81 trillion in F&O from March 2021 to March 2024. Just in the 1-year ended March 31, 2024, retail investors recorded gross losses of Rs 524 billion, losing this money to foreign investors and other seasoned proprietary traders. These facts brought out through SEBI studies confirm the apprehension that very precious household savings are being risked in speculative trades in the capital markets.

Taking cognizance of the undue risks and the short-term investing view being taken by retail investors in the Indian capital markets, SEBI, which places investor protection as its chief priority, has announced measures to control retail investors from irresponsible trading behaviour. The regulator has brought in a series of checks and balances for derivatives or futures and options

(F&O) trading to curb the risks faced by retail traders.

On another note, Initial Public Offerings (IPO) in India have been very active since 2021, and SEBI has brought in significant regulatory changes concerning the price band of the issue, important disclosures on key performance indicators, responsibility of audit committee, etc. However, further regulatory focus is also warranted on IPO investing by retail investors with listing gains as their primary objective.

The regulatory measures can include ways to ensure retail investors are discouraged to have listing gains as their objective when they apply for IPOs, through steps like a lock-in period. Also, for the IPO investors to be protected from any listing losses, steps like safety nets can be considered. In general, any measures to direct retail investors towards long-term disciplined investing will support wealth creation from the capital markets. Any form of risky short-term investing must be discouraged by the regulator, the exchanges, as well as by the brokerages.

Mutual Funds should also be positioned as the appropriate intermediaries for retail investors to participate in the capital markets. Just as there are glorified examples of wealth creation by investors,

there are enough well-managed MF schemes with long-term track records that demonstrate creation of wealth for the subscribers. The capital markets are havens for the disciplined long-term investors. Retail investors should be encouraged to commit to Systematic Investment Plans (SIPs). SIPs align with the Indian households' inclination for saving and help inculcate financial discipline and the long-term perspective that are the fulcrum of wealth creation.

For Viksit Bharat @ 2047 to be supported by the retail investors of India, household savings should be judiciously deployed in investments that steadily and surely compound over time, and do not get squandered away under any unfounded optimism about short term actions in the capital markets translating into wealth. The message for those seeking wealth creation from the capital markets is loud and clear: Be Patient. Good things take time to come. An "overnight millionaire" is more of a mythical creature. Patience and a commitment to long-term investment are essential components for fostering success.

Charlie Munger, Vice Chairman Berkshire Hathaway, and a partner of Warren Buffet aptly sums up wealth creation from the capital markets as "The big money is not in the buying and selling. But in the waiting."



The Importance of Capital and Commodity Markets in Wealth Creation: Impact on India's Journey



Sriram Krishnan
Chief Business Development Officer
NSE

Capital and commodity markets are fundamental to the functioning of modern economies, providing essential platforms for investment, risk management, and wealth generation. In India, these markets have undergone significant evolution over the past few decades, becoming indispensable to the nation's economic framework. Understanding the dynamics of these markets is crucial for policymakers, investors, and businesses as the country strives to establish itself as a global economic leader.

Understanding Capital Markets

One of the *raison d'être* for the emergence of the capital market ecosystem has been the landmark economic liberalization reforms in 1991, these reforms encouraged the active participation of the private corporate sector in India. Ever since the Indian economy has witnessed various points in which it has grown in leaps and bounds. It is fair to say, Indian economy today stands on a strong footing as a case in point, the World Bank expects India to grow at 7% in FY 2024-25 and remain strong in FY- 25-26 and FY 26-27¹. Even by IMF's conservative estimates, India will emerge as the world's 3rd largest economy by 2027, surpassing Japan and Germany, with GDP exceeding US\$5 tn. India is poised to be the fastest growing large economy in the world.

Institutions contribute to the effective functioning of a system. Market Infrastructure Institutions (MIIs) have played a pivotal role in the development of India's capital market ecosystem and thereby significantly developing India's economic growth. These institutions include stock exchanges, clearing corporations, and depositories that are mainly responsible in creating a robust, efficient and transparent capital market ecosystem. One of the key MIIs that needs to be mentioned, and its contribution cannot be missed is the NSE. 1994 saw the emergence and institutionalisation of the National Stock Exchange (NSE) that introduced

¹ India's Economy to Remain Strong Despite Subdued Global Growth ([worldbank.org](https://www.worldbank.org))

screen-based trading for the first time and under the guidance of SEBI has been key to the development of capital market system in independent India. Over 30 years of operations since 1994, NSE has emerged to be a vital MII of the country. An embodiment of India's digital public infrastructure and Atmanirbhar Bharat, NSE has contributed tremendously to India's economic development. Today, NSE operates a market ecosystem to bring in transparency and efficiency that is focused on investor protection and disciplined development of the Indian capital market landscape. The total market capitalization of NSE today is \$5.6 trillion. The exchange is ahead of the Hong Kong Stock Exchange and is just behind the exchanges of US, China and Japan. Since March 2020, the registered investor base at the NSE has more than tripled – from just over three crores to exceeding 10 crores by August 2024 – covering 99.8% of all pin codes in India. Capital markets serve as engines of economic growth by facilitating capital formation and efficient resource allocation.

Enterprises often require substantial financial resources to expand, fund new projects, develop infrastructure, or invest in technology. It is here that capital markets play a key role for enterprises to raise capital through the issuance of stocks and bonds. This not only fuels an enterprises' growth but also its governance, it enhances productivity across the economy. As more enterprises access public funding, they contribute to a virtuous cycle of investment and growth, generating employment opportunities and increasing output, which is vital for India. In India, demand for jobs continues to rise in tandem with a growing population.

Benefits of the Capital Market Ecosystem

The journey of the Nifty 50 over the past 28 years provides a glimpse of India's economic transformation. Launched in 1996 with a base value of 1,000 points (base date of November 3rd, 1995), it took nearly 22 years for the benchmark index to reach the 10,000 mark. However, after 2017, the Nifty experienced rapid growth, adding another



10,000 points in just over six years to reach 20,000 on September 13, 2023, and further climbing to 26,000 by September 2024 within just 39 trading sessions—mirroring India's own journey toward rising economic prosperity for all its citizens.

From an individual investor perspective, the potential for wealth creation through capital markets is immense. The growing participation of people from all states of India in the capital market is not only leading to a spur of investment by both governments and private companies but also allowing them to create wealth and jobs for their households. Individuals and institutions can generate substantial returns over time by investing in various financial instruments, such as equities, government bonds, and corporate debentures. Historically, the stock market has provided higher returns than traditional savings accounts, making it an attractive avenue for wealth creation. A case in point, for instance, between 2010 (Jan) to 2023 (Dec) the return on benchmark index Nifty 50 is 255% whereas 113% is the compounded annual return on FDs for the same period at 6% interest rate. Indian households today hold nearly 18.8% of the market (27% of GDP). Directly, they have owned 9.6% of the total market capitalisation, or Rs 41.6 lakh crore (as of June 30th, 2024). This avenue of wealth creation empowers individuals to plan for long-term goals, such as education, retirement et al., further stimulating demand in the economy.

Today, the diversity of investment options available in capital markets caters to various risk profiles and investment strategies. Investors can choose from a wide range of products, including equity shares, bonds, mutual funds, and commodities. Such a wide array of products encourages broader and inclusive participation, enabling individuals from different socio-economic backgrounds to engage with and benefit from these markets. Retail investors, for example, can start with small investments in mutual funds,

gradually increasing their exposure to more products as they become more comfortable with market dynamics. This democratization of investment options fosters a culture of saving and investing, which is crucial for a country like India. Key MIIs like NSE has in them core objectives embedded to enhance financial literacy among people and always strives to educate and empower retail investors on the need to strike a fine balance between risk and returns on investments. Ensuring trust in the capital market system is crucial for both investors and entrepreneurs.

Access to capital markets serves as a catalyst for innovation and entrepreneurship. Startups and emerging enterprises often require funding to develop new products and services, and capital markets provide essential financial support. By enabling entrepreneurs to raise capital through initial public offerings (IPOs) or private placements, these markets foster a culture of innovation. The entrepreneurial ecosystem in India has gained momentum in recent years, with a surge in startup activity across various sectors. This dynamism drives economic growth and enhances India's position in the global innovation landscape. By 2025, India is expected to have 130 Unicorns and by 2030 1.8 lakh tech startups. So, the potential is immense.

Capital markets are crucial for funding infrastructure projects that drive economic growth. Investment in infrastructure—such as roads, bridges, and energy facilities—creates jobs and enhances productivity. Well-developed infrastructure is essential for attracting foreign investment and facilitating trade, further propelling economic expansion. Public-private partnerships (PPPs) have become increasingly popular in India, allowing private investors to fund and manage infrastructure projects while sharing the risks and rewards. Capital markets provide the necessary funding for these initiatives, ensuring

that essential infrastructure can be built and maintained without placing undue financial burden on the government. Be it physical infrastructure or IT infrastructure, capital markets would play a key role in infrastructural requirements.

Besides empowering the individual investor and enabling startups, capital markets contribute to nation building from a global lens. A strong capital market enhances India's global competitiveness by attracting international capital and fostering a favorable business environment. When foreign investors perceive India as a stable and promising destination, it enhances the country's reputation on the world stage. This competitive edge is particularly important in a globalized economy, where countries vie for foreign investment. Foreign investors are drawn to markets that offer transparency, liquidity, and regulatory oversight. As India's capital markets mature and become more sophisticated, they attract increasing amounts of foreign capital. This influx of investment not only provides immediate financial resources but also leads to technology transfer and skill development. When foreign companies establish operations in India, they often bring best practices and advanced technologies, benefiting the local economy and workforce. Foreign Institutional Investors (FIIs) invested US\$21 bn into Indian equities in 2023 and further US\$10.7bn in FY25TD.

Liquidity is a defining characteristic of well-functioning capital markets. It allows investors to easily buy and sell assets, facilitating efficient price discovery. High levels of liquidity contribute to reduced transaction costs and better price execution for investors. In India, increased participation in capital markets has led to greater liquidity, benefiting all market participants. This

liquidity is particularly important for institutional investors, who often manage large sums of capital and require the ability to execute sizable trades without significantly impacting market prices.

The evolution of capital markets encourages technological advancements in trading platforms and financial services. Innovations such as algorithmic trading, mobile apps, and robo-advisors have made investing more efficient and accessible. These technological improvements attract a new generation of investors who prefer digital solutions. Furthermore, the integration of technology in capital markets has led to increased transparency and reduced transaction costs, making it easier for individuals to participate. This accessibility is crucial for fostering a culture of investing and saving. An IMF study shows that new evidence from labor markets and patent filings suggests that the adoption of artificial intelligence (AI) in capital markets is likely to increase significantly soon, and analyses of pricing patterns and trading dynamics already show changes in some markets consistent with the adoption of these new technologies. AI could cause large changes in market structure through the greater and more powerful use of algorithmic trading, novel trading and investment strategies, which in turn may increase turnover and asset correlations and drive prices to reflect new information at an ever-increasing speed².

Capital markets also play a vital role in managing pension and insurance funds, ensuring long-term financial security for retirees and policyholders. These markets provide the necessary returns to support the payouts promised to policyholders and retirees, which is critical for maintaining public trust in financial systems. As India's population ages, the importance of these markets in managing retirement funds becomes increasingly significant.

2 Global Financial Stability Report, October 2024: analytical chapters available now, main chapter on October 22

Effective management of pension and insurance funds is essential for ensuring financial stability and security for the growing elderly population.

The rising trend of ESG (Environmental, Social, and Governance) investing underscores the role of capital markets in promoting sustainable business practices. Investors are increasingly prioritizing sustainability in their investment decisions, seeking to align their portfolios with their values. Capital markets are responding to this demand by offering more sustainable investment products, such as green bonds and ESG-focused funds. This shift benefits investors while encouraging companies to adopt more sustainable practices, contributing to long-term economic and environmental health.

The development of new financial instruments, such as derivatives and exchange-traded funds (ETFs), enhances risk management and diversification options for investors. These innovative products cater to a wide range of investment strategies and help mitigate risks. As

India's capital markets mature, the introduction of sophisticated financial products can further enhance market participation and investment strategies.

Deciphering Commodity Markets

As India charts her economic sojourn, several sectors are poised to grow, one such is the commodities space. Several sectors such as transport, aviation, industrial power, FMCG, paints and petrochemicals will be dependent on commodities such as crude oil and natural gas.

Commodity markets are particularly significant for the agricultural sector, which employs a large portion of India's workforce. These markets provide essential tools for pricing and risk management, enabling farmers to navigate the uncertainties inherent in agricultural production. By facilitating forward contracts and futures trading, commodity markets help stabilize farmers' incomes and ensure fair prices for their produce. This financial security is crucial for improving rural



livelihoods and fostering sustainable agricultural practices.

The commodity derivatives market in India underwent significant evolution after a 40-year hiatus, where the market faced stagnation due to regulatory challenges and lack of proper infrastructure. In 2003 the commodity derivatives exchange was introduced which provided a formal platform for trading various commodities, including agricultural products and metals, thereby enhancing liquidity and price discovery. Technological advancements also played a crucial role, enabling online trading and real-time data access, which attracted a broader range of participants, including farmers, traders, and institutional investors.

Regulatory reforms, spearheaded by the Securities and Exchange Board of India (SEBI), further strengthened the market by ensuring transparency and reducing speculation. The introduction of new products, such as options and indices, has diversified trading strategies and risk management tools. Today, the Indian commodity derivatives market is characterized by increased participation, improved infrastructure, and a greater focus on hedging against price volatility. This evolution has not only boosted the agricultural sector but has also contributed to overall economic stability, making it an integral part of India's financial landscape.

Capital and Commodity markets: Essential for Economic Growth

The growth of capital and commodity markets promotes financial inclusion by enhancing accessibility and encouraging participation from all segments of society. Various initiatives, such as mobile trading platforms and investor education programs, aim to demystify the investment process and empower individuals to take charge of their financial futures. By increasing access to financial markets, India can harness the potential of its vast

population. Greater financial inclusion means that more individuals can save, invest, and benefit from the growth of the economy. This inclusiveness is particularly important in a diverse nation where disparities in wealth and access to resources exist.

A strong regulatory framework is essential for the effective functioning of capital and commodity markets. In India, the Securities and Exchange Board of India (SEBI) plays a pivotal role in ensuring market integrity and protecting investor interests. By regulating the capital market ecosystem, SEBI fosters investor confidence and promotes a level playing field by ensuring investors are aware of both risk and returns. Effective regulation is vital for maintaining market stability, especially during periods of economic uncertainty. When investors trust that the markets are fair and transparent, they are more likely to participate, contributing to market depth and liquidity.

Sustainable growth in capital and commodity markets enhances overall economic resilience. A stable market environment, characterized by consistent regulations and transparent operations, allows India to navigate global economic challenges more effectively. During times of economic downturn or external shocks, a well-functioning capital market can provide the necessary liquidity to support businesses and individuals. Similarly, stable commodity markets help manage price volatility for essential goods. Moreover, long-term stability in these markets fosters investor confidence by demonstrating predictable returns and risk management. When investors believe in the stability and growth potential of the markets, they are more likely to commit capital for the long term, further strengthening the Indian economy.

If capital markets contribute to capital formation and thereby enabling the economy to be more robust the commodity market plays a critical role in



price discovery for raw materials and agricultural products. Efficient price formation helps producers and consumers make informed decisions, stabilizing markets and reducing price volatility. This is especially important in a diverse economy like India, where agriculture and industry are deeply intertwined. Both markets provide essential tools for risk management. The capital market allows businesses to hedge against financial risks, while the commodity market enables producers to safeguard against price fluctuations. These mechanisms are crucial for mitigating uncertainties in sectors such as agriculture and manufacturing, ensuring that businesses can operate more confidently. Ultimately, economic growth

facilitated by both capital and commodity markets leads to job creation. As enterprises expand and new ventures emerge, employment opportunities increase, improving livelihoods and contributing to overall economic well-being.

In conclusion, the interplay between capital and commodity markets and wealth creation is vital for India's economic journey. As these markets continue to evolve, their significance in shaping the nation's future will only grow. Understanding and leveraging these markets is essential. The ongoing transformation of these markets will undoubtedly play a key role in realizing the country's ambitions for growth and prosperity in the coming decades.

India Can Lead the World



Debojyoti Dey
Vice President & Head - Research
MCX

The World Bank, in the World Development Report 2024 released in August 2024, highlights the 'middle income trap' that many developing economies fall into. Drawing on lessons of the past 50 years, the World Bank finds that as countries grow wealthier, they usually hit a "trap" at about 10% of annual U.S. GDP per person. At equivalent of \$8,000, this is about the middle of the range of what the World Bank classifies as "middle-income" countries. Since 1990, only 34 middle-income economies have managed to shift to high-income status. Moreover, more than a third of them were either beneficiaries of integration into the European Union, or of previously undiscovered oil. In other words, the transition to high-income category was more a matter of chance than the result of any conscious decision of these countries.

For India and other middle-income countries, the World Bank suggests a 3i strategy to escape the middle income trap: investment, infusion and innovation. Within these strategies, the Bank recommends reforms in the areas of deepening of capital markets, strengthening of competition agencies, diffusion of global technologies, etc. In India, these measures have long been considered important and almost indispensable for sustaining the growth of the Indian economy. In particular, the role of institutions and the need for strengthening these institutions for steering the country to long term growth, cannot be overemphasized.

Leveraging India's commodity derivatives market

India's commodity derivatives market is one such institution of national importance that needs to be nurtured and strengthened to achieve the goal of achieving high-income status, or 'Viksit Bharat'. This institution is known to provide a host of economic and strategic benefits to the users and non-users of this market. At the microeconomic level, users are able to hedge their exposure to commodity price risks by using the exchange-traded futures and options on commodities. Besides, the entire market ecosystem benefits by the robust and transparent process of price discovery on the commodity derivatives platform, the prices often being treated as the most acceptable reference prices in physical market transactions.

At the strategic level, the politico-socio-economic transformations made possible by the commodity derivatives market has been well observed and documented. China's rise and ambition to emerge as a regional and global

leader in the pecking order of nations is closely associated with its strategy of strengthening its institutions, including the commodity derivatives market. China is world's top producer and/ or consumer of almost all commodities; hence, it desires to exert its due influence in the world commodity markets, becoming a global hub for commodities trade and setting global prices. For this national goal, the country has been leveraging and strengthening its commodity derivatives market through measures such as mandatory hedging of its domestic firms on the domestic exchanges, channelizing imports through these exchanges, progressively broadening the participation of financial and foreign participants in the Chinese commodity derivatives market, etc. The effects of such strategic moves are quite visible. For the last several years, the three commodity derivatives exchanges in the People's Republic of China have emerged as world's three largest commodity exchanges by the volume (lots) traded.

It is significant to note that the history of modern electronic national-level commodity exchanges in China and India are almost co-terminus - both commenced operations in the first few years of the current century.

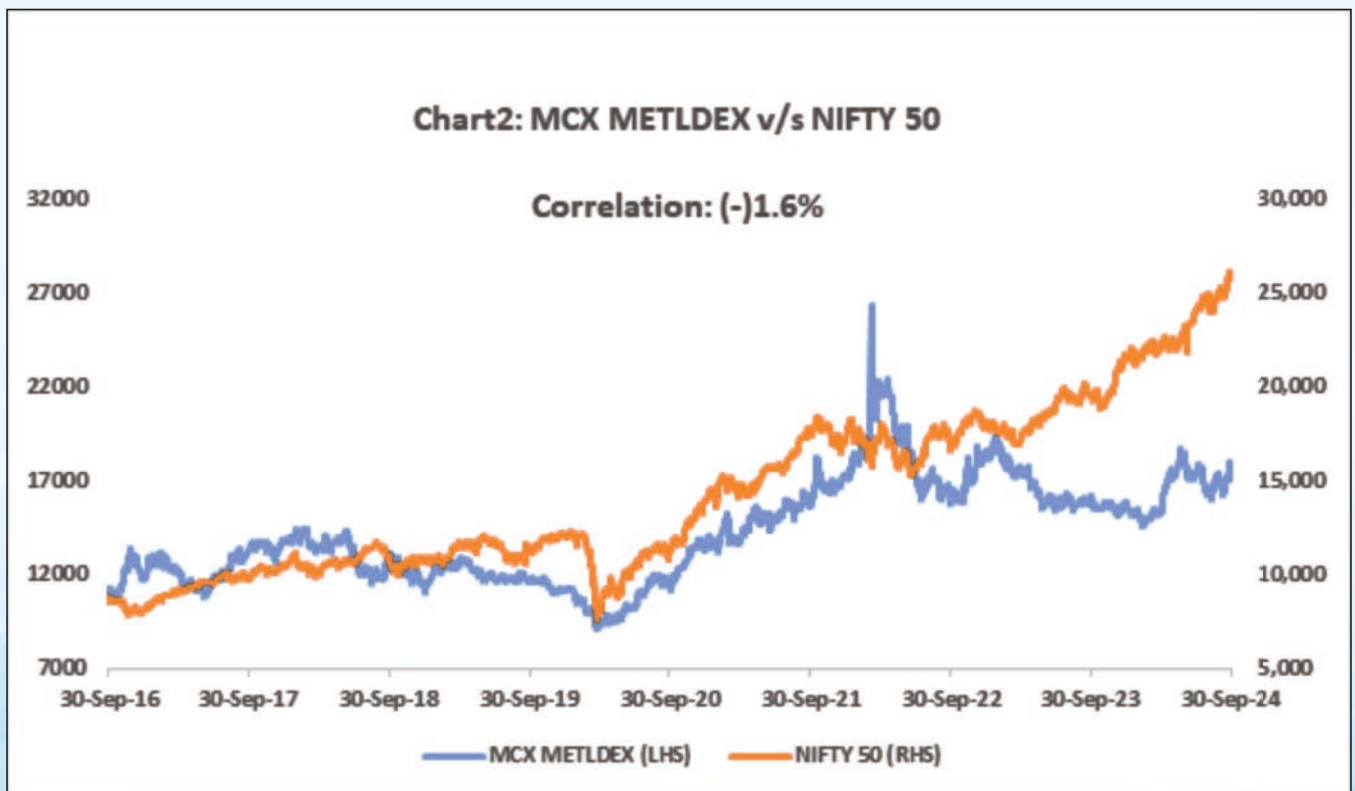
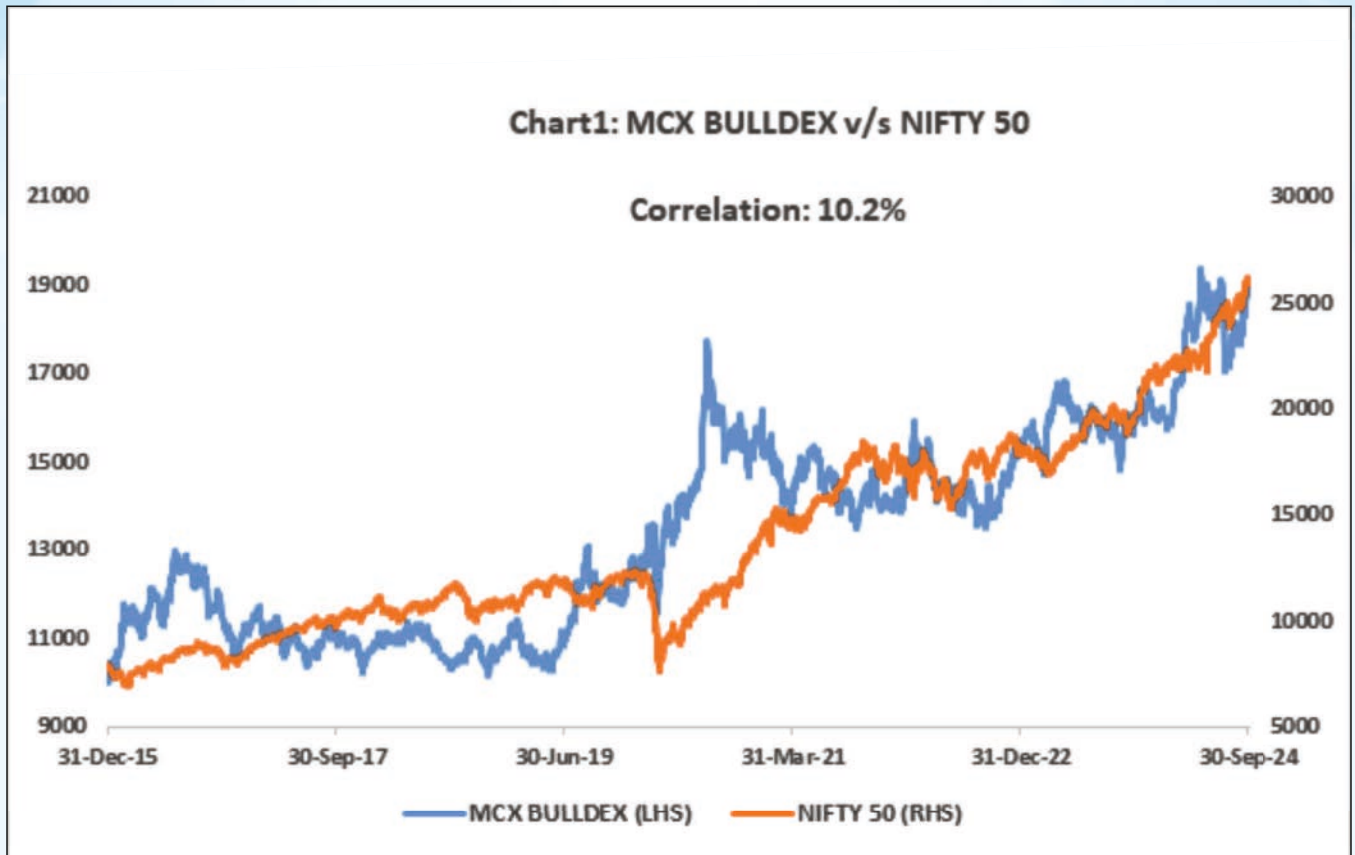
Looking farther back in history, the rise of Chicago as an economic powerhouse in the late nineteenth century U.S., rivalling financial centres like New York, was closely associated with the role played by the Chicago Board of Trade (CBOT) in providing price discovery and risk management services to the commodity producers and traders of U.S. Midwest. The rise and popularity of commodity futures helped to financialise commodity trades in U.S. Midwest and linked large swathes of the region's commodity markets to the U.S. financial markets. Similarly, the rise of London as the global price setter of commodities like gold (a' la LBMA) and industrial metals (a' la LME), despite U.K. not

being a major producer or consumer in most of these commodities, point to the role of vibrant commodity markets in creating a global hub for commodities.

Even in India, the presence of a vibrant commodity derivatives market has led to spin-off benefits in the larger commodity ecosystem, beyond the immediate association of derivatives trade. An independent study by IIM Calcutta and NISTADS (National Institute of Science, Technology and Development Studies) discovered that the presence of a vibrant futures market in Mentha Oil had not only created a highly efficient marketing channel in this commodity, but also produced efficiencies in the existing marketing channel as well. More importantly, the availability of an efficient marketing channel and an avenue for price discovery and risk management led to stakeholders moving up the value chain of mentha oil. A case in point: the mentha oil futures market led exporters, who were earlier exporting mentha oil, to start exporting the higher value added mentha crystals - so much that India emerged as world No. 1 in mentha crystals exports, displacing China.

Commodity derivatives as a wealth creator

A shorter-term benefit provided by commodity derivatives is in their role as a distinct asset class. This asset class displays distinct qualities seldom seen in other asset classes. Take the benefit of diversification, for instance. Returns from investment in commodities are highly uncorrelated from returns from other asset classes, such as equity, over the long run. The diversification benefit is displayed in the low correlation between MCX BULLDEX, an index consisting of gold and silver futures, and NIFTY50 (Chart 1), or between MCX METLDEX, an index consisting of futures in four Base Metals - Aluminium, Copper, Lead and Zinc - and NIFTY50 (Chart 2):



A study of multiple commodities and commodity indices in India show that considering the risks of various asset classes (risks being measured by their respective volatility), commodities measure up well against equity in Risk Adjusted Returns (Table 1). Commodities also have low Beta to stocks, supporting the diversification advantage of this asset class.

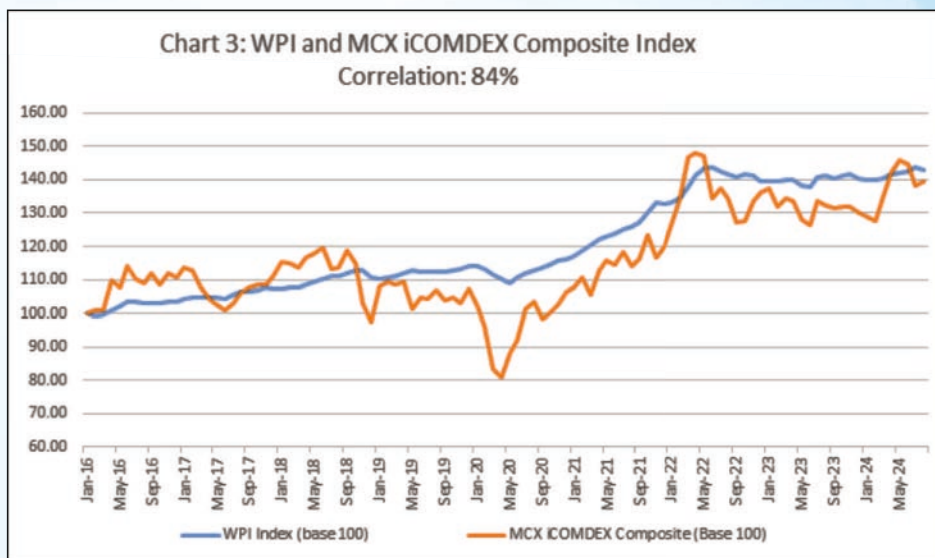


Table 1 also displays the skewness and kurtosis of returns of select commodities, their indices and equity. Higher positive kurtosis and higher negative skew indicate increased risk due to a fatter left tail, suggesting a higher probability of extremely large, negative outcomes.

constitute a large part of the consumption basket, an uptick in inflation is associated with appreciation of portfolio having commodities in them (Chart 3). Indeed, commodities show one of the highest correlations to inflation among all asset classes and have historically served as a better inflation hedge than equities or bonds.

Thirdly, as most of metal and energy commodities are 'global' in nature, and are denominated in the US Dollar in the international markets, their prices in the Indian markets closely reflect the global fundamentals, including the movement of the US Dollar. As such, exposure to commodities provides exposure to the US Dollar as well, and one can use futures and

Table 1: Comparing risks and returns of commodities and equity

Risk and Return Metrics	Composite Index	Bullion Index	Metal Index	Energy Index	Gold	Copper	Crude Oil	NIFTY 50
Annualized returns	6.26%	14.37%	5.37%	-11.46%	17.47%	7.06%	-3.93%	20.34%
Annualized volatility	15.47%	15.78%	19.13%	43.12%	13.53%	17.50%	52.66%	18.89%
Risk adjusted Return	40%	91%	28%	-27%	129%	40%	-7%	108%
Skewness	0.38	-0.72	3.19	-1.14	-0.56	-0.41	-1.38	-1.63
Kurtosis	13.51	4.91	59.63	14.40	3.98	2.76	29.24	22.63
BETA with Nifty50	37.62%	27.12%	64.43%	8.92%	38.28%	53.01%	21.49%	-

Note: 1. Time period: 01 Apr 2019 to 31 March 2024

2. Skewness & Kurtosis calculations are based on Logarithmic returns

3. Indices mentioned belong to the MCX iCOMDEX Indices series

4. Commodities mentioned here refer to the indices based on MCX futures contracts.

Thus, inclusion of commodities in the portfolio lowers the risk and enhances risk-adjusted returns at the portfolio level.

Similarly, investment in commodities is known to be naturally inflation-proof. Since commodities

options on commodities to trade or invest in the greenback.

More fundamentally, the distinctiveness of commodities which sets it apart from all other asset

classes lie in their being 'real assets'. While financial instruments like futures and options on commodities allow investors to access this asset class more easily, the prices and returns on commodities are influenced by pure play of their underlying fundamentals, rather than only on investor perceptions. Fundamental factors at the global level on changes in demand, supply, inventory, trading patterns, interest rates, government policies on trade, etc. have a profound influence on commodity prices, for which these are tracked more intensely by ace investors.

Moving towards a Viksit Bharat@2047

To realise the vision of Viksit Bharat by the centenary year of India's independence, the institution of commodity derivatives market needs to be strengthened, so that the benefits as enumerated in the above paras, can be fully realized. In this, the role of public policy and efforts by Market Infrastructure Institutions (MIIs) like exchanges assumes high significance. While MIIs need to create mass awareness and spread education about commodity derivatives among the public, policy and regulatory actions also needs to encourage the growth and strengthening of the market institutions. In particular, eschewing arbitrary suspension and bans on commodity derivatives contracts can go a long way in building trust of stakeholders on the sustenance of the contracts, their usefulness and thereby in the market institutions themselves. The Economic Survey 2023-24, presented in the parliament on 22 July 2024, notes "The commodity futures market can effectively contribute to price discovery only when many consumers, producers, traders, and aggregators use these markets to hedge their risk. The interplay of these participants, speculators, and arbitrageurs provides liquidity and helps price discovery for longer periods.Once the regulators provide clear direction regarding the choice of commodities, they must stay the course by adopting a stable policy with minimal

interventions....." (Ref. Chapter 9, Economic Survey 2023-24)

Secondly, participation in the commodity derivatives market needs to be broad-based, with minimal restrictions in participation by any group. Today, banks, arguably the most important class of financial institutions in India, are not allowed to participate in this market, as aren't insurance companies or pension funds. Other financial institutions which are allowed, including Foreign Portfolio Investors, Mutual Funds and Alternate Investment Funds, operate under considerably restrictive regulatory frameworks. To the extent these institutions are known to participate with research-based entry and exit strategies, and also are a useful conduit for channelizing the investible surplus of retail investors, these restrictions need to be removed for India's commodity derivatives market to attain its true potential and reach.

Another way that India's commodity derivatives market can become the rightful contributor for Viksit Bharat, would be when the arms of the state start to use and mandate the use of exchange-discovered prices as references for market transactions. Thus, tenders floated by public sector bodies can use Indian exchange-discovered metals prices for referencing, rather than prices of LME; and financial instruments ranging from Sovereign Gold Bonds to ETFs can use the Indian exchange-discovered prices of gold, discovered in a well-regulated environment and transparent manner, for referencing during redemption or otherwise. This will further encourage market participants to refer to Indian prices in their physical market transactions, lowering dependence on offshore prices.

India being a major commodity-intensive economy, reforms in the commodity markets can not only enable the markets to play a more significant role in the nation's journey towards Viksit Bharat, but the commodity derivatives market itself can be leveraged for India to wield much more influence in the world, as has been done in many other countries.

Viksit Bharat : Wealth Creation through Capital & Commodity Markets



Arun Raste
Managing Director & CEO
NCDEX

As the Indian economy progresses from Atma Nirbharta to adopt the ideology of Viksit Bharat, it needs to play on its strengths while it develops capabilities in other sectors to meet the goals under this vision. The goals for vision Viksit Bharat involve economic growth, environmental sustainability, social progress and good governance. Agricultural sector has been the key driver in meeting the self-sufficiency and food security targets of the nation, making itself a strong pillar on which India vests its Viksit Bharat vision. The last 25 years have experienced a GDP growth of 6.6 percent but growth in agriculture has been only 3.3 percent. One of the key parameters of socio economic growth is gross per capita income, with agriculture employing 46 percent of the population in India – extensive work needs to be undertaken to empower the agrarian frontiers of the country.

Agriculture is our national identity, that feeds 1.42 billion Indians apart from transcending national borders to becoming a key player in agri trade. Yet the GDP contribution is barely 18 percent which clearly means that this sector has huge scope for optimization, development and reforms. Rural agri infrastructure is scattered and inadequate to meet the volume we produce in the country. The storage facility available for food and agri sector across government and private warehouses is approximately 145 MMT to store 332 MMT of grains produced in the country (source: Min of Co-op report). This clearly means a shortfall of 47 percent thereby increasing chances of wastages and a possibility of unaccounted storage of the produce. Post-harvest solutions are crucial to maintain quality and increase shelf-life of the produce, thereby enhancing the chances of improving the income of the farmers. To add to this, structured storage facility also boosts the confidence of the lending agencies to extend credit to the agricultural sector minimizing the risk of slippages. The collateral lending industry in agricultural sector has stagnated over the years due to lack of use of a regulated efficient book keeping mechanism. Robust regulation and adoption of eNWRs are an absolute must to position this segment that will receive funding from the lending agencies as a choice not because of mandatory government regulations. The potential is truly unexplored and surely is a stepping stone towards Viksit Bharat.



While the government addresses the physical infrastructure and warehousing challenges, one of the key unsecured risks that the agribusinesses face is price risk. Our trade exposure is no longer domestic, it is global and hence needs market driven solutions. In a world where information regarding demand supply changes in nano seconds, only tools that are well tuned with that information can price adjust themselves. These tools are commodity derivatives that serve as efficient price risk management instruments. Balance sheets of commodity value chain participants are impacted by the cost of the underlying commodity by 70-80 percent which signals that any adverse price volatility in the price of the underlying has a huge bearing on the margins. An obvious question is what stops the commodity value chain from using these tools to safeguard their margins. The answer is lack of confidence in the tool as policy interventions have made the commodity derivative segment susceptible to bans and suspensions. Government is the largest buyer and seller of commodities; this

also makes them the most vulnerable to price risk. Various government schemes offering price protection could be punching holes in the government coffers. If government institutions exposed to commodity price risk start using commodity derivatives to safeguard themselves from price risk – we will be able to address many problems with this one step. Such an endorsement will boost the confidence of the commodity value chain which will also be followed with stable policy measures with respect to this segment thereby offering sustainability to the entire commodity ecosystem. Securing our commodity ecosystem from price risk by promoting and using market driven tools like commodity derivatives will be another step closer to the vision of Vikasit Bharat.

Apart from being a price risk mitigation tool, commodity derivatives serve as benchmarks or potential indicators for farmers to make sowing decisions, they also help position the nation in a quadrant of a potential price maker in the global commodity markets especially when we are the

largest producers and consumers of grains and pulses. Efficient price discovery and dissemination of prices enables trade and effective decision making for all value chain participants. This adds another stepping stone towards Vikasit Bharat.

The commodity markets, if understood well, grant insights into the socio economic growth of an economy. The production, consumption, import-export trends and growth in the hinterlands are strong indicators of where we lie as an economy while we embark on this journey to making our country Vikasit in the true sense. Our production across most agri commodity baskets have surpassed the AtmaNirbharta mark which in an ideal scenario should lead to rural prosperity but a big missing link is agri marketing. Enabling farmers to market their produce at the farm gates is still a long journey. Fair prices for their produce require evolved platforms / structures to ease the process of settlement. There has been some progress on this account through various government procurement activities but a market driven price approach and strong industry farmer engagement will bring us a step closer to Vikasit Bharat.

We as a country live by the virtue “Strength in Unity” and our farmer collectives namely FPOs/ FPCs (Farmer Producer Organisations/ Farmer Producer Companies) represent a force that has empowered small land holding farmers to have greater bargaining strength. Over 8,000 FPOs are currently in place and this number is likely to double over the next few years. A well-functioning FPO enhances market access for its members by improving their bargaining power, enhancing their productivity, increasing incomes, and ultimately mitigating rural poverty.

Last but not the least financial inclusion through awareness on financial markets will be a true enabler and wealth creator for the commodity value chain. With deeper understanding of the commodity derivative tools they will be able to optimize and grow their businesses.

As we weave all these elements together which begin with a robust physical commodity market structure, adequate post-harvest solutions leading to safeguarding the value chain from price risk through commodity derivatives along with easy access to credit – we will surely turn into an economy which is Vikasit.



Wealth Creation through Capital and Commodity Markets



Sameer Patil
Chief Business Officer, BSE

Internal Making India a US\$ 30 trillion economy

India is one of the fastest growing major economies and is on. It has achieved a steady growth for past ten to fifteen years. It was the 10th largest economy in 2014 and has risen to become the 5th largest economy by 2024. Now the collective aim of the government is to become the 3rd largest economy. As our finance minister quoted "India it could emerge as a developed country by 2047 with GDP of \$30 trillion even by a "conservative estimate". Over the medium term, India could emerge as the world's third-largest economy with GDP of over \$5 trillion by FY28. However, to meet the rising aspirations, India needs to achieve and sustain a higher rate of GDP growth in the coming decades. India now is a US\$ 3.5 trillion economy (at current prices). I believe that India's potential to achieve US\$ 5 trillion economy is within the realm of possibility. For that to happen, India needs to grow, in a realistic scenario, at a nominal growth rate of close to 11%. This will not be possible without active support from the capital and commodities market.

Capital Markets as a Catalyst for India's Growth

The Prime Minister has emphasized that the transformation that India needs across infrastructure sectors such as urban transport, smart cities, water and healthcare must be driven by innovative solutions. As part of its goal to become a \$5 trillion economy, India plans to spend \$1.4 trillion on its infrastructure between FY24 and FY30. Under the leadership of the regulators, various steps to enhance infrastructure investment by launching innovative financial vehicles such as Infrastructure Debt Funds (IDFs), Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs) and framework for municipal bonds. While agencies have estimated varying amount of money required in infrastructure build out, one aspect is common – Funding of a large magnitude, with able support from the Indian Capital Markets.

Role of Capital Markets

The good functioning of these markets is vital in the contemporary economy, in order to achieve an efficient transfer of monetary resources from those who save money toward those who need capital and who

succeed to offer it a superior utilisation. For a company or entity in need of funding, domestic capital markets provide an alternative source of funding that can complement bank financing. Capital markets can offer better pricing and longer maturities, as well as access to a wider investor base. They can also offer funding for riskier activities that would traditionally not be served by the banking sector, and by doing so contribute significantly to innovation in an economy. The financial markets in emerging economies like India have exhibited a strong growth momentum, driven by a robust economic demand, consumption and savings rate.

Role of Commodity Markets

Indian investors have been trading in the commodity markets since 2003, and there's evidence that informal commodity trading have been going on more than 150 years ago, with Bombay being the center of cotton trade to the UK and USA. The purpose of exchanges is to provide a centralized marketplace where commodity producers can sell their commodities to those who want to use them for manufacturing or consumption. The beauty of a commodity futures exchange is that it makes it easy to connect buyers and sellers. For example, someone like a cotton farmer can lock in a price for their crops months before they're even harvested. This process increases business survival among farmers, and the exchanges always make sure there's a buyer for every seller (provided their prices meet). Without commodity exchanges, it would be difficult – if not impossible – to establish a standardized price for a commodity.

Role of BSE:

BSE is proud to be making a vital contribution to the development of the Indian Economy. The story of BSE is the story of the Indian economy. With a 145-

year-old history, BSE is one of the oldest working public institutions in India having created wealth to the tune of more than US\$ 2.5 trillion. We were the first stock exchange to highlight the importance of entrepreneurship and how stock exchanges can make a difference. At BSE, we enable ease of capital raising for all – small entrepreneurs to large corporates – from INR 10 crores to INR 10,000 crores.

BSE is also at the forefront in promoting Equity Culture via Mutual Funds. BSE has developed a Mutual Fund Distribution Platform, BSE StAR MF, a web-based transaction processing, fully automated online mutual fund collection & settlement system that has become one of the most acceptable platforms in the industry ecosystem today. This technology Infrastructure has created a super highway, which has eliminated the barrier to expand mutual funds distribution for traditional distributors as well as new age e-commerce. Today, the 'BSE StAR-MF' platform is India's largest digital platform to distribute Mutual Funds and commands a market share of close to 80% amongst exchange distributed funds.

Following SEBI approval in October 2018, BSE became India's first universal exchange and currently offers all assets classes permitted for trading that includes equity, equity, currency, interest rate and commodity derivatives in its portfolio. Established in 1875, the BSE traces its roots to cotton trading during the 1850's, and it was natural for us to launch commodity derivatives trading. Currently BSE offers trading in bullion and energy products in its commodity derivatives segment. BSE is committed to offer a vibrant trading platform for all the stake holders with an aim of deepening and adding more value to the existing ecosystem. BSE has always prided itself as an investment exchange.

In 2022, promoted by India's leading market infrastructure institutions like INDIA INX

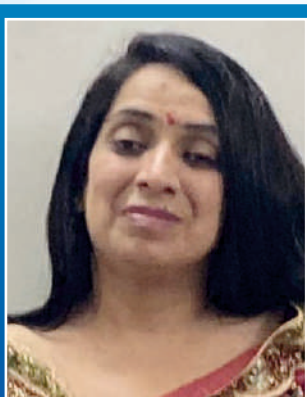
(subsidiary of BSE) CDSL , NSE, NSDL and MCX India International Bullion Exchange (IIBX) was launched in GIFT City, Gandhinagar, the first of its kind in the country. It offers diversified portfolio of products and technology services at a cost which is far more competitive other global exchanges. IIBX aims to be the gateway for Bullion Imports into India, wherein all the bullion imports for domestic consumption shall be channelized through the exchange, helping with efficient price discovery, assurance of gold quality and a greater integration with other segments of financial markets. IIBX also offers tax incentives for bullion traders in GIFTY city, including Nil customs duty , STT, and tax holiday, which makes trading through IIBX more

cost effective. This ecosystem will help establish India's position as a dominant trading hub

Indian financial services system is changing rapidly. The contribution of financial markets in this area is a necessity for maintaining the competitiveness of an economy today given the strongly increased international competition. Financial institutions by providing access to appropriate financial instruments, individuals can be empowered to contribute meaningfully to the economy, driving both personal and national growth. Investors and financial institutions can tap into this vast, underserved market, fostering a more inclusive and prosperous economic landscape in the line with vision of Viksit Bharat.



India - US \$30 Trillion Economy by 2047



Dr Abha Wadhwa

Associate Professor of Commerce
Deen Dayal Upadhyaya College
Delhi University

India's goal of becoming a developed nation by 2047, known as "Viksit Bharat@2047," is an ambitious vision that aims to elevate the country to the ranks of high-income economies. A crucial aspect of this transition is increasing wealth creation through capital and commodity markets, which play a fundamental role in shaping the trajectory of economic growth.

India's goal to become a USD 30 trillion economy by 2047, part of its ambitious vision of "Viksit Bharat@2047," represents a transformative phase in its journey from a developing to a developed economy. As India strives to achieve this milestone, the role of capital and commodity markets in wealth creation and economic growth becomes increasingly significant. These markets will serve as key drivers for the country's structural shift toward higher income levels, industrial growth, and financial inclusion, shaping India's economic landscape over the next two decades.

Wealth Creation: The Impact of Rising Per Capita Income

A key aspect of India's transition to a developed economy lies in the projected rise in per capita income from USD 2,500 to USD 5,000 in the near future. This increase marks a crucial inflection point, driving consumer spending, investments, and industrial growth.

According to data from the International Monetary Fund (IMF) and the World Bank, as per capita income moves from USD 2,500 to USD 5,000, household spending on discretionary goods, such as automobiles, electronics, and real estate, grows significantly. Studies show that at this income level, the middle class expands rapidly, contributing to higher demand for goods and services and spurring job creation across sectors like retail, real estate, and consumer durables. For instance, India's automobile industry is projected to grow from USD 118 billion in 2021 to over USD 300 billion by 2030, fueled by increasing household incomes.

McKinsey estimates that India's middle class could swell to 800 million people by 2030, representing a powerful engine of domestic consumption. This growth will be a critical factor in driving India's economic expansion, and the capital and commodity markets will play a vital role in facilitating this wealth creation by providing platforms for savings and investments.

Capital Markets: Mobilizing Investments for Growth

India's capital markets will be pivotal in mobilizing the investments required to support its journey toward a USD 30 trillion economy. Historically, India's capital markets have contributed to wealth creation by channeling household savings into productive investments. With rising incomes, more citizens are expected to shift from traditional savings in gold or low-return accounts to higher-yielding financial instruments such as equities, bonds, and mutual funds.

India's mutual fund industry, for example, has grown at a compound annual growth rate (CAGR) of over 15% between 2015 and 2020, with assets under management (AUM) projected to exceed INR 50 trillion by 2030. Stock market participation has also seen a sharp increase, with individual

investors accounting for 45% of daily market turnover in 2022, up from 35% in 2017. As India's per capita income rises, participation in capital markets is expected to continue growing, supporting wealth creation for millions of citizens.

Financial Inclusion and Wealth Accumulation: The Reserve Bank of India (RBI) has highlighted that household savings constituted 30.2% of GDP in 2020. However, much of this remains in non-productive assets. As financial inclusion expands through initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY), which has already opened over 400 million bank accounts, the formal financial system will play a larger role in wealth creation. Financial markets, coupled with greater access to credit and digital financial services, will enable more citizens to invest and save for the long term, contributing to more equitable wealth distribution.



Commodity Markets: Supporting Industrialization and Export Growth

As India's economy matures, its commodity markets will be essential in supporting the growth of industries such as manufacturing, energy, and agriculture. India's journey from a USD 2,500 per capita income to USD 5,000 will involve significant structural shifts, including a decrease in the agriculture sector's share of GDP and a rise in manufacturing and services. Currently, manufacturing accounts for 17% of India's GDP, but the government's "Make in India" initiative aims to increase this to 25% by 2025, adding nearly 100 million jobs.

Commodity markets play a critical role in facilitating trade, ensuring price stability, and enabling efficient resource allocation. India's energy needs, for example, are set to grow significantly as its industrial base expands. The development of commodity exchanges for oil, natural gas, and metals will be vital in supporting this growth by providing transparent pricing mechanisms and reducing volatility.

Export Growth : India's goal to reach a USD 30 trillion economy will also depend on increasing exports, particularly in sectors such as electronics, textiles, and pharmaceuticals. India's exports, particularly in sectors such as electronics, textiles, and pharmaceuticals. India's merchandise exports reached USD 447 billion in FY 2022-23, and the government is targeting over USD 1 trillion in exports annually by 2030. Export growth will be crucial in sustaining high GDP growth rates, and commodity markets will play a role in supporting the export of critical goods like agriculture, minerals, and manufactured products.

Infrastructure Investment: Building the Foundation for a Developed Economy

A key enabler for India's economic growth will be its investment in infrastructure. The government's

National Infrastructure Pipeline (NIP) plans to invest USD 1.5 trillion by 2025 in transport, energy, and digital infrastructure, with a focus on developing roads, highways, railways, and clean energy sources. This infrastructure investment is essential to supporting the rapid urbanization that is expected to occur as India's middle class expands and its economy grows.

Urbanization will increase demand for housing, transportation, and utilities, driving investments in smart cities and sustainable urban development. By 2047, India's urban population is expected to reach 600 million, necessitating large-scale infrastructure projects to accommodate this growth.

Digital Economy: Leveraging Technology for Growth

India's digital economy is another major driver of wealth creation, projected to grow from USD 250 billion in 2022 to over USD 1 trillion by 2028. The rapid expansion of e-commerce, digital payments, and tech-driven sectors such as fintech, healthcare, and education will create new opportunities for entrepreneurs and investors, while also driving productivity gains across industries.

India's fintech sector, for example, total UPI transactions were 131 billion in 2023. As digital infrastructure expands, India's digital economy will become a key contributor to overall GDP growth, supporting the country's path to becoming a USD 30 trillion economy.

Human Capital and Education: The Role of Skill Development

As India strives to reach USD 30 trillion, investments in human capital will be crucial. The country's large, youthful population offers immense potential, but achieving this potential will require substantial investments in education and skill development. Initiatives like Skill India, which aims to upskill 500 million people by 2025, and the

National Education Policy (NEP) 2020, which focuses on improving education quality, will be essential to ensuring a productive workforce that can meet the needs of a growing economy.

Challenges and Risks

While India's vision of becoming a USD 30 trillion economy is ambitious, it is not without challenges. Rising inflation, income inequality, and environmental sustainability are key risks that need to be managed. Inflationary pressures, particularly in housing, healthcare, and education, could erode purchasing power and impact wealth creation. Additionally, ensuring that economic growth benefits all segments of society will require targeted policies to address inequality and improve rural development.

Conclusion

India's journey to becoming a USD 30 trillion economy by 2047 will require a multifaceted approach that includes robust capital and commodity markets, substantial infrastructure investment, and an emphasis on digital transformation and human capital development. As the country's per capita income rises from USD 2,500 to USD 5,000 and beyond, wealth creation will be driven by increased consumer spending, higher savings and investment, and the expansion of key sectors like manufacturing and services. If managed well, India's capital and commodity markets will play a crucial role in realizing the vision of "Viksit Bharat@2047," creating a more prosperous and developed nation.



Empowering Indians through Markets



Sidhavelayutham Mohanamoorthy
Founder & CEO, Alice Blue

As India marches towards its vision of "Viksit Bharat" by 2047, creating wealth for its citizens will be a central pillar of its transformation. To achieve this ambitious goal, utilizing capital and commodity markets effectively becomes crucial. These markets provide numerous opportunities for individuals to generate wealth, diversify their assets, and secure a financial future that aligns with the growing economic strength of the nation.

This article explores how wealth creation through capital and commodity markets can be maximized, highlighting various strategies that investors can adopt. The content is divided into two sections: "Wealth Creation through Capital Markets" and "Wealth Creation through Commodity Markets," offering insights into both approaches.

Wealth Creation through Capital Markets

Wealth creation through capital markets involves strategic investing in various financial instruments like stocks, bonds, and mutual funds. By investing systematically, individuals can benefit from market growth and compound interest, building wealth over time. Here are key methods for creating wealth in capital markets:

1. *Invest in Stocks*

Equity investments have long been one of the most effective ways to create wealth. Stocks represent ownership in companies, allowing investors to participate in the success of businesses. Over the long term, equity investments provide higher returns compared to other asset classes, helping individuals beat inflation and grow their wealth substantially.

Investing in well-established companies, growth stocks, or even value stocks can help investors capitalize on different market opportunities. Additionally, being part of high-growth industries such as technology, renewable energy, or healthcare can yield remarkable returns. Diversifying across sectors further mitigates risks, making equity investments a central element of wealth creation.

2. *Mutual Funds*

For those who prefer a hands-off approach, mutual funds are an excellent option. Mutual funds pool resources from multiple investors and invest

them in various asset classes, managed by professional fund managers. By investing in mutual funds, individuals can access a diversified portfolio of stocks, bonds, and other securities, which reduces risk while enhancing the growth potential of their investments.

Mutual funds cater to different risk appetites—from equity-oriented funds for aggressive investors to debt-oriented funds for those seeking stability. Index funds, in particular, offer a cost-effective way to track the performance of major indices like Nifty or Sensex, allowing investors to gain exposure to the overall market.

3. *Systematic Investment Plan (SIP)*

Systematic Investment Plans (SIPs) provide a disciplined way of investing in the stock market. Instead of making a one-time investment, investors

contribute a fixed amount regularly, typically every month. This approach allows investors to benefit from the power of compounding, as each contribution earns returns over time.

SIPs are particularly beneficial during periods of market volatility. By investing regularly, investors can purchase more units when prices are low and fewer units when prices are high, thereby averaging their costs over time. This "rupee cost averaging" helps minimize the impact of short-term market fluctuations, making SIPs an ideal strategy for long-term wealth creation.

4. *Bonds and Debentures*

While stocks and mutual funds are essential for growth, bonds and debentures play a crucial role in providing stability to an investment portfolio. Bonds are fixed-income securities that provide



stable returns with lower risks, balancing out the high-risk nature of equity investments.

Government bonds, corporate bonds, and debentures offer consistent income through interest payments, making them suitable for conservative investors or those nearing retirement. Adding bonds to a portfolio ensures consistent income generation while preserving capital, which is vital for wealth accumulation and risk management.

Wealth Creation through Commodity Markets

Commodity markets also offer lucrative opportunities for wealth creation, serving as an alternative asset class that diversifies investments beyond traditional securities like stocks and bonds. Wealth creation through commodity markets involves investing in physical goods like gold, silver, oil, and agricultural products. Here are key strategies for wealth creation in commodity markets:

1. *Gold Investment*

Gold has always been considered a safe-haven asset, especially during times of economic uncertainty. Investing in gold helps protect wealth from inflation and economic downturns, serving as a stable asset in a diversified portfolio. It is a popular choice for Indian households, often viewed as both an investment and a cultural tradition.

Investing in gold can be done through physical gold, digital gold, or gold ETFs. While physical gold has traditional value, gold ETFs provide the convenience of easy trading and liquidity without the hassle of storage. The long-term appreciation of gold makes it an effective hedge against inflation, contributing significantly to wealth preservation and growth.

2. *Futures Contracts*

Commodities futures are financial contracts that obligate the buyer to purchase a specific quantity of a commodity at a predetermined price at a future date. Futures contracts allow investors to speculate on price movements of commodities like crude oil, natural gas, agricultural products, and metals, providing opportunities for significant gains.

Investing in futures is suitable for investors with higher risk tolerance, as the price of commodities can be highly volatile. However, the rewards can be substantial when market trends are accurately predicted. Futures trading also allows for leveraging, where investors can control large positions with relatively small capital, potentially multiplying returns.

3. *Diversification through Commodities*

Adding commodities to an investment portfolio provides a natural hedge against stock market volatility. Commodities often move inversely to traditional equity markets, meaning they perform well when stocks underperform. For example, during periods of inflation, the prices of commodities like oil and agricultural products tend to rise, providing a buffer against declines in stock portfolios.

This negative correlation between commodities and stocks helps reduce overall portfolio risk, enhancing wealth creation potential. By investing in a mix of commodities—such as metals, energy products, and agricultural goods—investors can further enhance their portfolio's resilience to economic shifts and uncertainties.

4. *Exchange-Traded Funds (ETFs)*

Commodity ETFs provide a convenient way to invest in commodities without the need to deal with physical storage and logistics. ETFs track the price of specific commodities or commodity



indexes, allowing investors to gain exposure to commodities like gold, silver, oil, or a basket of agricultural products.

Commodity ETFs are traded on stock exchanges, providing high liquidity and ease of trading. They also have lower transaction costs compared to directly buying and storing physical commodities. By adding commodity ETFs to an investment strategy, investors can benefit from price movements in the commodities market, improving overall wealth creation prospects.

5. *Demand and Supply Factors*

One of the unique aspects of investing in commodities is the influence of demand and supply factors. Unlike stocks or bonds, the value of commodities is largely driven by real-world supply constraints and demand drivers. For example, the price of crude oil is affected by geopolitical tensions, production cuts by major producers, and global economic growth rates.

Similarly, agricultural commodities like wheat and corn are influenced by weather patterns, harvest yields, and consumer demand. Understanding these dynamics can help investors identify opportunities to buy undervalued commodities or sell at peak prices, thereby maximizing returns. By staying informed about global trends, investors can capitalize on price fluctuations and enhance their wealth creation strategy.

Combining Capital and Commodity Markets for Wealth Creation

The combined approach of investing in both capital and commodity markets offers a balanced strategy for wealth creation. Here's how these two asset classes complement each other:

1. *Risk Diversification*

Capital markets are subject to economic cycles, political changes, and corporate earnings, while commodity markets depend on factors like supply

shortages and global demand. By investing in both, investors can reduce overall portfolio risk, as the performance of one market may counterbalance the other.

2. *Inflation Hedge*

Commodities like gold and crude oil act as a natural hedge against inflation, which can erode the purchasing power of money. Capital markets, on the other hand, provide returns that often outpace inflation, particularly over the long term. Combining the two helps safeguard wealth from inflationary pressures.

3. *Steady Income and Growth*

Capital markets provide avenues for both capital appreciation (through equity) and steady income (through bonds and debentures). Commodities offer growth during periods of inflation and market turbulence. Together, they create a diversified portfolio that ensures both stability and growth, leading to more effective wealth accumulation.

4. *Tactical Opportunities*

Commodities are more susceptible to short-term price swings due to demand-supply imbalances, while stocks and bonds may follow broader economic trends. Tactical investments in

commodities during periods of rising prices can generate additional returns, complementing the long-term wealth creation offered by capital markets.

Conclusion: Towards a Wealthy Bharat by 2047

The vision of "Viksit Bharat@2047" can only be realized if the citizens of India embrace strategic wealth creation through informed and diversified investments. The capital and commodity markets offer abundant opportunities to build wealth, achieve financial security, and contribute to the nation's economic prosperity.

By leveraging the power of equity investments, mutual funds, systematic investment plans, bonds, and commodities like gold and crude oil, individuals can create a robust wealth-generation strategy. The key lies in maintaining a long-term perspective, adopting a diversified approach, and staying informed about market trends.

As India moves forward, empowering every individual to participate in wealth creation through these markets will not only lead to financial independence but also foster a culture of investment and economic growth, paving the way for a truly developed and prosperous Bharat by 2047



From Fields to Futures: Shaping a Viksit Bharat through Commodities!



Vandana Bhati
Commodity Research Head
SMC Global Sec. Ltd.

Bharat has emerged as the fifth-largest economy, edging closer to the \$4 trillion mark, and is projected to surpass \$7 trillion by the fiscal year 2030-31. Looking further ahead, India's economy is expected to grow to \$55 trillion by 2047, contingent on achieving an average real growth rate of 8% while maintaining average inflation around 5%. This growth trajectory would position India as the third-largest economy globally. In the current landscape, the world is increasingly turning its attention to India to expand trade opportunities. A combination of continued reforms, enhanced ease of doing business, supportive policies, infrastructure development, improved business transactions, and logistics is bolstering confidence in the Indian economy. Additionally, there is a growing emphasis on boosting private sector investment and reducing dependence on public capital.

India is well-positioned to leverage its vast domestic market, a youthful and technologically skilled workforce, and a burgeoning middle class. With an impressive growth rate of 8.2% in FY 2024, India stands out as the fastest-growing large economy, exceeding earlier forecasts. Furthermore, recent shifts in China's relations with various nations are diverting business interests toward India. However, China is trying hard to revive its economy with massive stimulus injected in the economy amid rate cuts; recently done in Sep, 2024. India really needs to work hard to dominate the "World Factory" China.

India Shining: India is talking the center stage from politically to trade on global stage. G20 Presidency, ties with major global powers, engaging in strategic partnerships with countries like US, Japan, Australia (Quad), and nations in the Middle East and Africa is increasing its dominance and acceptability.

Trade Dynamics: India has become one of the top trading partners for several countries. For example, India's trade with the United States reached approximately \$150 billion in 2022, making it a key trading partner. India's merchandise exports reached a record \$450 billion in FY 2022-23, reflecting a robust manufacturing sector and increased global demand. Key export sectors include pharmaceuticals, textiles, engineering goods, and IT services. Defence is new area in which India is excelling.

Free Trade Agreements (FTAs): India is actively pursuing FTAs with various countries to enhance trade, including ongoing negotiations with the European Union, the United Kingdom, and the Gulf Cooperation Council (GCC).

Strategic Initiatives:

- **Make in India:** This initiative aims to encourage manufacturing and attract investments, contributing to job creation and enhancing India's position in global supply chains.
- **Digital India:** The push for digital transformation is making India a hub for technology and innovation, impacting sectors like e-commerce, fintech, and telecommunications.

Work force: The median age of the Indian population is projected to be 31 in 2030 compared to 42 in China and 40 in the US, thereby making India a country with the largest working-age population in the world. The Skill India initiative has had a significant impact on the Indian economy, workforce, and society since its launch in 2015. For instance, as of 2023, over 10 million individuals have been trained under various Skill India programs, including the Pradhan Mantri Kaushal Vikas Yojana (PMKVY).

Logistics...giving strong support to Indian economy: The GoI has launched Gati Shakti with a stated vision of incorporating infrastructure schemes of various ministries and state governments such as Bharatmala, Sagarmala, inland waterways, dry/land ports, and Ude Desh ka Aam Nagarik (UDAN). Economic zones such as textile clusters, pharmaceutical clusters, defense corridors, electronic parks, industrial corridors, fishing clusters and agri zones will also be covered to improve connectivity and make Indian businesses more competitive.

India must develop infrastructure and geopolitical strategies, particularly regarding its extensive coastline. 90% of India's trade is seaborne, necessitating robust port infrastructure to manage increasing exports and bulk commodity trades; it will save time and cost.

From Growth to Greatness: India's GDP Charts the Path Ahead!

GDP : India's GDP will grow by 7.3% in the current financial year (2023-24), slightly faster than the 7.2% growth in 2022-23.

Fiscal Year	GDP (in INR Trillion)	GDP Growth Rate (%)	Comments
2019-20	203.51	4.0%	Slower growth due to various economic challenges.
2020-21	197.46	-7.3%	Significant contraction due to the COVID-19 pandemic.
2021-22	222.87	8.9%	Recovery phase as the economy reopened.
2022-23	259.88	7.2%	Continued recovery and strong demand post-pandemic.
2023-24	298.10 (Projected)	7.0% (Projected)	Expected growth driven by infrastructure and consumption.
2024-25	335.00 (Projected)	7.5% (Projected)	Anticipated growth fueled by government initiatives and foreign investment.

Manufacturing Sector: It has seen solid growth, which is projected to contribute 32% to the incremental Gross Value Added (GVA). Key initiatives such as "Make in India" are expected to play a pivotal role in bolstering the nation's manufacturing capabilities and positioning India as a global manufacturing hub. It saw rapid growth in the Defence sector, or making drone. It is expected to contribute 32% to the incremental Gross Value Added (GVA).

India's manufacturing and export growth is driven by several key factors: rising domestic demand due to increasing disposable incomes, the global realignment of supply chains, significant export potential, and a supportive financial environment. The GoI's Production Linked Incentive (PLI) scheme has been launched at an opportune time to ride this growth wave. India will surpass leading global economies in manufacturing, overtaking nations such as the US, China, Germany, South Korea, and Japan in the Industrial Production Index (IIP).

Where to focus: Simultaneously, India needs to focus on new-age manufacturing in the areas of space, telecom, renewable and metaverse devices. The National Skill Development Mission should also work towards making such skills available for the new-age manufacturing sector.

Agriculture: India ranks second worldwide in farm outputs. As per the Indian economic survey 2020 - 21, agriculture employed more than 50% of the Indian workforce and contributed 20.2% to the country's GDP. In agriculture the Government is aiming to reorient policy focus from being production-centric to becoming income-centric.

India has huge potential: India ranks second worldwide in farm outputs. As per the Indian economic survey 2020 - 21, agriculture employed more than 50% of the Indian workforce and

contributed 20.2% to the country's GDP. India ranks first in the world with highest net cropped area followed by US and China. India is the world's largest producer of many fresh fruits like banana, mango, guava, papaya, lemon and vegetables like chickpea, okra and milk, major spices like chili pepper, ginger, fibrous crops such as jute, staples such as millets and castor oil seed. India is the second largest producer of wheat and rice, the world's major food staples. India is currently the world's second largest producer of several dry fruits, agriculture-based textile raw materials, roots and tuber crops, pulses, farmed fish, eggs, coconut, sugarcane and numerous vegetables.

Export: India's growing export potential, forecasting exports to make up 25% of the GDP by 2030, reaching USD 2 trillion. This marks a substantial rise from USD 61 billion in 2000 to an expected USD 776.7 billion by 2024.

Need of the time

Regulatory unlock: There has been an enhanced focus on improving ease of doing business (EoDB) in India, with states competing to secure the top EoDB rank. sharper focus is needed in the challenging areas of contract enforcement, payments and dispute resolution. Fast Track Commercial Dispute courts for enforcement of contracts could be another mechanism for the Government to explore.

Need for Strategic Planning:

- **Population Growth:** India's population is projected to reach 1.5 billion by 2030 and 1.59 billion by 2040, increasing the demand for food by approximately 2.85% annually.
- **Future Demand:** By 2047-48, food grain demand is projected to range from 402 million tonnes to 437 million tonnes, requiring

sustainable production exceeding demand by 10%-13% under the Business-As-Usual scenario.

Overall Trade Growth and projections

In the fiscal year 2022-23, India's total merchandise trade (exports + imports) reached approximately \$764 billion, with exports accounting for about \$450 billion and imports around \$314 billion. In FY 2022-23, India's merchandise exports grew by approximately 6% year-on-year, while imports increased by about 12%. India's trade deficit in FY 2022-23 was around \$50 billion, reflecting the higher growth of imports compared to exports. India aims to achieve \$1 trillion in merchandise exports by 2027 and \$2 trillion in total trade by 2030.

Overall Shipment Growth

In FY 2022-23, container traffic at major ports in India grew by approximately 4%, reaching around 13 million TEUs (Twenty-foot Equivalent Units). The air cargo sector has shown robust growth, with a volume increase of around 7.5% in FY 2022-23, reaching approximately 1.1 million tonnes. The Indian logistics market is projected to reach \$215 billion by 2025, growing at a CAGR of approximately 10-12%. The government's initiative to develop infrastructure, such as Dedicated Freight Corridors and National Logistics Policy, is expected to further enhance shipment growth.

Empowering Growth: Unlocking the Potential of Commodity Markets through Derivatives!

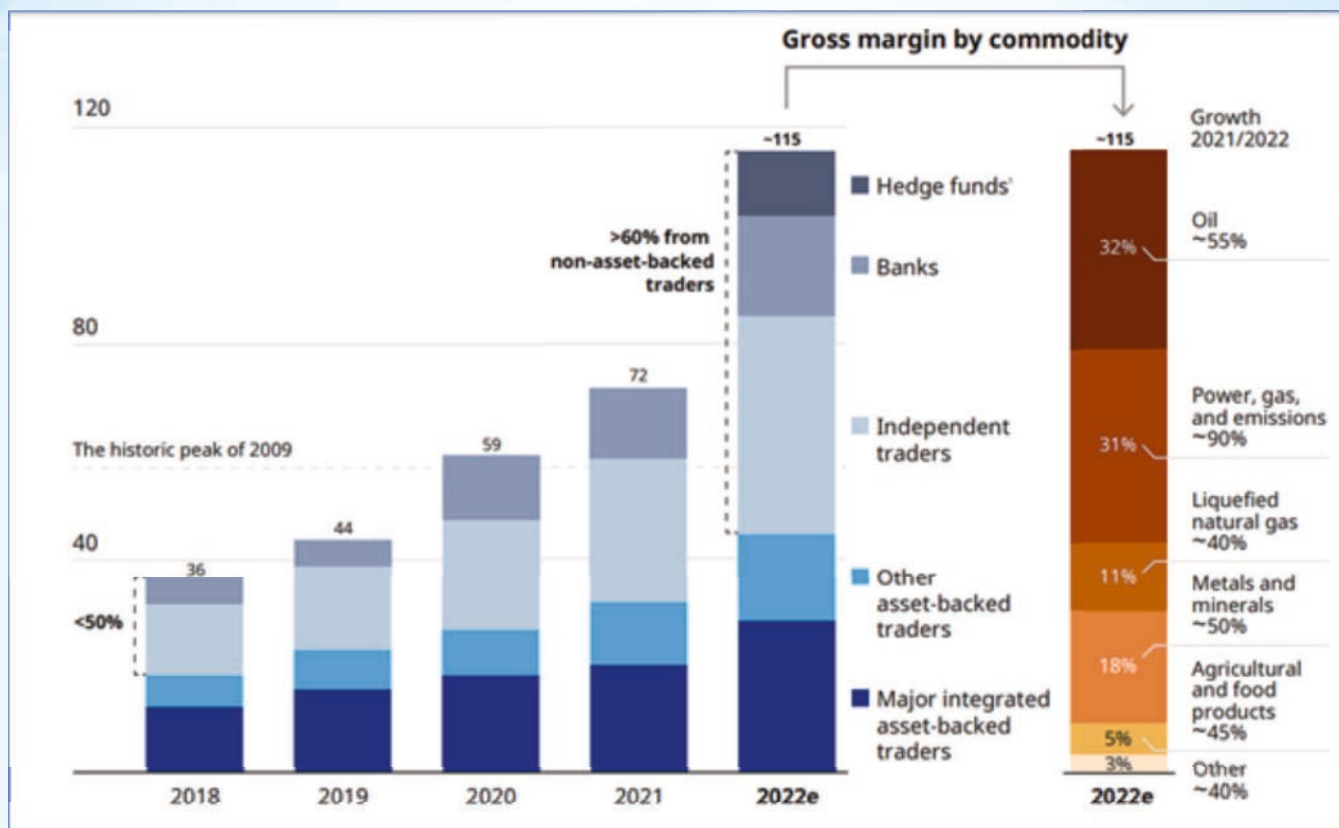
This area urgently requires government attention, as derivative trading has often been unjustly blamed for inflation. Numerous reports have already been submitted to the government, clarifying that derivative trading is not responsible for price volatility. However, frequent bans, the

imposition of Commodity Transaction Tax, and various other stringent measures have hindered the growth of this market. If we aspire to grow like China, it is essential to allow the commodity market to thrive. Without fostering this market, we risk ceding dominance to foreign markets, which would seize all available opportunities.

Overall, after two record years, 2022 marked another all-time high for the commodity trading industry. For the first time, the industry gross margin surpassed \$100 billion. Industry revenue has nearly tripled since 2018, when it was \$36 billion, and has nearly doubled the \$57 billion in gross margins in 2009 when markets boomed after the global financial crisis.

Growth prospect: The commodity market is expected to grow at a CAGR of around 10-12% over the next two decades, driven by increased participation from farmers, traders, and institutional investors. The market for agricultural commodities is projected to grow to about \$2 trillion by 2047, driven by increasing food demand from a growing population and rising incomes. The metals and minerals market (including gold, silver, and industrial metals) is expected to reach approximately \$1.5 trillion by 2047 as industrialization and urbanization continue. The energy sector, particularly oil and natural gas, is projected to expand to around \$1 trillion, driven by rising energy needs and a shift towards sustainable energy sources. The commodity market is likely to attract significant foreign direct investment (FDI), with estimates suggesting an inflow of about \$300 billion by 2047, enhancing liquidity and market depth. **Digital Trading Platforms:** The adoption of digital trading platforms and blockchain technology could increase market efficiency, potentially improving trading volumes to 5-10 times current levels.

Total global commodity trading gross margin US \$ billion



Source: Oliver Wyman proprietary data and analysis

The nominal value in the Global Commodities market is projected to reach US\$121,200.00bn in 2024. These include financial vehicles such as options and futures. It is expected to show an annual growth rate (CAGR 2024-2029) of 2.45% resulting in a projected total amount of US\$136,800.00bn by 2029. From a global comparison perspective it is shown that the highest nominal value is reached in the United States (US\$53,690.00bn in 2024). The nominal value in the Commodities market in India is projected to reach US\$839.40bn in 2024. It is expected to show an annual growth rate (CAGR 2024-2029) of 2.05% resulting in a projected total amount of US\$929.20bn by 2029.

We must advocate for the relaunch of commodities that SEBI has banned, as these restrictions send a negative message to global markets and hinder

farmers and traders from accessing essential hedging tools. It's crucial to establish a more adaptive regulatory framework that can swiftly respond to market changes and foster innovation in trading practices. Additionally, we need to implement policies that promote foreign investment in Indian commodity exchanges, which will enhance liquidity and market depth. Furthermore, expanding the range of available hedging instruments will empower market participants to manage risks effectively.

To conclude, by 2047, India's commodity market is poised for substantial growth, driven by a combination of economic factors, technological advancements, and supportive government policies. This growth presents opportunities for farmers, traders, and investors alike.

Reference:

<https://economictimes.indiatimes.com/news/economy/indicators/india-can-become-10-tn-economy-by-2032-beat-us-china-in-manufacturing-report/articleshow/113546156.cms?from=mdr>

<https://www.civildaily.com/news/the-road-to-2047-for-indian-agriculture/#:~:text=Future%20Projections%3A%20By%202047%2C%20agriculture's,to%20avoid%20exacerbating%20the%20disparity.>

https://en.wikipedia.org/wiki/Agriculture_in_India#:~:text=India%20ranks%20second%20worldwide%20in%20farm%20outputs.

<https://www.pwc.in/research-and-insights-hub/immersive-outlook/india-at-2047.html#sources>

<https://www.statista.com/outlook/fmo/commodities/india>

<https://www.statista.com/outlook/fmo/commodities/worldwide.>



Fulcrum to Viksit Bharat: Powering 2047 through Commodity Markets



Amit Gupta
Sr. Technical Analyst Commodity
Kedia Advisory

India's journey to becoming a global economic powerhouse by 2047, marking its 100th year of independence, is closely tied to the development of robust and future-ready commodity markets. Commodities – ranging from agriculture, metals, and energy – are essential for national growth, providing employment, ensuring food and energy security, and supporting industrial advancement. Agriculture, which contributes 14-15% of India's GDP and employs over 50% of the workforce, forms the backbone of India's commodity markets.

However, inefficiencies remain – India loses 15-20% of agricultural output post-harvest, resulting in losses of nearly ₹92,000 crore annually. Only 10% of produce is processed, compared to 40-50% in the U.S. and Brazil, highlighting the value addition gap. India is the second-largest producer of key commodities like wheat, rice, and cotton, but ranks only 10th in agricultural exports, contributing USD 50 billion in 2022. The country also imports 85% of its crude oil needs, spending USD 120 billion annually. To achieve its 2047 goals, India must focus on becoming a global commodity hub, fostering inclusive wealth creation, promoting sustainability, and building a self-reliant ecosystem through technological advancements and policy reforms.

India's Rise as a Global Commodity Hub: India's commodity market, valued at ₹73 trillion (USD 900 billion) in 2024, is projected to grow to ₹300-500 trillion (USD 4-6 trillion) by 2047. Port cargo capacity is expected to increase from 1.2 billion tonnes to 2.5 billion tonnes annually, while port turnaround times will drop from 24-48 hours to less than 12 hours. Agricultural exports of wheat, currently contributing 4.3% of global exports, and rice at 35%, are expected to grow to 10% and 45% respectively. The country also aims to capture 50% of the global spice trade.

Warehousing capacity will expand from 160 million metric tonnes to 500 million metric tonnes, reducing post-harvest losses and improving global competitiveness. India's renewable energy generation will rise from 175 GW to 500 GW, and the country will produce 50 million tonnes of green hydrogen annually, positioning itself as a major exporter of green energy and carbon credits. Integration with global commodity exchanges like CME and LME will enable India to play a pivotal role in international markets,

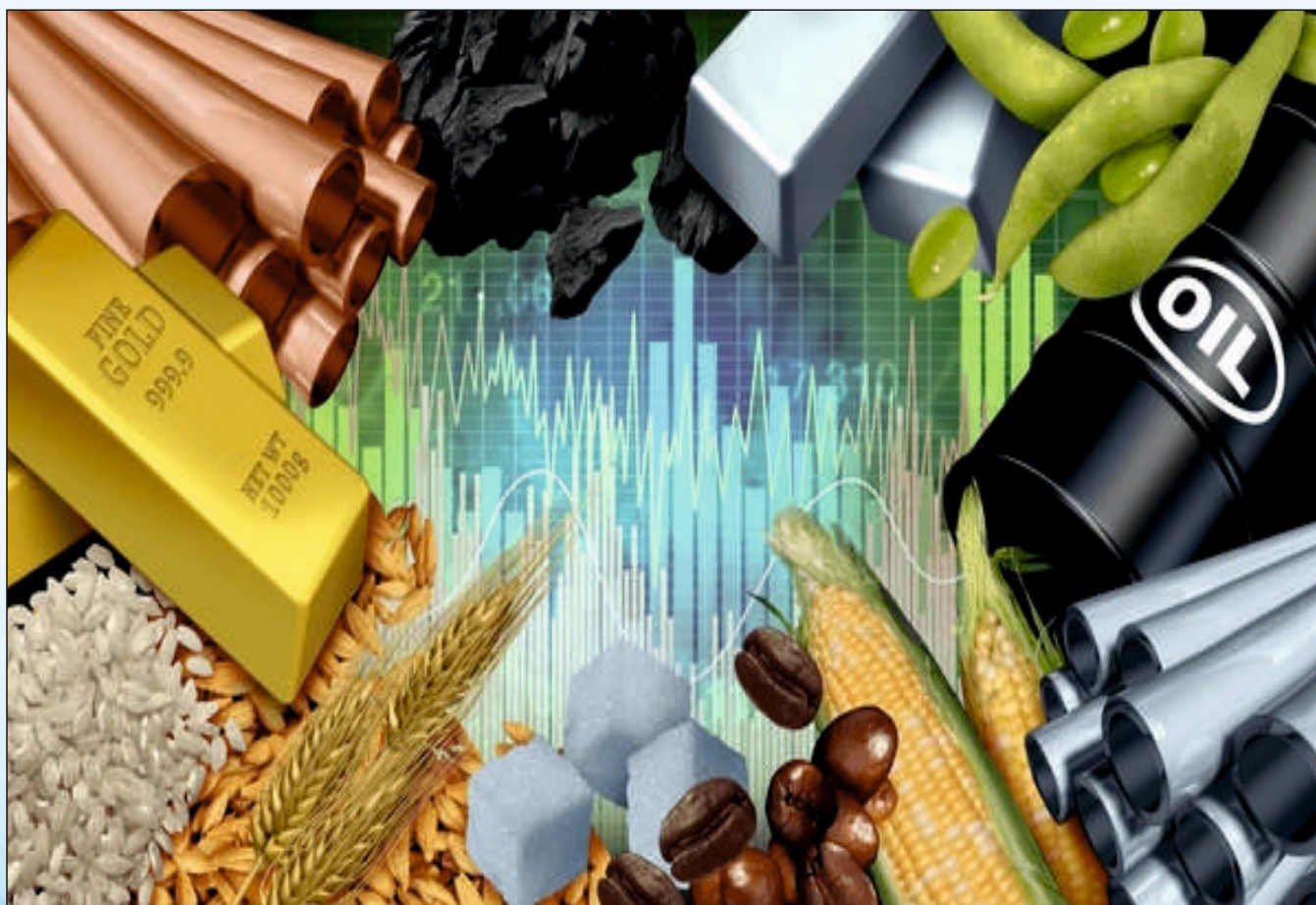
with expanded use of hedging tools and workforce development driving resilience.

Inclusive Wealth Creation through Commodity Markets: Commodity markets will play a crucial role in fostering inclusive growth, especially for small farmers, women, and marginalized communities. Currently, only 10% of farmers participate directly in commodity markets, and less than 5% of market participants come from marginalized groups. By 2047, it is projected that 60-70% of farmers and 30-40% of women will directly engage in commodity markets, thanks to digital platforms and specialized programs.

Financial inclusion, which stands at 60%, will reach 100% by 2047 through mobile banking and digital services, giving farmers access to credit, insurance, and hedging tools. Retail participation in commodity markets will increase from 5-10% to 40-

50%, with small and rural investors entering the market via digital platforms. Farmer Producer Organizations (FPOs), numbering around 10,000 today, will grow to 50,000+, covering 20-30% of agricultural produce. Moreover, 25-30% of farmers are expected to participate in carbon markets, generating new income streams. Post-harvest losses, currently at 15-20%, will be halved with expanded warehousing and cold storage.

Sustainable and Environmentally Conscious Commodity Markets: India must adopt eco-friendly practices to develop sustainable commodity markets. By 2047, organic farming is expected to cover 80-100 million hectares, up from the current 10-12 million hectares. Carbon credit trading, currently worth 600 crore (USD 80 million), will scale to 60,000 crore (USD 8 billion) annually, as more farmers and businesses adopt sustainable practices.



Renewable energy will play a critical role, with 30-40% of energy trade expected to come from renewable sources like solar and wind. Water use efficiency will also improve, with 75-80% of farms adopting drip irrigation and precision farming technologies. Chemical fertilizer use will drop from 60 million tonnes to 30-35 million tonnes, as bio-fertilizers and organic alternatives become more widespread. By 2047, 50-60% of agricultural commodities will be sustainably produced, and 70-80% of commodity packaging will be eco-friendly, reducing plastic waste by 2-3 million tonnes annually.

Building a Self-Reliant and Resilient Commodity Ecosystem: India's goal of self-reliance hinges on increasing domestic production of critical commodities. Currently, India produces 50% of its oilseed needs, importing 15-20 million tonnes of edible oil annually. By 2047, domestic production will meet 90-95% of demand, reducing imports to under 5 million tonnes. Similarly, fertilizer imports will decrease as domestic production grows to 90-95% of demand. Agricultural productivity, currently at 2.7 tonnes/hectare, will rise to 3.5-4 tonnes/hectare by 2047 through the adoption of precision agriculture and climate-resilient practices by 60-70% of farmers. Warehousing and cold storage capacity will expand, reducing post-harvest losses. Strategic reserves of key commodities like oil, metals, and grains will secure India's supply during global crises.

India must also achieve self-reliance in strategic metals like lithium and cobalt, reducing its dependency on imports. Biofuel use, currently at 2-3%, will increase to 15-20% of the energy mix by 2047, promoting sustainability. By investing 1.5% of GDP in agricultural R&D and expanding sustainability certifications, India can build a resilient and future-ready commodity ecosystem.

Technological Advancements Driving Wealth Creation: Technological advancements will drive



productivity and wealth creation in India's commodity markets. As of 2024, 20% of large farms use precision agriculture technologies like drones, IoT, and AI. By 2047, this adoption rate will increase to 80-90%, raising crop yields by 20-25%. Smart irrigation systems, used by 10% of farmers today, will cover 75-80% of farmland, reducing water consumption by 30-50%.

Blockchain technology, currently used in 5% of niche commodities, will expand to 60-70% of major crops, improving price transparency and increasing farmer profits by 20-30%. Digital tools like mobile apps, which are used by 30-40% of farmers today, will reach 100% adoption by 2047, enhancing productivity and incomes by 30-40%. The agro-tech sector, valued at USD 5-6 billion today, is projected to grow to USD 50-60 billion by 2047, driving innovation and job creation. Mechanization will expand from 40% to 80-90%, further boosting productivity.

Commodity Markets as a Tool for Economic Resilience: Commodity markets are vital for

India's economic resilience. Currently, less than 10% of farmers use hedging tools, but by 2047, 60-70% are expected to adopt these tools, stabilizing incomes and reducing vulnerability to global price shocks. India's annual import bill for crude oil, edible oil, and fertilizers, currently USD 100-120 billion, can be reduced to USD 40-50 billion by increasing domestic production.

Agricultural productivity will increase to 3.5-4 tonnes/hectare, ensuring food security while reducing post-harvest losses to 10-15%. Expanding the processing of agricultural output from 10-15% to 50-60% will create millions of rural jobs. The growth of renewable energy commodities and carbon credits will also generate additional income and reduce environmental impacts. With 50-60% of commodities certified sustainable, India's commodity markets will contribute to financial stability and economic resilience.

Conclusion

India's transformation into a global commodity hub by 2047 will be driven by strategic investments in infrastructure, technological advancements, and policy support. Expanding market access, promoting digital inclusion, and increasing agro-processing will create wealth for marginalized communities. Advancements in warehousing, renewable energy, and climate-resilient farming will boost productivity, reduce losses, and promote self-reliance. By integrating digital tools and blockchain, India can enhance transparency and income stability for farmers. Through renewable energy adoption and carbon markets, India will lead in sustainability, while hedging tools and strategic reserves will strengthen economic resilience. Together, these efforts will position India as a key player in global commodity markets and sustainable development by 2047.



A Developed Bharat is within Reach



Rajesh K
Director
Alice Blue

India is on a journey to become a developed nation by 2047, a vision known as "Viksit Bharat". The foundation for this transformation rests on economic resilience and wealth creation strategies. Capital and commodity markets are two of the most vital pillars of economic growth.

These markets offer avenues for investment, resource allocation, and wealth creation that propel India toward becoming a global financial powerhouse.

The Role of Capital Markets in Economic Growth

Capital markets serve as the lifeblood of any economy, offering businesses access to funding and individuals avenues for wealth accumulation. In India, these markets have evolved dramatically, especially in the past few decades.

By 2047, capital markets will be central to wealth creation for several reasons:

Capital Formation and Economic Expansion: Capital markets facilitate the mobilization of savings into productive investments, enabling businesses to access the funds they need to expand, innovate, and create jobs. The process of capital formation is essential for economic growth, as it drives the creation of new enterprises, industries, and infrastructure. Through initial public offerings (IPOs), rights issues, and debt instruments, companies can raise capital from investors, which fuels their growth and fosters economic development.

By 2047, India's capital markets will play a crucial role in supporting entrepreneurial ventures and established firms alike, contributing to a dynamic private sector that powers economic expansion.

Wealth Accumulation for Individuals: For individual investors, capital markets provide numerous opportunities to build wealth and achieve long-term financial goals. Investment vehicles like equities, bonds, mutual funds, and exchange-traded funds (ETFs) offer varying levels of risk and return, catering to the diverse needs of investors. As India's financial literacy improves and access to digital trading platforms grows, more people are participating in the capital market, building personal wealth, and securing their financial futures.

By 2047, India is likely to see a broad-based culture of investment, where individuals from all walks of life leverage the capital markets to grow their assets and plan for retirement, education, and other long-term needs.

Growth of Retail Participation: In recent years, retail participation in India has surged, partly due to technology and an increasing awareness of financial products. Digital trading platforms, mobile apps, and online brokerage services have made investing more accessible, reducing barriers to entry and encouraging more Indians to participate in the wealth creation process.

By 2047, this trend is expected to deepen, with a broader segment of the population engaged in capital markets, contributing to India's overall economic resilience and inclusive growth.

Commodity Markets and Their Influence on Wealth Creation

India's commodity market holds significant potential for wealth creation, particularly given the country's reliance on agriculture, energy, and metals. Commodity markets provide avenues for diversification, risk management, and price discovery, all of which are crucial for a nation that is a major producer and consumer of raw materials.

Here are some ways India's commodity markets contribute to wealth creation and support its economic ambitions:

Price Discovery and Hedging: Commodity markets are essential for price discovery, particularly for agricultural goods and natural resources, which are core components of the Indian economy. The price



discovery mechanism enables producers, consumers, and investors to make informed decisions based on transparent market data. In a country where agriculture is a major economic driver, the role of commodity markets in ensuring fair prices for farmers and stabilizing market conditions is critical.

By 2047, as India's economy becomes increasingly integrated with global markets, a well-regulated commodity market will be essential for ensuring price stability and competitiveness, ultimately contributing to sustainable wealth creation for all stakeholders.

Opportunities for Investment Diversification: Commodities often provide a hedge against inflation and serve as a counterbalance to traditional financial assets like stocks and bonds. Because commodities often have low or negative correlations with other asset classes, they provide portfolio diversification that can enhance stability during periods of economic volatility.

In India, where inflationary pressures can impact purchasing power, commodity investments can help investors preserve wealth and protect against the erosion of asset values.

By 2047, commodities are expected to become an integral part of diversified investment portfolios, enabling Indian investors to navigate economic cycles and achieve more stable financial outcomes.

Enhancing Export Competitiveness: As India moves towards becoming a developed economy, commodities will help strengthen the export sector. With a strong commodity market, India can establish itself as a reliable supplier of agricultural and mineral resources, attracting foreign investment and boosting GDP growth. By promoting efficient and transparent trading, India's commodity markets can help the country capitalize on its resource advantages and integrate more deeply into global trade networks.

By 2047, commodity markets will likely be a cornerstone of India's economic strategy, supporting export growth, strengthening the balance of trade, and contributing to overall wealth creation.

The Intersection of Technology and Markets

Technological innovation is transforming capital and commodity markets, making them more accessible, efficient, and data-driven. Technology plays an important role in enhancing market transparency, reducing costs, and providing investors with tools to make informed decisions. As India advances toward 2047, the integration of technology into financial markets is expected to accelerate, driving wealth creation and fostering a more inclusive financial ecosystem.

The Rise of Digital Trading Platforms: The rise of digital trading platforms has revolutionized investing, making it easier than ever for individuals to participate. These platforms enable investors to trade stocks, bonds, commodities, and other financial instruments with the click of a button, providing real-time market data, investment insights, and more.

By 2047, digital platforms are expected to become even more sophisticated, offering AI-driven analysis, automated trading options, and seamless integration with financial services, thereby empowering a new generation of investors to build wealth and achieve financial security.

Artificial Intelligence (AI) and Big Data: AI and Big Data are already playing transformative roles by providing insights into market trends, consumer behavior, and investment insights. These technologies enable investors to analyze vast amounts of data quickly, identify patterns, and make data-driven decisions.

By 2047, AI and Big Data are likely to be integral to both capital and commodity markets, helping



investors optimize their portfolios and improve risk management, ultimately contributing to more informed and effective wealth creation.

Regulatory Framework

India's regulatory framework has been instrumental in establishing trust and confidence in the markets. As the nation progresses toward 2047, regulations will continue to evolve to protect investors and enhance market stability.

The Role of SEBI and the RBI: The Securities and Exchange Board of India (SEBI) and the Reserve Bank of India (RBI) have been instrumental in ensuring market stability. By strengthening regulations around trading practices, data security, and investor protection, these bodies create an environment that encourages investment.

Encouraging Ethical Investment Practices: As markets expand, the importance of corporate governance and ethical investment practices will

grow. Regulations will need to focus on promoting transparency, sustainability, and social responsibility, aligning with global standards and investor expectations.

Increasing Access for All: By 2047, regulations should aim to lower barriers to entry for all potential investors, including those from rural areas. Simplifying account opening processes, reducing fees, and providing financial literacy programs will help increase market access and participation.

Opportunities for Retail Investors

Retail investors play a critical role in India's financial landscape, and by 2047, they will be even more central to the market's growth story.

Broadening Investment Avenues: With increasing financial literacy and accessible technology, more retail investors will venture into various asset classes, from equities to commodities. Mutual

funds, systematic investment plans (SIPs), and direct equity investments will likely remain popular.

Empowering Investors through Education: By 2047, it will be essential for India to foster a culture of financial literacy, empowering individuals to make informed decisions. Government initiatives and private sector programs that educate investors on market dynamics, risk management, and long-term financial planning will help ensure sustainable wealth creation.

Promoting Inclusive Wealth Creation: Financial inclusion is a cornerstone of India's economic development strategy, and a well-regulated market environment can help ensure that all individuals have access to investment opportunities. By supporting initiatives that improve financial literacy, reduce transaction costs, and expand access to digital financial services, regulators can promote greater participation in capital and commodity markets.

By 2047, India's regulatory framework will likely continue to prioritize inclusivity, ensuring that

individuals from diverse backgrounds can engage with markets, build wealth, and contribute to the nation's economic growth.

As India moves toward its centenary milestone in 2047, capital and commodity markets will be essential tools in achieving the dream of a Viksit Bharat. These markets offer pathways for wealth creation, economic resilience, and societal advancement, embodying the aspirations of billions. In conclusion, by embracing technology, fostering financial inclusion, and adhering to strong regulatory principles, India is well-positioned to not only transform its economic landscape but also to secure a prosperous and developed future for all its citizens.

Through strategic investments, technological innovation, and a focus on sustainable growth, India's capital and commodity markets hold the promise of transforming the nation's wealth and lifting millions out of poverty. As we look ahead to 2047, the dream of a developed Bharat is within reach, and these markets will be pivotal in making it a reality.



India Can Lead the World



Anuj Gupta
Head - Community & Currency
HDFC Securities

Progress on growing India's capital marketplace, this is already extra aggressive, deep and superior thru way of worldwide markets requirements, persevered. Business inside the India's oldest stock exchange, particularly the Bombay Stock Exchange (BSE) dating decrease lower back to 1875, which is also one of the oldest inventory exchanges within the global, persevered to thrive. The National Stock Exchange (NSE), which emerged inside the mid-Nineteen Nineties and catalysed enhancements in buying and promoting structures to offer the crucial depth and preference to shoppers, made sustained development. With the BSE and NSE rising as the 2 apex establishments of the India's capital marketplace, restructuring of various stock exchanges went apace.

Overseen by means of using Securities and Exchange Board of India (SEBI), an impartial statutory regulatory authority, the India's capital marketplace dealt in scrips of a massive form of listed companies with a massive geographical outreach, offering a global magnificence buying and selling and settlement device, a large shape of product availability with a quick developing derivatives marketplace, and nicely laid down employer governance and investor protection precautions.

India has powered through to become the fifth biggest financial system inside the worldwide. International exchange has achieved a key feature in fuelling India's monetary increase -the proportion of services and products exchange in India's GDP advanced from 15% in 1980 to 46% in 2023. The growing emphasis on export-led growth is contemplated inside the progressed proportion of India's exports in worldwide change - from 0.4% in 1980 to at least one. Eighty 5% to 2023. India aspires to benefit a intention of USD 1 trillion products exports with the resource FY 30.

Prime Minister Narendra Modi-led authorities these days launched a stress to deliver thoughts from the kids for a blueprint to make India 'Viksit Bharat'. He sees the Indian economic system growing similarly in leaps and obstacles thru making the India "developed India". Well actually well worth \$30 trillion economy by means of way of the use of 2047. The Indian equity marketplace has been an instrumental a part of the India's monetary growth. Going earlier, the stock market is predicted to guide Indian businesses and jobs.

Capital markets play a important function within the monetary improvement of a country through providing monetary assets required for the prolonged-term sustainable improvement of the economy. Over the years, India's capital market has surpassed via big reforms and

modifications in terms of requirements, structures, operations, regulations and manipulate mechanisms. The marketplace has grown quicker, turn out to be obvious and evolved the clients' take delivery of as proper with.

As India @one hundred thru 2047 is poised to grow to be a Viksit Bharat, speedy monetary development and adequate capital formation is important, and the capital marketplace has a essential importance to capital formation. Capital market serves as a important link amongst saving and funding way as it transfers coins from savers to entrepreneurial borrowers. There are possibilities for significant increase in the market capitalization which could strength the development of number one and secondary market, bond marketplace, fund control location in addition to foreign exchange and commodity market.

Journey So Far....

India has converted remarkably over 75 years. The vast milestones encompass large development in food safety, sizeable monetary reforms, advanced nuclear talents, development of indigenous satellites, and turning into a international software hub. India's boom fee has elevated from 2. Nine% in 1951-fifty to 7.6% in 2023-24, and is projected to obtain new highs inside the coming yr. GDP is expected to surpass USD four trillion financial system by way of 2024 and USD 7 trillion monetary device with the resource of 2030. PHDCCI projects India becomes USD 34.7 trillion financial system with the useful resource of 2047. India is prepared to leapfrog because the second biggest inside the Asia-Pacific location, the third biggest economic system inside the World by means of 2030, and "Viksit Bharat" by means of 2047.

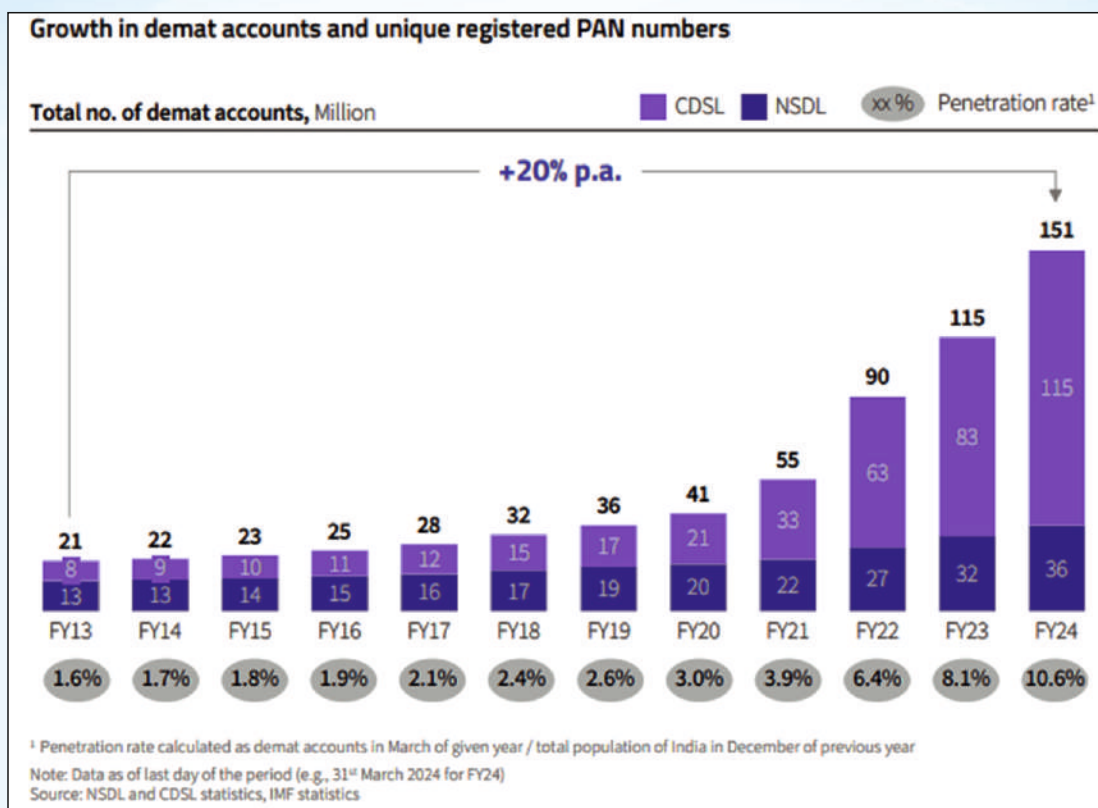
At this juncture, this study lays out a roadmap for India to emerge as Viksit Bharat via 2047 and identifies key enablers for this journey consist from rapid to quickest. These embody ease of doing employer, superior worldwide scalability of the promising sectors to become MNCs, development

of the semiconductor enterprise, non-stop handholding to Startup surroundings, potential constructing for exports, reform measures for agriculture and meals processing area, filling the vacant positions on the National and State tiers, more push to virtual transformation, bolster the renewable electricity segment, consciousness on bodily infrastructure.

India's economic system is experiencing constant boom, main to better GDP and in line with capita earnings. Per capita earnings is anticipated to increase considerably, achieving USD 4667 with the useful resource of 2030 and USD 21,000 by way of 2047. This growth is anticipated to stimulate purchaser call for, improve the enterprise vicinity, and spur non-public investments. The agriculture location in India, contributing 20% to standard GDP in FY23 and employing fifty five% of the population, is projected to make a contribution 12% TO GDP through FY 2047. The business quarter contribution to GDP is anticipated to make a contribution 12% TO GDP by means of FY 2047.

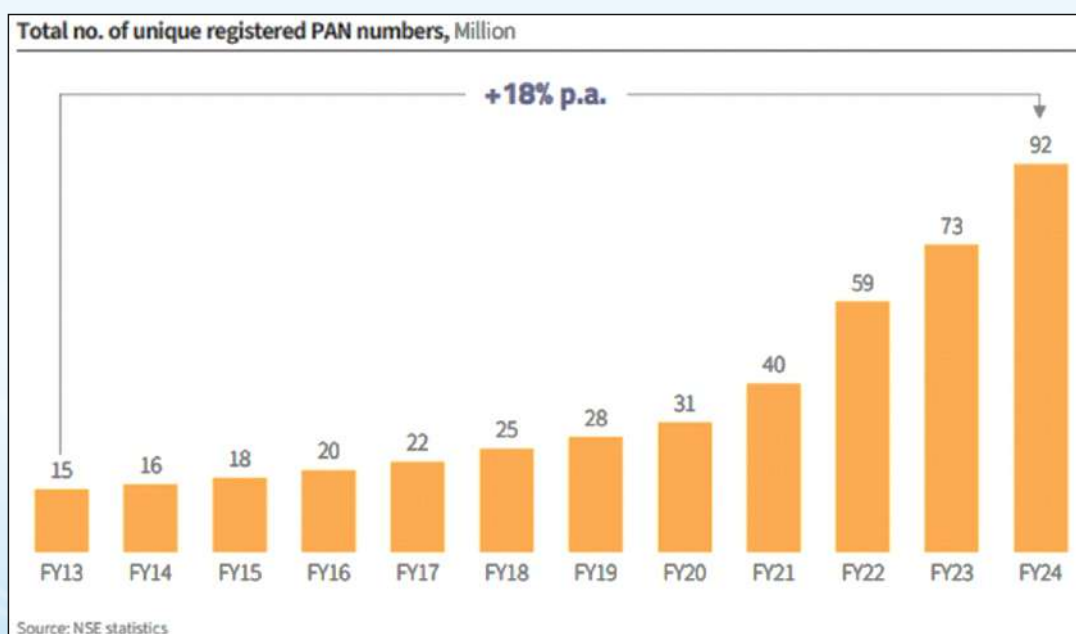
The business vicinity contribution to GDP is anticipated to achieve to 34% by means of using FY 2047. Within industry, manufacturing region contribution to GDP is expected to obtain to twenty-five% by means of using FY 2047 while the services sector contribution in GDP is expected to stay strong at around fifty four% by using the use of FY 2047. India is third largest startup ecosystem inside the World with over a one lakh startups and one hundred unicorns and expected to end up 2nd largest surroundings in the World through 2030. Further, logistics plays a pivotal role in monetary boom, with India improving its worldwide rating within the Logistics Performance Index to 38 in 2023 from 54 in 2014. PHDCCI duties that with the aid of 2047, India is may be a number of the top five nations.

India's resilience in capital markets is reflected through several new IPO (Initial Public Offering) listings, strong and sustained equities trading, a leading position in equity derivatives trading and



launch of new products. As of 31st March 2024, the country recorded 151 million demat accounts, a sharp 20% per annum growth since FY13; with a substantial jump during and after the COVID-19 pandemic.

India's unique PAN number demat accounts stood at 92 million as of 31st March 2024. India's depth of investor coverage has also increased - today, only 31 out of over 19000 pin codes do not record capital market investors.



India's IPO market is taking center stage even at the global level. In 2024, the country was ranked 1st in terms of number of IPO listings and 5th in capital raised globally

As a result of the substantial surge in demat accounts, and domestic investor participation, Indian exchange currently ranks 6th globally in total market capitalization of listed equities, trailing 27 major exchanges like the NYSE, NASDAQ, and Euronext. In terms of countries, India is the 4th largest by market capitalization.

India's growth story in derivatives is unique as its largest equities F&O (futures and options) market in the world by both number and contract value. F&O trading in India encompasses single stock futures, index futures, single stock options, and index options. The bulk of trading activity occurs in index options, accounting for approximately 98% of the market.

The Micro, Small, and Medium Enterprises (MSMEs) area plays a critical role in India's socio-financial improvement, fostering entrepreneurship and task creation. With thousands and thousands of institutions contributing notably to GDP and exports, empowering MSMEs remains a priority for inclusive growth.

Union Finance Minister Nirmala Sitharaman said that making sure policy and tax-associated stability is very important for ensuring marketplace balance. Speaking at 'Viksit Bharat 2047 - Vision for Indian Financial Markets,' an event organised by the BSE in Mumbai, Sitharaman said the government's approach is centered on an investment-led growth blended with inclusivity with an detail of welfare.

Overview of Commodity Market So Far...

An improving supply outlook and muted call for have eased pressures in the commodity markets. In 2024, weaker manufacturing activity in key

markets is set to limit fee growth for electricity and metals, even as strong crop forecasts have to scale down agri food charge increases. That said, disinflation and economic easing are likely to aid private consumption and commercial enterprise pastime, going forward, adding upward strain to commodity markets, while geopolitical and climate shocks may also upload volatility.

Crude oil expenses have softened considering that July, driven via mounting worries over the global demand. A vast slowdown in Chinese oil consumption remains a focal point, as a extended actual estate crisis, vulnerable intake, and declining production activity have weighed heavily on the sector's largest oil importer.

India has set an ambitious target of USD 1 trillion in merchandise exports by FY30. Considering an optimistic perspective towards global political and economic stability and India taking actions along a strategic pathway, this target can be achieved one year in advance, i.e. FY29. This scenario considers an annual export growth rate of 18%, benchmarked against export performance from 1986-1995 and India's average export growth rate in the COVID-19 period.

An important aspect of "Viksit Bharat" is unlocking the potential of domestic manufacturing industry. India has now become the second largest mobile phone manufacturer in the world and have a

similar scheme for boosting domestic production of semiconductors. It will be prudent for the government to also consider adding more sectors under the ambit of the PLI scheme and Atmanirbhar Bharat. Another aspect of unlocking India's manufacturing potential is to promote India's participation in global value chains (GVCs).

On the regulation front SEBI focusing on technological interventions for better investor experience and also protect the investor with

appropriate regulations. Objectives are based on five pillars.

- Balancing market supervision and market development
- Consultative approach to regulation
- Segmented approach to regulation
- Path for Policy implementation
- Technology as an enabler

Indian capital markets and commodity market are in transformational phase due to reforms in

technological innovations. Achieving this could mean continued collaboration among diverse stakeholders, review of regulations, risk, critical reforms which could help to make it gold standard for entire the world.

The vision for a "Viksit Bharat" by 2047, is with concerted efforts, India can emerge as a global manufacturing hub, fostering innovation, Technology enabler, Global Value chains, employment and sustainable development and a creator of wealth.



Precious Metals: An effective hedge against global uncertainty remains most favourable commodity for Investment & Wealth creation in 2025



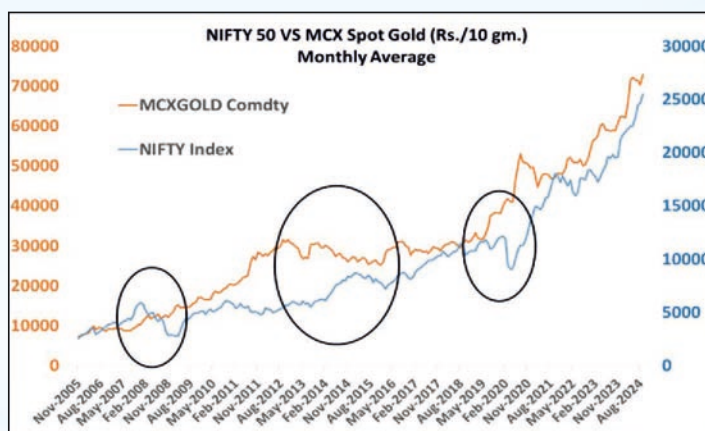
Maneesh N Sharma
AVP (Fundamental Research) –
Commodities & Currency
Anand Rathni Share & Stock Brokers Ltd.

Stock Indices have been on a record breaking mode this year amid yields on bonds having eased considerably with global economies resorting to Interest rate cuts. Indeed, key commodities such as Gold & Silver are always been a hedge again global economic uncertainty while can be a robust addition to your portfolio over the long term. A well-diversified portfolio focused strongly on suitable asset allocation requires the addition of commodities in the overall mix to make it more balanced. The presence of gold & silver in a multi asset portfolio would mean having exposure to asset classes that benefits in times of global economic turmoil when equities turn volatile thus minimizing the overall volatility occurring in the portfolio during such times.

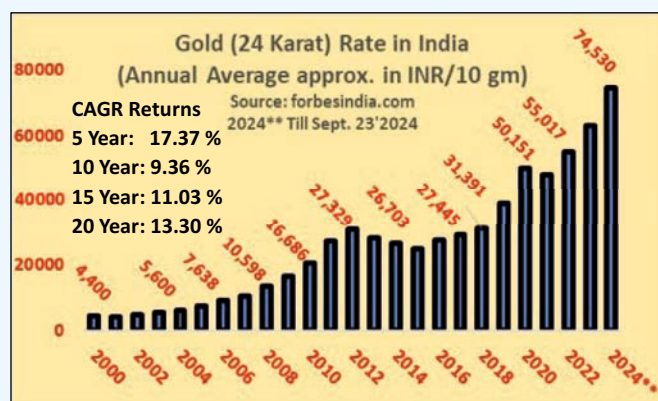
Why Precious Metals act as portfolio diversifier?

In an increasingly complex and volatile global economy, gold is always considered as a safe haven asset. Among the various commodities, gold holds a special place, not only due to its historical safe haven appeal but also due to its unique properties as a financial asset. While commodities such as oil, & copper are also critical to a balanced portfolio, gold serves as an anchor for risk mitigation. During crises such as the 2008 financial meltdown or the COVID-19 pandemic, gold has consistently outperformed other commodities.

Volatility seen in Nifty during 2008 – 2010 & during 2020 – 2021 period has been offset by steady returns in gold during same period as shown in chart. Meanwhile

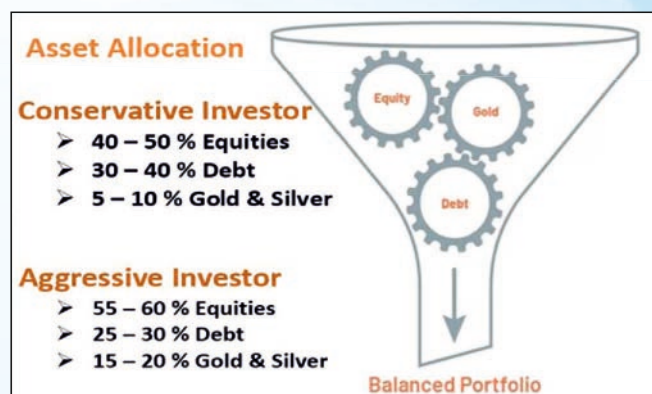


2013–2016 period saw subdued returns in gold offset by steady returns in Nifty in same period indicating Gold remaining as an effective portfolio diversifier in last 20 years. Also 2024 have remained an year which have been driven by geopolitical and economic uncertainties leading precious metals to attract more attention than any other commodities. Returns in Gold & Silver have outperformed other globally traded commodities in period Jan - Sep 2024 where Gold had hit multiple all-time highs eight time between April & September while Silver hit all-time highs in domestic markets on MCX. As we enter 2025 now with high global economic uncertainty precious metals remains a choice to diversified portfolio now.



India stands out as one of the major consumers of gold globally, with its citizens always considering gold as a secure investment option. Consequently, India is also the world's second-largest gold importer. Despite witnessing heavy fluctuations over time, the allure of investing in gold has remained strong in India. Analysis of market trends reveals a consistent upward trajectory in India's gold rate history, punctuated only by occasional minor downturns. Over the past two decade, the gold price trend has predominantly shown a consistent upward movement as shown above.

After three years of extreme volatility in commodities post pandemic era prices have now broadly stabilised in 2024. Majorly escalating



geopolitics in Middle-East & Russia-Ukraine tensions, continued aggressive central bank buying since 2022, dollar index weakness and start of lower interest rate regime by global central banks including US kept precious metal most active in 2024. This had also led Gold to outperform other commodities for second consecutive year with investment demand also picking up in Silver in 2024. The rise in Silver prices are being supported by record structural deficit forecast persisting for the white metal for the fourth consecutive year in 2024.

Investment Avenues for Precious Metals in India for wealth creation

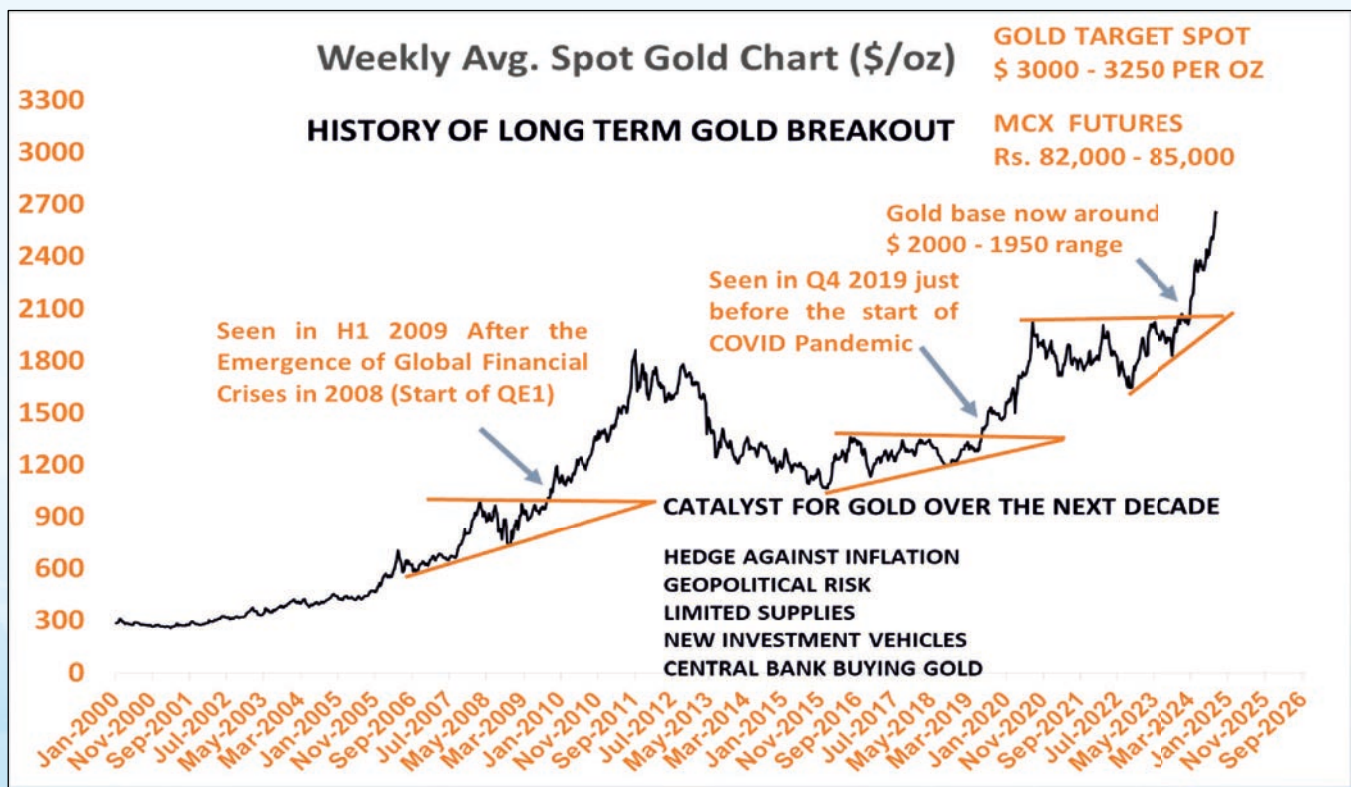
There are multiple avenues for investing in precious metals. But investors must exercise discretion while making the choice, keeping in mind their short- and long-term aims. Few options are listed below :

1. Purchasing Physical Metal – Eg. Bar & Coins, Jewellery etc.
2. Invest in Gold//Silver futures/Options Contract through exchange platform
3. Gold//Silver ETFs
4. Digital Gold – Gold Mutual Funds/E-Gold
5. Sovereign Gold Bonds
6. Gold Savings Schemes – offered by Jewellers

Major Investment Options in Gold - Comparative Study

Investment Avenues	Physical Gold	Gold ETFs	Sovereign Gold Bonds
Investment Limit	No Limit	Min. 1 Gm. & Max. No Limit.	Min. 1 Gm. & Maximum 4 Kg. for Individuals, 4 Kg for HUF, 20 Kg for trust
Safety	Chances of Theft	High	Highest Safety also due to sovereign guarantee
Lock-in	No Lock in	No Lock in	Has a maturity of 8 Years. Can be redeemed after 5th Year (Premature redemption). Can be traded on the exchanges
Cost of Storage	Can be stored in Locker. Comes with a cost.	Only held in Demat form. Minimal cost of storage	Can be held in Physical Form or Demat Form. Minimal Cost of storage
Returns	Lower than real return on gold due to making charges	Less than actual return on Gold	Gold Returns + 2.5 % Interest Rate (More than actual return on Gold)
Making Charges & GST	Upto 25 % depending on Jewelers. 3 % GST.	No making Charges. No GST.	No making Charges. No GST.
Taxation: Short term Capital Gains (STCG) Long term Capital Gains (LTCG)	STCG (T < 2 Year) – Applicable Income tax LTCG (T > 2 YEAR) – 12.50 % tax without any indexation benefit	STCG (T < 1 Year) – Taxed at Slab rates LTCG (T > 1 Year) – 12.5 % tax	STCG (T < 1 Year) – Applicable Income tax slab. LTCG (T > 1 YEAR) – 12.5 % tax without any indexation benefit Interest Earned (2.5%) – Taxable Exemption on Tax – If held till maturity

Gold Price Dynamics - A Historical Perspective & Outlook 2025 - 2026



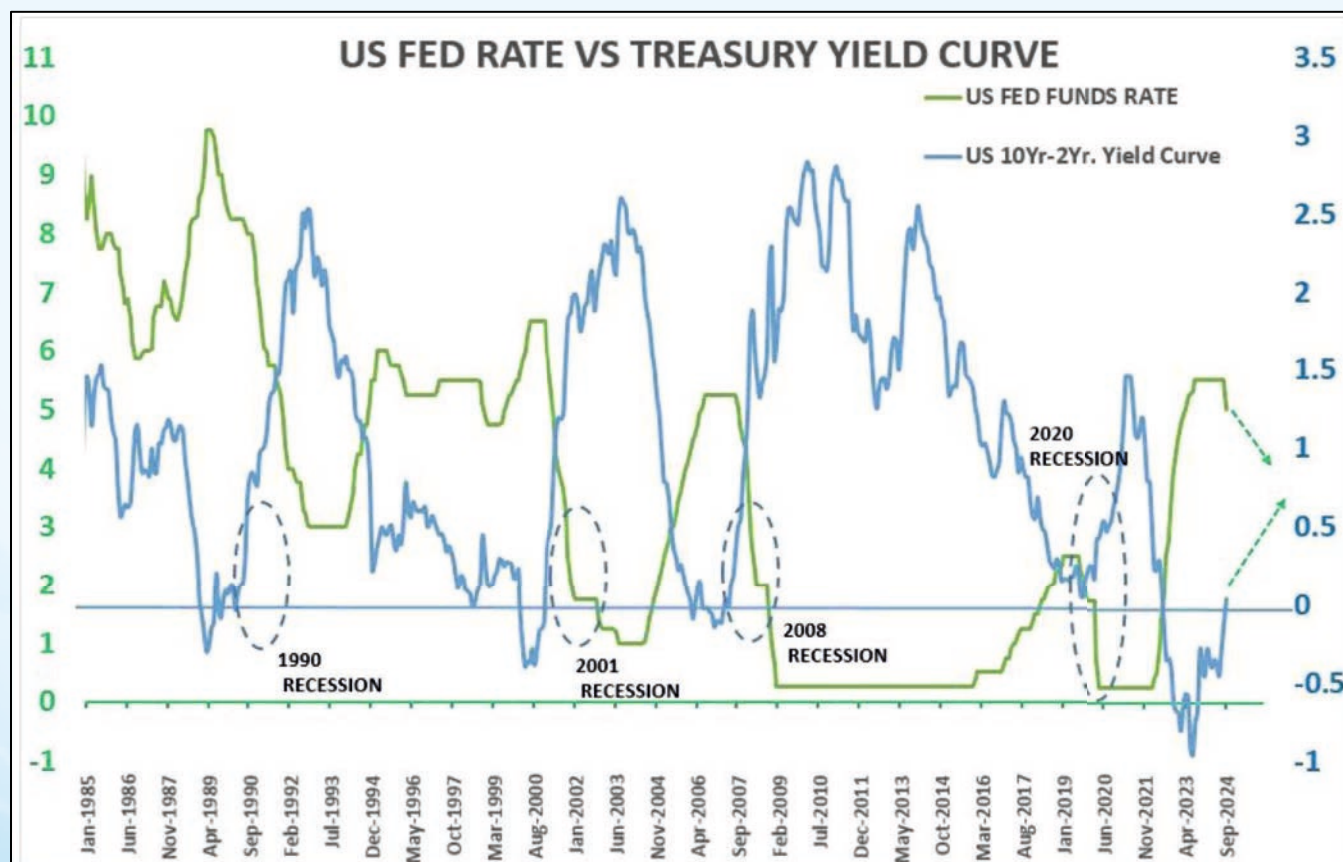
Combination of Lower Interest rate regime, Escalating Geopolitics & Rising Yield Curve signals global economic uncertainty ahead in 2025 - 2026 making precious metals a lucrative bet for investment.

Typically an inverted Treasury Yield curve has a history of preceding a recession in last seven tightening cycles. Meanwhile current scenario being also met with scepticism regarding upcoming recession. However this time slowdown predicted could remain less severe than previous ones with some indicators in recent months pointing to only a moderate slowdown. US Labour market indicators remains on a crucial watch in coming months for further signs. If the history of peaking US Interest rates and curve disinversion are guides, then we are bound to see precious metals outperforming other industrial metals especially copper Gold typically outperforms

copper in Fed rate easing cycles, with bottoms in the ratio of the precious to industrial metal often preceding cuts.

Summary: A Global Economic Slowdown might be looming ahead; Diversification into safe haven assets remains the key

Since October last year, gold has been on a remarkable upward trajectory, consistently breaking through to new all-time highs while silver has also caught up with higher returns than gold since August 2022. While the rally in gold has shown signs of deceleration since mid-April 2024 with China showing signs of exhaustion due to higher prices persisting short term volatility in prices is here to stay. However this might also be offset to some extent by the fact that Indian Physical market remains a bright spot for physical metal purchases for the rest of the year driven by lower



prices due to import duty cuts seen in July along with peak festive & wedding season demand that start from October onwards. As gold has pushed higher this year, hedge funds and speculators have been getting more engaged with Net-bullish bets on Comex futures stand close to the four-year high set in mid-July. A steady rise in open interest on global exchanges implies investors are getting more optimistic about bullion, rather than just closing out short positions. Still, in the near term, positioning now appears bloated, and funds may be vulnerable to book profits ahead of year end. Signs of greater interest had also emerged in global bullion backed exchange traded fund with net inflows being posted in last 5 consecutive months. From a long term perspective Gold has always been the beneficiary of economic uncertainty persisting with interest rates in US start to move lower and growth concerns emerge from hereon. Historically the US Fed has managed a soft landing only twice following nine tightening cycles over the past five decades. The other seven had ended in a recession. Previous recessions in the US started on average between five and 13 months after US Job growth reached the same level as of last month meaning slower growth could begin as early as first half of

next year. In addition, US labor market had shown signs of loosening as last few month unemployment rate have shot to around 4.2 – 4.3 % near to US Fed target of 4.4% by year end. Meanwhile with steady corporate balance sheets aided by a healthy consumer spending such indicators could start to fade quickly now. Also historically with US Yield curve (10 Yr. – 2 Yr.) turning positive (just ahead of interest rate cuts) after an inversion (ahead of interest rate peak) have been followed by a recession as shown in the above charts. Finally Silver could also be looked upon as a lucrative bet with record structural deficits now seen in the white metal for 4th consecutive year in a row. This had been aided limited new mine developments while demand expected to emerge from new areas such as green energy transition and other key sectors in next 5 – 10 years. We anticipate Silver to outperform gold in next few years amid higher returns possible in same to an extent of 20 – 25 % as compared to Gold. Hence a portfolio of Gold & Silver along with equities & debt should always be considered by investors in coming years which could not only enhance returns but also minimize risk to downside.



Viksit Bharat@2047



India, the world's fifth-largest economy by nominal GDP and third-largest by purchasing power parity (PPP), is on the path to becoming a developed nation by 2047. As a major consumer market, driven by 70% domestic consumption, the nation has immense potential for wealth creation. However, with its vast population, income disparity, and structural challenges, India must tap into two major engines of wealth generation—the capital markets and the commodity markets. By strategically enhancing financial literacy, increasing participation in both markets, and building a regulatory environment that fosters trust and growth, India can propel itself towards economic prosperity.

The roadmap to achieving "Viksit Bharat@2047" lies in recognizing and optimizing these opportunities, especially as the country has a growing young population with increasing disposable income. Below is a detailed exploration of the steps India must take to unlock wealth creation through capital and commodity markets.

Capital Market Opportunities

Despite being one of the largest economies in the world, India has relatively low participation in the stock markets. Only about 5% of the Indian population trades in equities. A report highlights that most Indian households continue to prefer traditional assets like gold and real estate, with over 85% of savings going into these avenues. The remaining small fraction is divided between mutual funds, insurance, and bank deposits. Financial literacy has the power to drive financial inclusion. With a demographic dividend (India's population median age is 28.4 years), teaching financial literacy at an early age can harness the potential of this youthful population to become active investors in capital markets. It's not only about participation but about understanding diversified investing, risk management, and wealth accumulation.

Government-led initiatives like "Pradhan Mantri Jan Dhan Yojana" have done wonders in bringing more people into the banking fold. Similarly, awareness programs by SEBI, the exchanges could be expanded more to rural and tier-2 and tier-3 cities. National Investor Education Fund (NIEF) should work more on developing e-learning platforms, hosting free webinars, and educating students on capital market basics from the school level itself.



The general Indian population lacks an investment attitude due to low financial awareness and risk-averse behavior. Historically, Indian households have viewed savings as a means to meet future uncertainties rather than as a tool for wealth generation. While systematic investment plans (SIPs) in mutual funds have gained momentum, the investment mindset is still in its infancy. With growing urbanization, increasing disposable incomes, and expanding financial services, there is potential to shift the public mindset towards wealth creation through regular investments in equities and mutual funds. A long-term, goal-oriented investment strategy can help in reducing wealth inequality and creating financial security. Encouraging behavioral shifts through success stories of small-time investors who gained through the market can motivate people. The rise of digital investment platforms can be leveraged for promoting a healthy investment culture. Tax

incentives for long-term investments in stocks and mutual funds can further boost investment attitudes.

Awareness of how stock markets function and how simple, small investments can grow wealth is limited, especially in rural areas. A survey revealed that almost 75% of Indian investors are concentrated in metropolitan cities like Mumbai, Delhi, and Bangalore. This reflects a severe lack of awareness in smaller towns and villages. Creating broader awareness about stock markets, mutual funds, bonds, and other investment vehicles will demystify the financial system for millions of Indians. Financial inclusion and creating an investment mindset among women can also help reduce the gender wealth gap. The government can work with educational institutions to integrate basic financial literacy courses. Private sector players should run investment awareness drives

and campaigns targeting middle-income and rural segments. Simplifying the regulatory framework for investment platforms can make them more accessible to first-time investors.

New Financial Products.

Although traditional equity investments have grown, many innovative financial products are still out of reach for most Indians. These include products like Exchange-Traded Funds (ETFs), Real Estate Investment Trusts (REITs), and sovereign bonds. Offering a wider variety of financial products tailored to different risk appetites and financial goals can help attract a diverse group of investors. Products like micro-investment platforms can also cater to low-income groups, encouraging even those with small savings to enter the capital markets. Steps Forward: Regulators like SEBI should encourage the introduction of new financial products that cater to specific demographic groups, such as senior citizens, low-income individuals, and small businesses. Financial institutions should work towards creating digital-first solutions that provide easy access to these products.

India has made significant strides in regulatory reforms to build trust in capital markets. However, scams and instances of corporate governance failures have eroded investor confidence in the past. Ensuring safety and transparency in financial transactions is crucial for mass participation.

Building a trustworthy trading environment, free from malpractices, is key to growing India's equity markets. Stronger protections for small investors, robust corporate governance, and transparent regulatory practices will help in building trust. SEBI and stock exchanges should continue to strengthen surveillance mechanisms and crack down on insider trading and fraud. Educating investors on how to avoid financial traps will also build long-term trust in markets.

Commodity Market Opportunities

India has vast commodity markets but lacks depth in its commodity derivative markets. The participation is limited to a few commodities like gold, silver, crude oil, and select agricultural products. Deepening the commodity market means increasing participation from farmers, traders, and institutional investors in commodity derivatives. This will improve price discovery, provide better hedging mechanisms, and ensure market stability. Expanding commodity exchanges to include more participants, introducing more agricultural products, and offering products with lower margins can help drive participation. Integrating technology into trading, such as blockchain for transparency, will also deepen the market.

India is the largest exporter of rice and one of the biggest importers of edible oils. Despite being an agricultural powerhouse, India's physical trade in commodities faces infrastructural and logistical bottlenecks. In terms of agricultural productivity, India lags behind many other countries. By strengthening its physical commodity trade, India can create wealth and jobs. The physical spot market for agricultural produce is vast, and optimizing it can lead to significant value creation across the supply chain—from farmers to traders to consumers. Investment in infrastructure like warehousing, cold storage, and transportation is essential to reduce post-harvest losses and improve market access. E-marketplaces like eNAM (National Agriculture Market) should be scaled up to enhance efficiency in agricultural trade. Encouraging more farmer-producer organizations (FPOs) to participate in these markets can also bring benefits to small farmers.

Inconsistent agricultural policies, including fluctuating export bans, tariff changes, and fluctuating minimum support prices (MSPs), create uncertainty in the commodity market. The National Agriculture Policy needs more

consistency and predictability. A consistent policy environment would allow for better planning and long-term investments in the agricultural sector. It will also encourage more traders and farmers to participate in the commodity derivatives markets.

The government should introduce a stable, long-term agricultural policy, particularly regarding export-import regulations, tariffs, and MSP. Policies should also promote sustainable farming practices to ensure long-term productivity. More and New Products.

Our commodity exchanges primarily focus on a limited number of products. Expanding the range of agricultural derivatives products will provide more options for hedging risks and managing price volatility. With India's huge agricultural sector, there is room to introduce new products such as derivatives for more agricultural commodities like

pulses, horticulture, or organic produce. Expanding the list of traded commodities will enhance liquidity and depth in the markets.

Regulators and exchanges need to collaborate to introduce new derivative products and actively encourage farmers and traders to participate in these markets through educational initiatives.

Although there is progress in regulating commodity markets, especially after the merger of the Forward Markets Commission (FMC) with SEBI, there is still room for improvement in regulating the commodity trade. Strong, transparent regulations ensure smoother trading and prevent market manipulation. A regulated market builds trust among participants and ensures fair price discovery.

By focusing on the key suggested initiatives, we can effectively achieve the Viksit Bharat target by 2047.



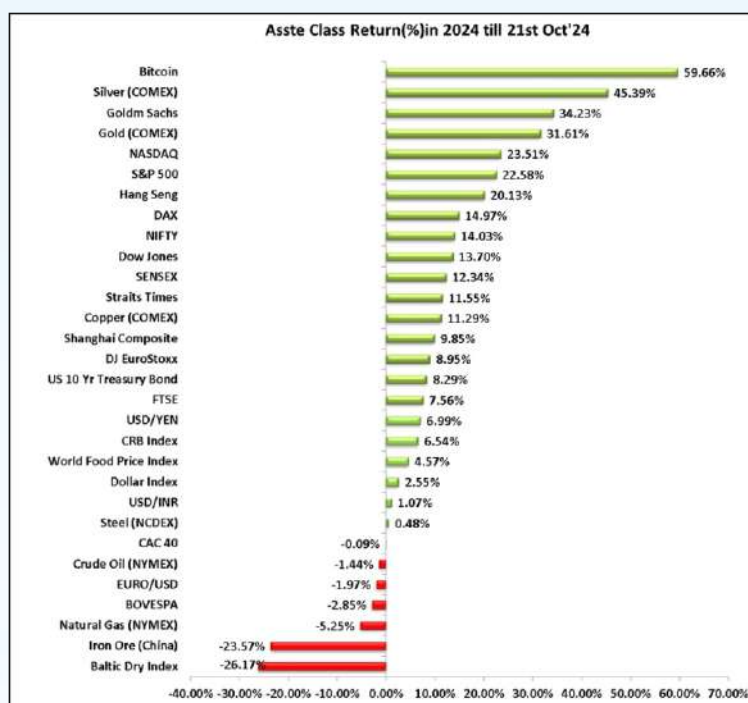
Gold Soars to New Horizons: The Ultimate Refuge in Turbulent Times!



Gold and silver are on an extraordinary upward surge, with both metals reaching unprecedented levels. We are witnessing a unique scenario where both equities and gold are simultaneously hitting record highs—an unusual occurrence in financial markets. Several factors are contributing to this "mad run" of gold, including ongoing wars, geopolitical tensions, rising inflation, interest rate cuts, and record money supply injections from central banks. These elements are creating a perfect storm, propelling the yellow metal into uncharted territory.

In 2024, MCX gold has already experienced a remarkable rally, with prices surging by approximately ₹15,000 so far, while the global market saw a rise of nearly \$700. Such an extraordinary price increase reflects not only the safe-haven demand fueled by the escalating conflict between Israel and Iran, but also macroeconomic pressures such as inflationary concerns and potential further interest rate cuts.

The combination of war-driven uncertainty and economic instability has made gold an attractive option for investors seeking security. With these forces at play, gold is traveling in unfamiliar territory, setting the stage for even higher price targets as global conditions remain highly volatile.



Source: Reuters

Performance of Commodities

Name	Daily	1 Week	1 Month	YTD	1 Year	3 Years
Gold	0.54	2.99	4.2	31.9	37.65	52.83
XAU/USD	0.36	3	4.14	32.38	37.83	52.33
Silver	2.92	9.3	9.14	42.1	45.62	39.99
XAG/USD	1	9.15	9.35	43.18	45.7	39.94
Copper	1.28	0.95	3.06	14.33	24.84	-1.11
Platinum	0.71	2.74	4	2.22	14.42	-1.94
Palladium	0.56	5.8	0.65	-1.58	-1.75	-45.88
Crude Oil WTI	0.68	-5.57	-2.59	-3.73	-21.48	-16.17
Brent Oil	0.53	-5.18	-1.4	-4.66	-20.3	-14.12
Natural Gas	-0.22	-9.98	-7.76	-3.52	-31.09	-58.89
Aluminium	1.38	1.96	6.6	11.12	21.43	-7.64
Zinc	1.63	1.54	9.31	18.19	28.86	-8.88
Nickel	-0.31	-3.95	2.86	2.28	-8.64	-13.97
Copper	1.2	1.01	2.86	13.89	22.64	0.45

Source: Investing

Several key factors have contributed to gold's record high in 2024:

Geopolitical Tensions and War : Escalating conflicts, particularly the Israel-Iran conflict, have heightened global uncertainty. Historically, during times of war and geopolitical instability, gold acts as a safe-haven asset, driving up demand as investors seek protection from market volatility. With geopolitical tensions and various bans; trade equations have been changed drastically. After Russia was removed from the SWIFT international currency system on March 1, 2022, BRICS central banks boosting gold reserves at a record pace is a sign that they are gearing up for a global monetary reset.

Inflationary Pressures: Rising inflation in major economies has reduced the purchasing power of currencies, prompting investors to turn to gold as a store of value. The high inflation environment is making gold more attractive as it typically performs well in periods of rising prices.

Interest Rate Cuts: Central banks, responding to economic slowdowns, have been cutting interest rates. Lower interest rates reduce the opportunity cost of holding non-yielding assets like gold, making it a more appealing investment. People bank of China, Bank of England, European Central Bank, and Federal Reserve they have already started rate cuts, which have made gold more attractive.

Record Money Supply: Governments and central banks around the world have increased money supply through stimulus measures to support economic recovery. This has led to concerns over currency debasement, pushing more investors toward gold as a hedge against potential monetary instability.

Weakening Global Economy: Sluggish economic growth, coupled with the lingering effects of past global crises, has heightened fears of recession. As a result, investors are flocking to gold for safety, adding to the upward pressure on prices. China slowdown and dwindling PMI, Export, Import, Employment, GDP and other data of US, and European economy too are not giving very rosy picture of world economy.

Equity Market Volatility: While equities have also reached new highs, market volatility and fears of potential corrections have driven investors to diversify into gold, pushing its prices higher. US market is on record high and overvalued, it is expected to take correction in short term to mid-term. It will attract more inflows in gold.

Dollar Weakness: A weaker U.S. dollar has also played a role. Since gold is priced in dollars, a decline in the dollar's value makes gold cheaper for foreign investors, boosting global demand. Dollar index is in range and not expected to see more rise as interest rate cut already stated. It is expected to move in the range of 100-106.

Record-Breaking Purchases by Central Banks: In 2022, central banks collectively bought around 1,136 tons of gold, the highest level in over 55 years. The trend continued in 2023 and 2024, with significant monthly increases reported across various regions. China, India, Turkey, Russia are on Gold Rush, adding hundreds of tons to its reserves over the past few years. In 2024, China continued to increase its gold reserves to diversify away from the U.S. dollar.

US Election & Gold: The 2024 U.S. election is significantly influencing gold prices. Investors may look to gold as a hedge against uncertainty, inflation, and potential shifts in monetary policy, making it a key asset to watch in the lead-up to the election. Gold prices hit a record high, extending a rally from last week as uncertainty over the U.S. election, Donald Trump and Kamala Harris almost neck-and-neck, although prediction markets largely favored a Trump victory.

The **Gold-Silver Ratio** represents the amount of silver required to purchase one ounce of gold. It is

calculated by dividing the price of gold by the price of silver. Historically, the ratio has provided insight into the relative value of gold and silver. Over centuries, it has ranged widely, often used as a measure of which metal is undervalued or overvalued relative to the other.

The technical analysis suggests that the gold-silver ratio, currently at 80:1, is likely to narrow to 75-72:1 in the near future. This shift is expected as silver is poised to outperform gold, driven by rising industrial demand and tightening supply conditions.

Market Sentiment:

- **Higher Ratios:** When the ratio is high, it indicates that gold is relatively expensive compared to silver. This might suggest that investors view gold as a safer asset during times of uncertainty or financial stress.
- **Lower Ratios:** A lower ratio signals that silver is gaining value relative to gold, which could indicate growing optimism in the market or a



Source: Trading View

Monthly Chart of Gold on MCX (in Rs.)



Source: Trading View

speculative move towards silver as a more affordable investment.

These combined factors have set the stage for gold's historic rally in 2024, pushing it into uncharted price territory. In the short term, while volatility is expected, the overall outlook for gold remains cautiously positive, driven by economic uncertainty and potential changes in monetary policy. Gold should be considered a core part of any investment portfolio, given its role as a hedge

against inflation, economic uncertainty, and market volatility. With ongoing global challenges and central banks easing monetary policies, the outlook for gold remains bullish. By 2025, gold prices are projected to reach \$3,000 on COMEX and Rs. 80,000-82,000 per 10 grams in the Indian market, driven by sustained demand, a weakening U.S. dollar, and geopolitical risks. As a safe-haven asset, gold offers strong potential for long-term growth and wealth preservation, making it an essential component for diversified portfolios.



Exchange Partners



Title Sponsors



Platinum Sponsors



Elite Sponsors

Banking Partner



Depository Partner



Exchange Partner



Member Partners



Pioneer Sponsors

Banking Partner



Exchange Partners



Kit Sponsor



Member Partners



Affiliate Sponsors





Notes

A series of horizontal dotted lines spanning the width of the page, intended for handwritten notes.

PRODUCTS & OFFERINGS

- Equity & Derivatives
- Commodity Trading
- IPOs
- Depository Services
- Research Services
- Margin Trading Facility



30+

Years of Experience

160+

Total APs

50000+

Registered Clients

SEBI Registration Details: NSE / BSE / MCX / NCDEX: INZ000173137 | MCX / NCDEX: INZ00052535 | DP - NSDL/CDSL-
IN-DP-551-2021 PMS: INP000005349 | RA: INH100003084

401-402, 4th Floor, Angel Mega Mall, Plot No. CK-1, Kaushambi,
Ghaziabad, UP- 201010



0120-4550300-29 | www.adroitfinancial.com | customercare@adroitfinancial.com





Angel One **SuperApp** for Smart Investing

₹ **0** **Zero**
Brokerage*

1.5 **Crore+**
Indians Trusted by

Download Now



Follow us on



Disclaimer - Investments in securities market are subject to market risk, read all the related documents carefully before investing.
<http://bitly.ws/oTzH> Brokerage will not exceed SEBI prescribed limit. *T&C Apply. **1.5 Cr+ Source:** Mint (12th July 2023) Angel One Limited, Registered Office: 601, 6th Floor, Akruti Star, Central Road, MIDC, Andheri East, Mumbai - 400093. Telephone: (022) 42319600, Fax: (022) 42319607, CIN: L67120MH1996PLC101709, SEBI Registration No.: INZ000161534-BSE Cash/F&O/CD (Member ID: 612), NSE Cash/F&O/CD (Member ID: 12798), MSEI Cash/F&O/CD (Member ID: 10500), MCX Commodity Derivatives (Member ID: 12685) and NCDEX Commodity Derivatives (Member ID: 220), CDSL Registration No.: IN-DP-384-2018, PMS Registration No.: INP000001546, Research Analyst SEBI Registration No.: INH000000164, Investment Adviser SEBI Registration No.: INA000008172, AMFI Registration No.: ARN-77404. Compliance officer: Mr. Hiren Thakkar, Tel: (022) 39413940 Email: compliance@angelbroking.com

BONANZA PORTFOLIO LIMITED

WHO WE ARE

Bonanza Group was founded in the year 1994, with a vision to make investing simple, transparent and easily accessible for all. Today Bonanza ranks among the top most players in the country with a pan-India presence.



1,700+ OUTLETS



600+ CITIES



5,00,000+ CLIENTS



WHY CHOOSE US

- State of the Art Technology
- Devoted Research Team
- Strong Infrastructure
- 24x7 Service & Support
- Transparency is maintained with clients

Bonanza looks forward to tougher challenges and newer milestones to conquer, so that our customer gets nothing less than the BEST!

OUR SERVICES

- Prime Brokerage Services
- Distribution
- Asset Management
- Fixed Income
- Investment Banking
- Real Estate

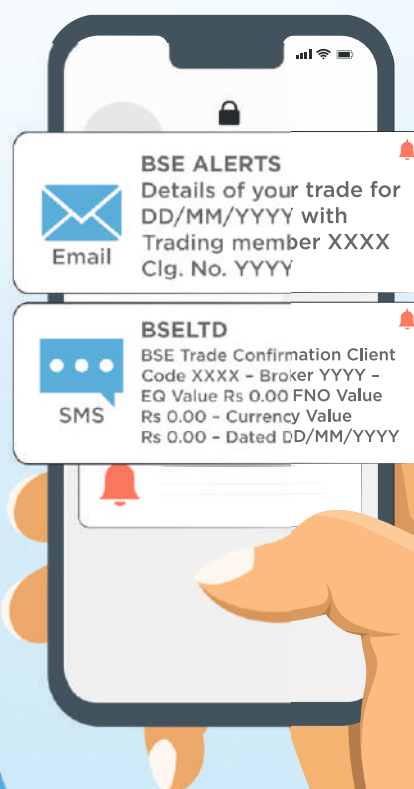
www.bonanzaonline.com

011-23242023

Twitter- @bonanzapltd

Receiving email/SMS for your trades?

If not, check that your email id/mobile number is registered with the broker.



INVEST RIGHT TOH FUTURE BRIGHT

Issued in public interest by BSE Investor Protection Fund.

 www.bseindia.com |  [/BSEIndia](https://www.facebook.com/BSEIndia) |  [@BSEIndia](https://www.youtube.com/BSEIndia) |  [/BSEIndia](https://twitter.com/BSEIndia) |  [/BSEIndia](https://www.instagram.com/BSEIndia)



Building Wealth through India's Manufacturing Evolution

Invest in

LIC MF MANUFACTURING FUND

An open-ended equity scheme following manufacturing theme

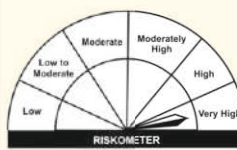
This product is suitable for investors who are seeking*:

- Capital appreciation over long term
- Investment predominantly in equity and equity related instruments of companies following manufacturing theme
- **Risk - Very High**

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

#The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made. The Benchmark Riskometer is based on the evaluation of constituents of the Benchmark as on 30th September 2024.

Scheme Riskometer #



Investors understand that their principal will be at Very High risk

As per AMFI Tier 1
Benchmark Riskometer i.e.
Nifty India Manufacturing Index (TRI) #



Start Managing Your Investments Efficiently With LIC Mutual Fund!

Presenting
LIC Mutual Fund's
Investor App

Fast, Simple &
Paperless Investment
Experience



Scan Here To Download App

GET IT ON
Google Play



Download on the
App Store

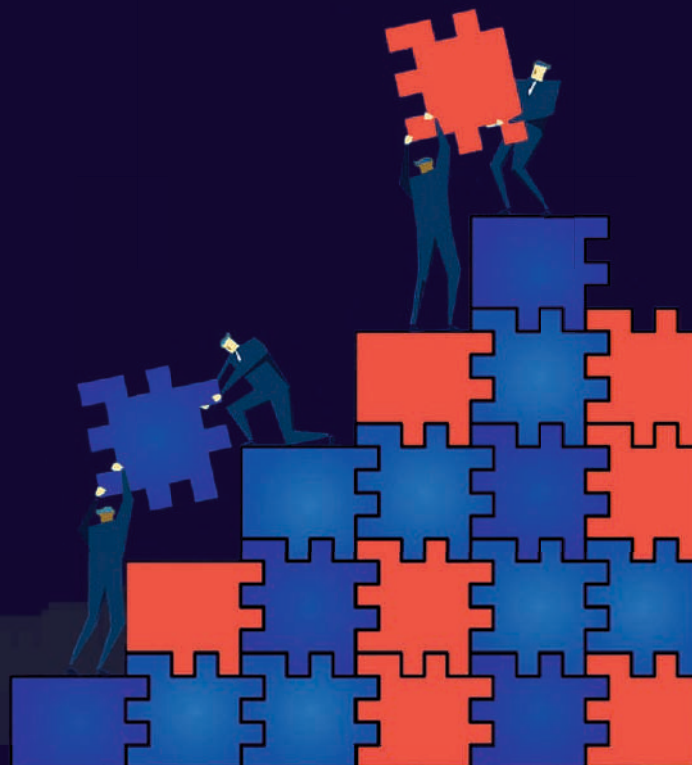


To know more, please consult your Financial Adviser OR Call Toll Free 1800-258-5678

Mutual fund investments are subject to market risks, read all scheme related documents carefully.

TRUSTED PARTNER IN YOUR GROWTH

Alternative Investment Funds &
Portfolio Management Services



- Bespoke Custody & Clearing Solutions
- Professional Fund Accounting Services
- In-house Digital Onboarding System
- Integrated Platform and Order Management System

REACH OUT TO US AT

shivamv.gupta@nuvama.com | +91 98183 60767

www.nuvamaassetservices.com

START YOUR INVESTMENT JOURNEY WITH US

Why Religare Broking?

25+ Years of Industry Experience

Footprints Across India in 400+ Cities

1 Million + Customers Onboarded

1500+ Touchpoints

Strong Research Capabilities

Mobile Trading Application



PRODUCTS & SERVICES TO INVEST

Equity

Currency

Commodity

Derivatives

IPOs

Mutual Funds

Bonds

Insurance

NCD

Unleash Your Trading Potential with Our User-friendly App



Religare Dynamix

Trade Anytime Anywhere

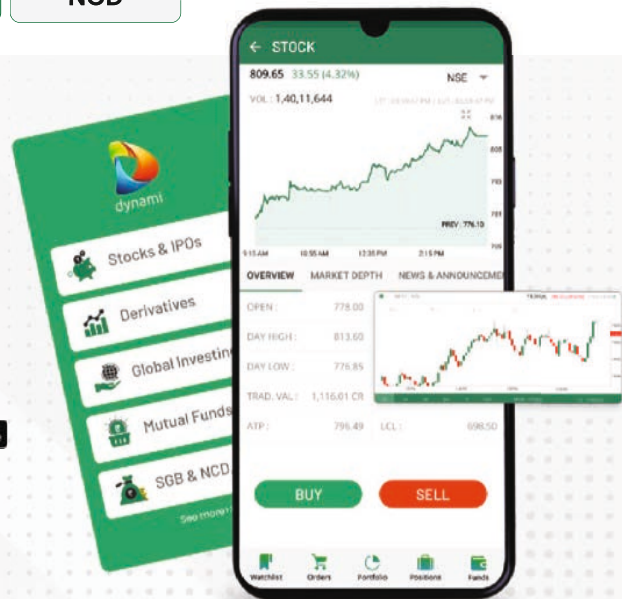
3.7 ★★★★★

AS ON 15 AUG '24



Key Features:

- All in one investment app
- Personalised research notifications
- Biometric login for privacy & security
- Ready made strategies available for option traders



1860-25-88888



wecare@religareonline.com

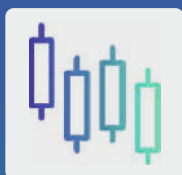


www.religareonline.com

Religare Broking Limited (CIN: U65999DL2016PLC314319) Registered Office: Religare Broking Limited, 2nd Floor, P-14, 45/90, P-Block, Connaught Place, New Delhi 110001. Board line number: +91-011-49871213, Fax No. +91-011-49871189. Member Religare Broking Limited (RBL) : SEBI Regn. No. INZ000174330 NSE CM, F&O, CD TM Code: 06537 Clearing Member (F&O) No. M50235; BSE CM, F&O, CD, CO Code: 3004 Clearing No: 3004; MSE CM, F&O, CD, TM Code: 1051 MCX Membership No. 56560 | NCDEX Membership No. 01276 | AMFI ARN No.139809. Depository Participant : Religare Broking Limited (RBL) – NSDL: DP ID: IN 301774 | SEBI Regn. No: IN-DP-385-2018 | CDSL DP ID: 30200 | SEBI Regn. No: IN-DP-385-2018. Research Analyst: Religare Broking Limited (RBL) – SEBI Regn. No: INH100006977 | Registrars to an issue and share Transfer Agents (RTA) - SEBI Regi. No : INR000004361 | Corporate Agent (Composite) - IRDA Regi. No : CA0581 | National Pension System - Point of Presence (NPS-POP) - PFRDA Regi. No : POP01092018.

Disclaimer: Investments in the securities market are subject to market risks, read all the related documents carefully before investing. RBL is a distributor of Mutual Funds / IPOs / Insurance / Bonds & NCDs / Corporate FDs etc. Equities, Currencies & Depository Services are offered through Religare Broking Ltd. All disputes with respect to the distribution activity / Insurance services would not have access to Stock Exchanges investor redressal forum or Arbitration mechanism*. The securities are quoted as an example and not as a recommendation | <https://religareonline.com/disclaimer>

FOR ALL YOUR INVESTMENT NEEDS



**STOCK
BROKING**



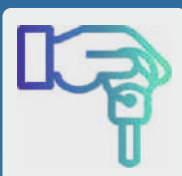
**IPOs &
MUTUAL FUNDS**



**WEALTH
MANAGEMENT**



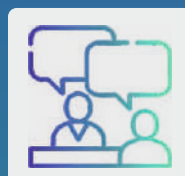
INSURANCE



**REAL ESTATE
ADVISORY**



FINANCING



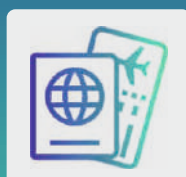
**INSTITUTIONAL
TRADING**



**INVESTMENT
BANKING**



**DEPOSITORY
SERVICES**



**NRI & FPI
SERVICES**



**GOLD & SILVER
COINS**

Serving over more than
20,00,000+
clients

Large network of
2,300+
Sub-brokers &
authorised persons

Covers
430+
cities across India
& abroad

Workforce of
4,000+
employees

www.smctradeonline.com
1800 11 0909
contact@smcindiaonline.com

as on 30th June, 2024

DELHI | MUMBAI | KOLKATA | AHMEDABAD | CHENNAI | BENGALURU | DUBAI

SMC Global Securities Ltd | CIN : L74899DL1994PLC063609 | Registered Office: 11/6B, Shanti Chamber, Pusa Road, Delhi-110005. | Tel +91-11-30111000 | Compliance Officer: Mr. Vikas Sethi | Tel +91-11-30111000 Extn. 340 | Email:-vikassethi@smcindiaonline.com | Customer Care Email -smc.care@smcindiaonline.com | Complaint Email -igc@smcindiaonline.com | website: www.smctradeonline.com

SEBI Reg. No. INZ000199438, Member: NSE (07714), BSE (470), MSEI (1002), MCX (8200) & NCDEX (00021). DP SEBI Regn. No. CDSDL/NSDL-IN-DP-130-2015, SMC Research Analyst Registration- INH100001849, Mutual Funds Distributor ARN No. 29345. •Insurance services are offered through SMC Insurance Brokers Pvt. Ltd. IRDAI Regn. No: DB 272/04 License No. 289 Valid upto 27/01/2026. • Real Estate Advisory services are offered through SMC Real Estate Advisors Pvt. Ltd.

Disclaimer: Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Mutual Fund investments are subject to market risks. Read all scheme related documents carefully. PMS is not offered in commodity derivative segment. Insurance is the subject matter of solicitation. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise.

stocko

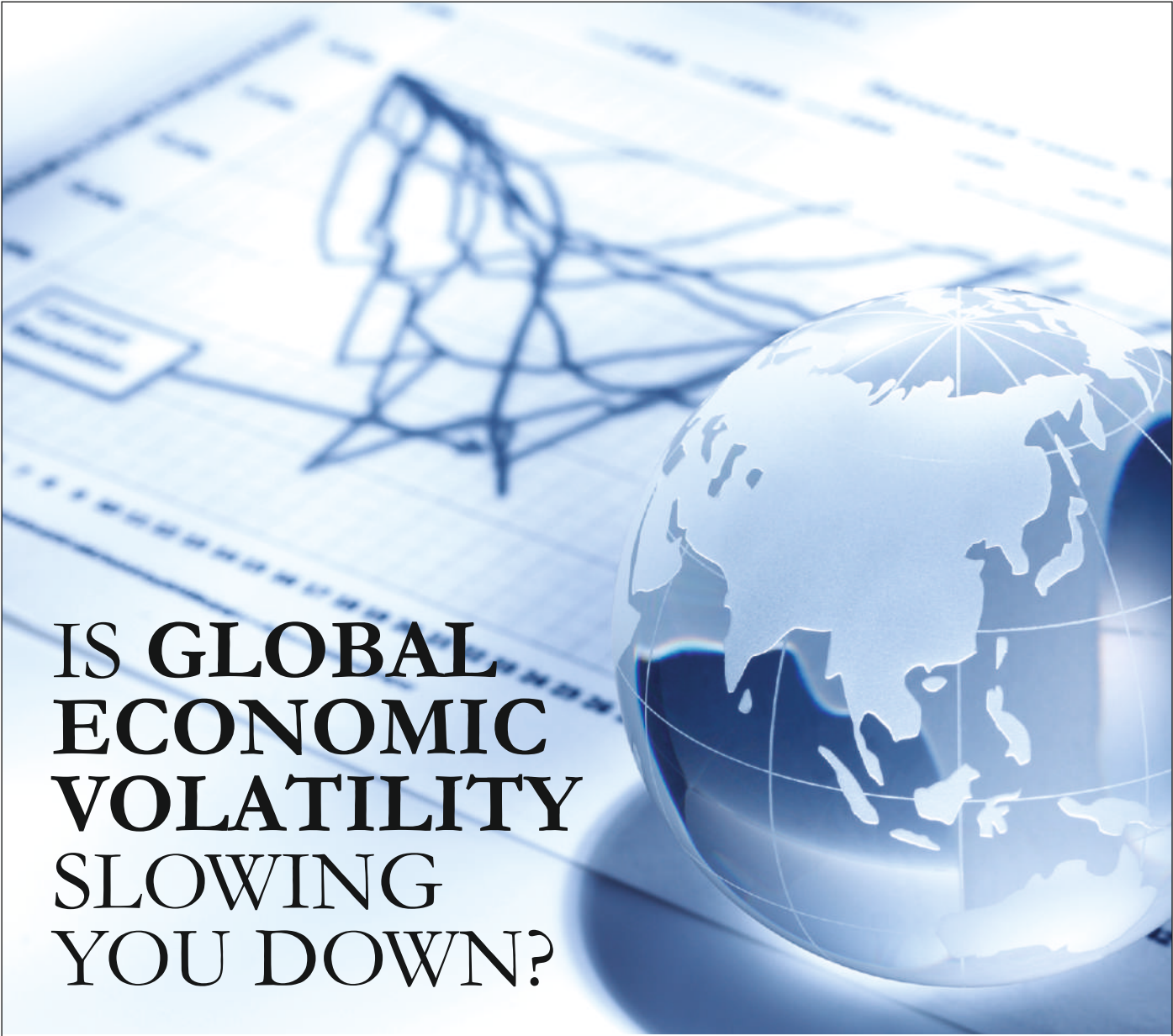
A Trading platform **By Traders For Traders**

60,000+ Traders : 3.5 Lac+ Daily Orders



REGISTERED OFFICE :

SOUTH ASIAN STOCKS LTD, 3rd Floor, Building No.5, Local Shopping Complex, Rishabh Vihar,
Near Karkarduma Metro Station. East Delhi - 110092, Members of NSE. BSE.MCX.NCDEX & NSDL,
www.stocko.in ☎ 011 - 4040 9999



IS GLOBAL ECONOMIC VOLATILITY SLOWING YOU DOWN?

A very significant financial risk arises from **commodity price volatility**. Advancement in information and communications technology has made this effect global. With the continuing economic uncertainties amidst increasing globalization, commodity price volatility has continued to stay at a high. Tackling significant financial risk is inevitable for smoother enterprises running.

MCX offers an efficient and effective risk management platform in various commodities spread across different segments, such as **BULLION, METALS, ENERGY AND AGRICULTURE** in rupee-denominated contracts. Hedging through rupee-denominated contracts of MCX means that currency risks associated with hedging abroad are naturally eliminated.

- Smaller contract size allows hedging strategies for even small-sized physical participants.
- Time zone advantage.
- Efficient price discovery, reflecting physical market fundamentals.
- Highly liquid contracts with low impact cost.
- Very good hedging efficiency.

MCX
METAL & ENERGY
Trade with Trust

Clear Choice[#] for clearing services



1850 Institutional
customers



35+ Years
of Experience



One among the 11
Qualified Stock
Brokers* in India



One of the Largest
Clearing and settlement
service provider in India



**Leading Clearing
Member - MCX,
2024, 2023**



**Active Participation As
Domestic Custodians -
F & O - NSE, 2023**



**Best Clearing
Member - NCDEX,
2023**



**Leading Clearing
Member - MCX,
2022, 2021, 2020**



**Clearing Member
Of The Year - NSE,
2019, 2018**



**Commodity Broker Of
The Year - MCX,
2017**

Regd. & Corporate Office and SEBI Regn. No.:

Globe Capital Market Ltd., 609, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi - 110001(India)
Equity SEBI Registration No INZ000177137, Exchange Registration Nos : NSE TM Code - 06637, Clearing No.- M50302|BSE
Clearing No: 3179|MSEI TM Code - 1004 ,Clearing No.- 4| MCX TM No: 8091,Clearing No: 8090 | NCDEX TM No:1287 | SEBI
Registration for DP : IN-DP-614-2021 , NSDL- DP ID: IN300966, CDSL DP ID: 12020600 | CMBPID NCL CM :- 555502

Disclaimer: Investment in securities market are subject to market risks, read all the related documents carefully before investing.

#Globe group is awarded as best and leading clearing member in 2024 by MCX, NCDEX and NSE since 2018 as respectively mentioned above.

*SEBI defines QSBs as entities who, because of their size and scale of operations can likely impact investors and the securities market as well as governance and service standards. These stock brokers cater to the needs of a large number of investors. July 1, 2023 SEBI have designated 15 trading platforms as Qualified Stock Brokers (QSBs) Circular number SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/24 dated February 06, 2023

ACHIEVE FINANCIAL FREEDOM WITH MARKET DRIVEN TOOLS

- Investment Diversification
- Safeguarding Business Margins
- Improving Business Competitiveness

COMMODITY DERIVATIVES

SARAL HAI , SAHI HAI



askus@ncdex.com



www.ncdex.com



1800-266-2339

NCDEX IPFT Disclaimer: All transactions are subject to market risk. To participate in the commodity market, contact any SEBI registered broker of the Exchange. Read the Risk Disclosure Document (RDD) carefully before transacting in Commodity Futures and Options. This publication has been made through the NCDEX Investor (Client) Protection Fund Trust for educational and awareness purposes, so that the general public is made aware of new hedging tools and general information. Neither NCDEX nor the NCDEX IPF Trust or their affiliates, associates, representatives, directors, employees or agents shall be responsible in any manner to any person or entity for any Decisions or actions taken on the basis of this publication. No part of this publication may be redistributed or reproduced without written permission from NCDEX.

FOLLOW US

