

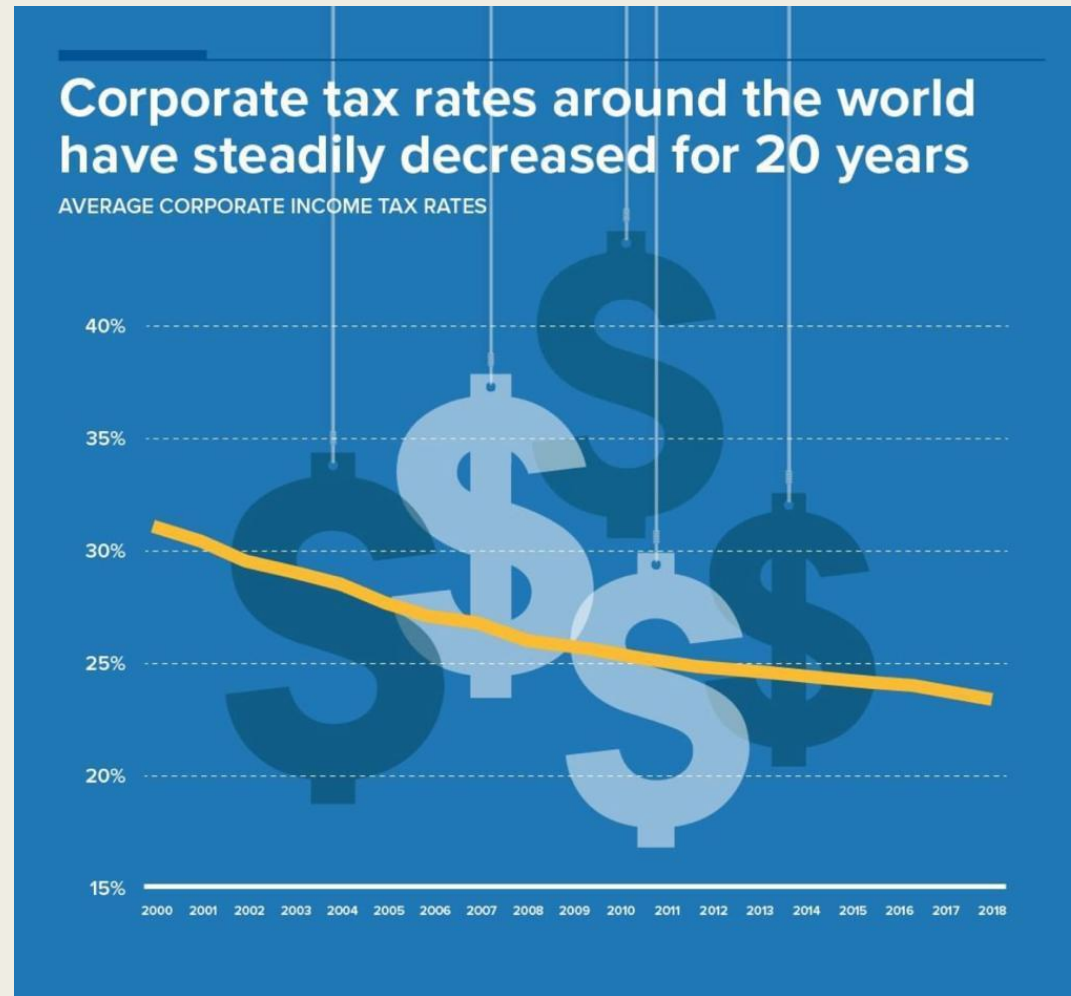
# WHAT ARE WE SEEING

VERSION 1.027

20-09-2019

# 1. Decreasing corporate tax rates for the past 2 decades

Average corporate tax rates have moved from 32.2% to 23.7% in the past 18 years

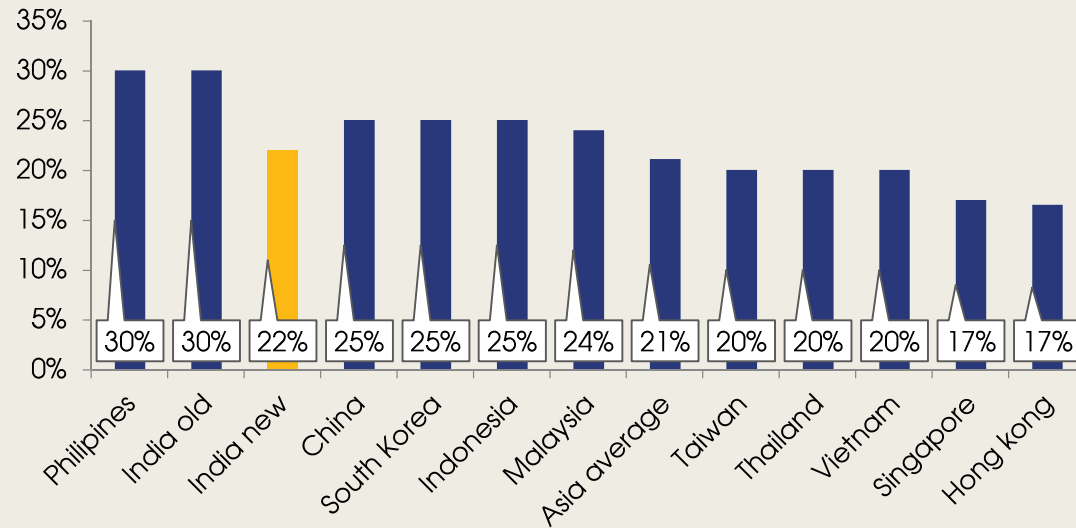


Source: OECD 2018

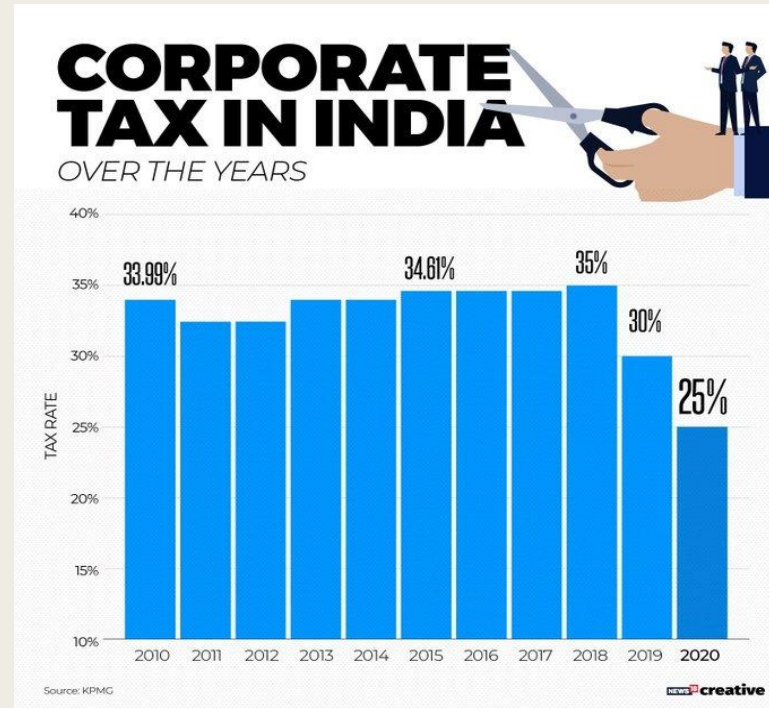
## 2. India tax rates now lower than China!

Fiscal measures with target to make India competitive in manufacturing

### Asia - Corporate income tax rate comparison 2019



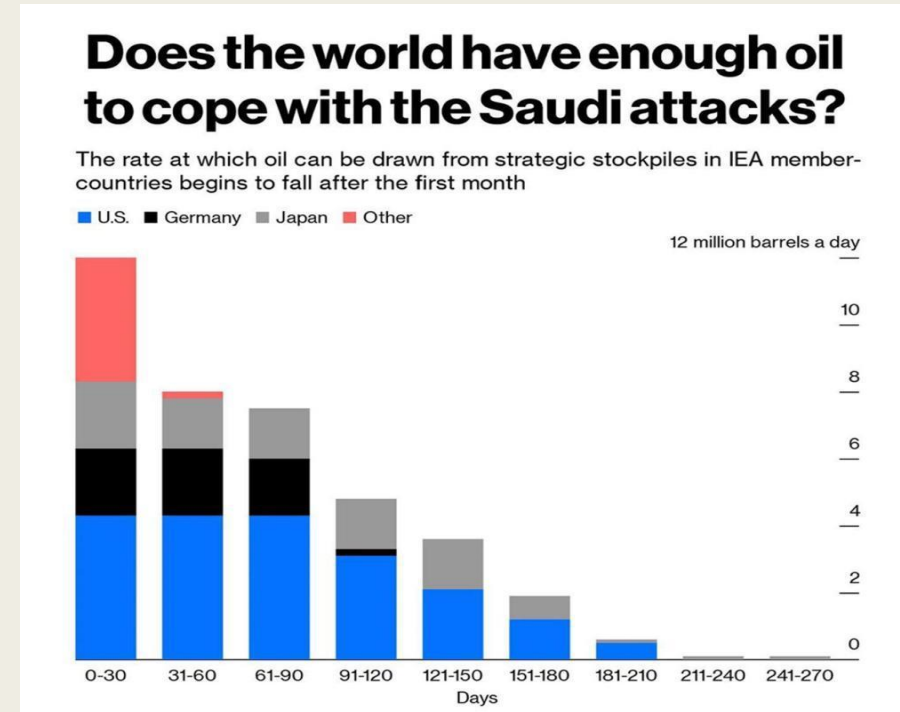
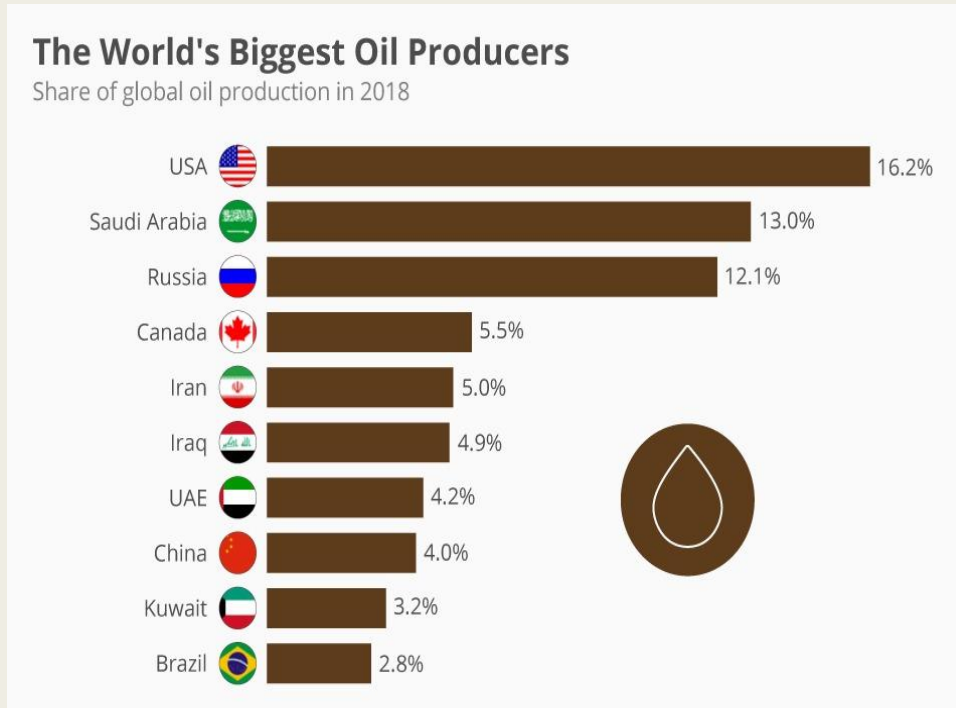
Source: CIMB, KPMG



Source: KPMG

### 3. Enough Strategic reserves of oil to cap price rise

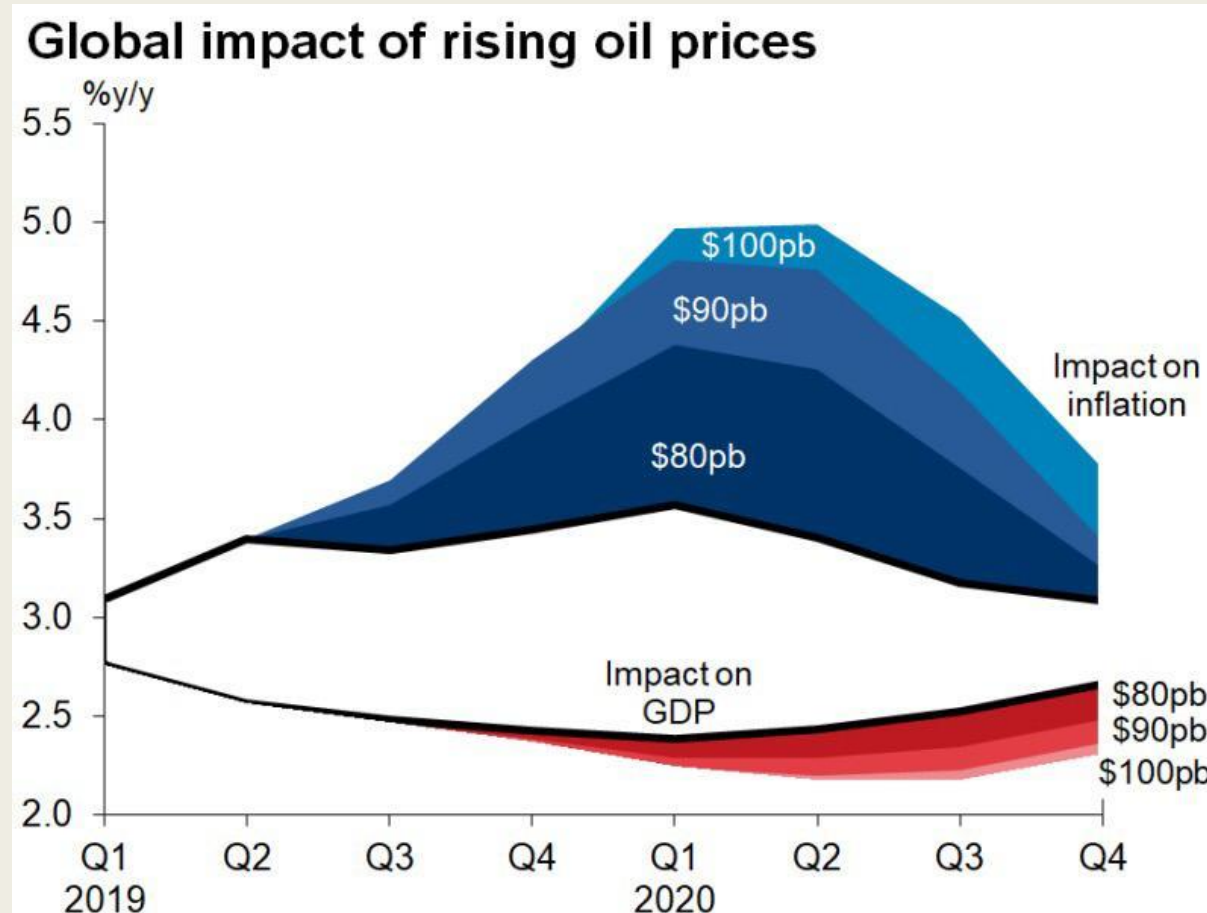
If Saudi production revives within first 30 days, there's minimal impact on the oil prices.



Source: Statista, Bloomberg

## 4. Higher Oil prices impact on Global Inflation and GDP

USD 20/bbl crude price upmove results in ~2% increase in global inflation



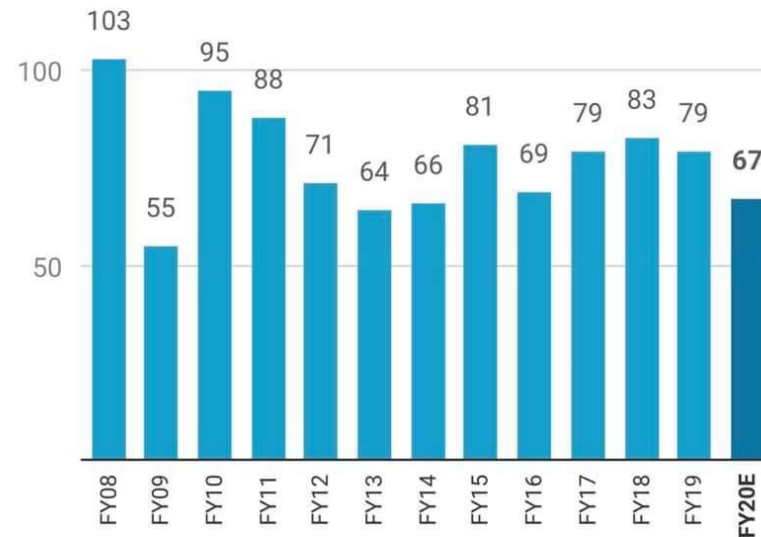
Source: Oxford Economics

## 5. India Market Cap to GDP ratio below 12 year average

FY19 Market cap to GDP ratio for India is below the past 12 year average of 78%

### In moderation mode

Valuations of Indian equities using the market cap-to-GDP ratio has fallen below the average of 78% in the past 12 years

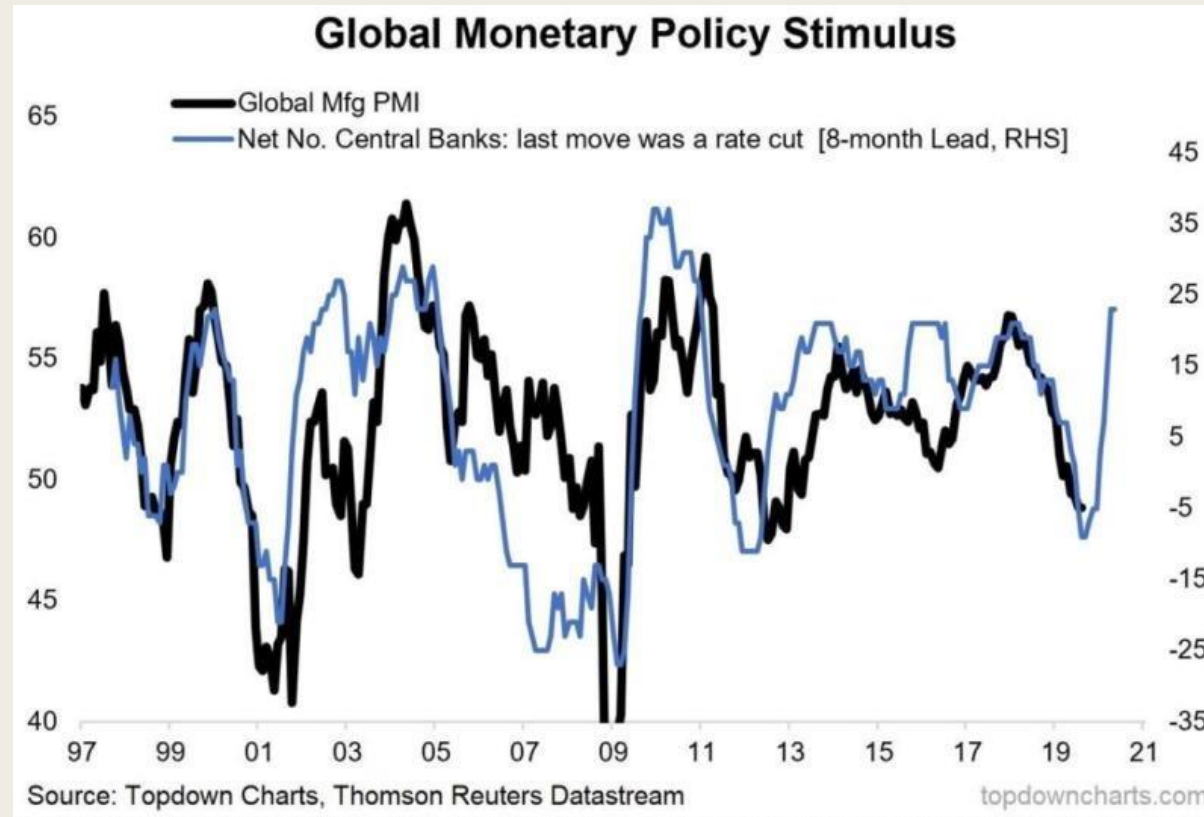


Market cap for fiscal year 2020 calculated using 31-Aug prices

Source: Motilal Oswal

## 6. Over 20 central bank's latest move 'a rate cut'

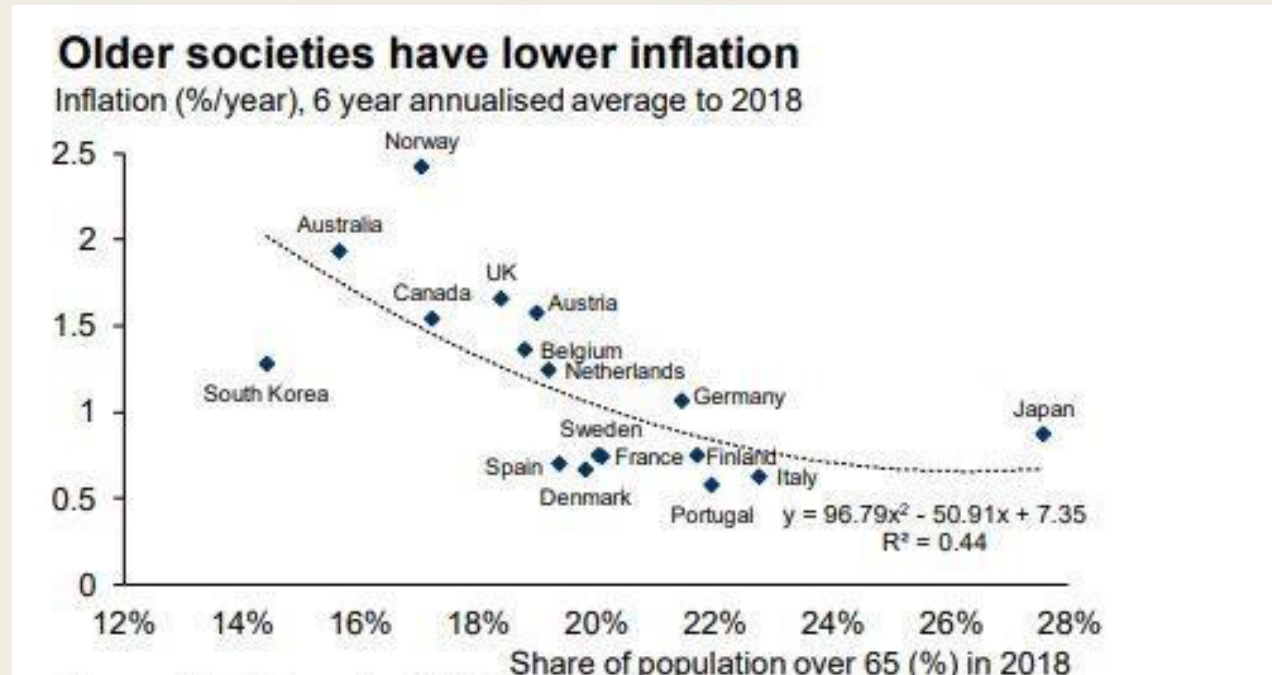
Mfg PMI expected to move up with policy rates going down globally



Source: Topdown Charts, Thompson Reuters

# 7. Demographics plays an important role in Inflation

India (~6% share of people over 65yrs old) is still a relatively young society

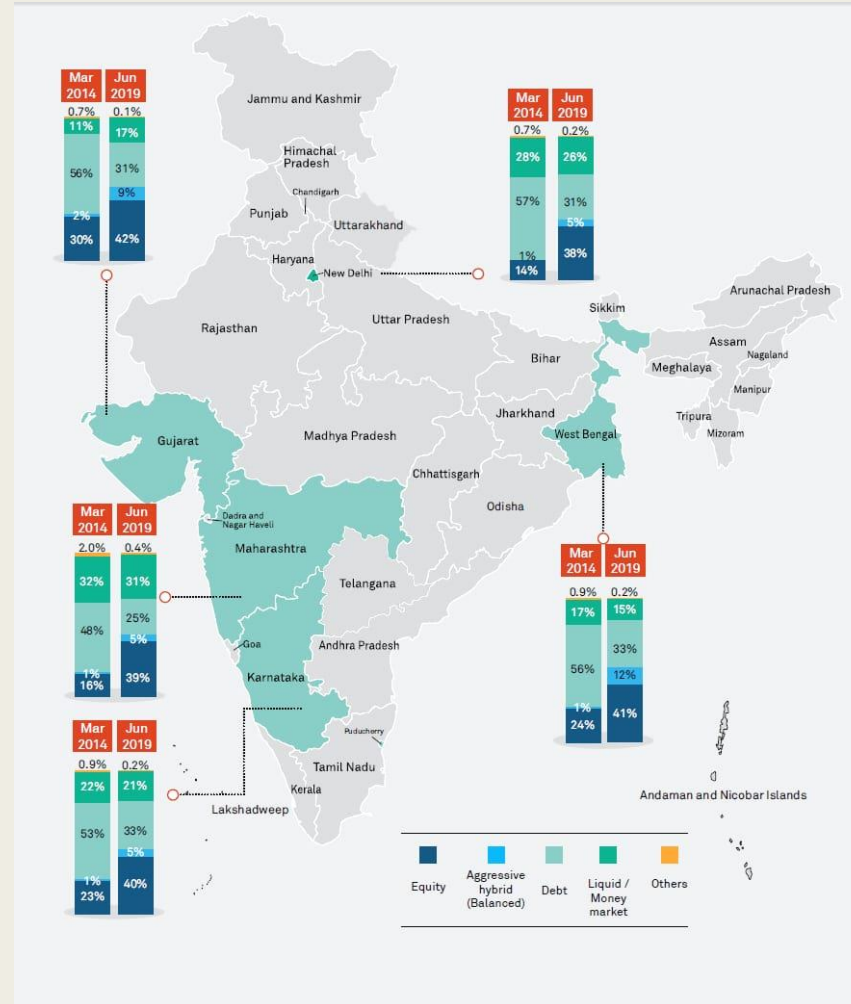


Source: Oxford Economics



# 8. Domestic Mutual Fund AUM concentration

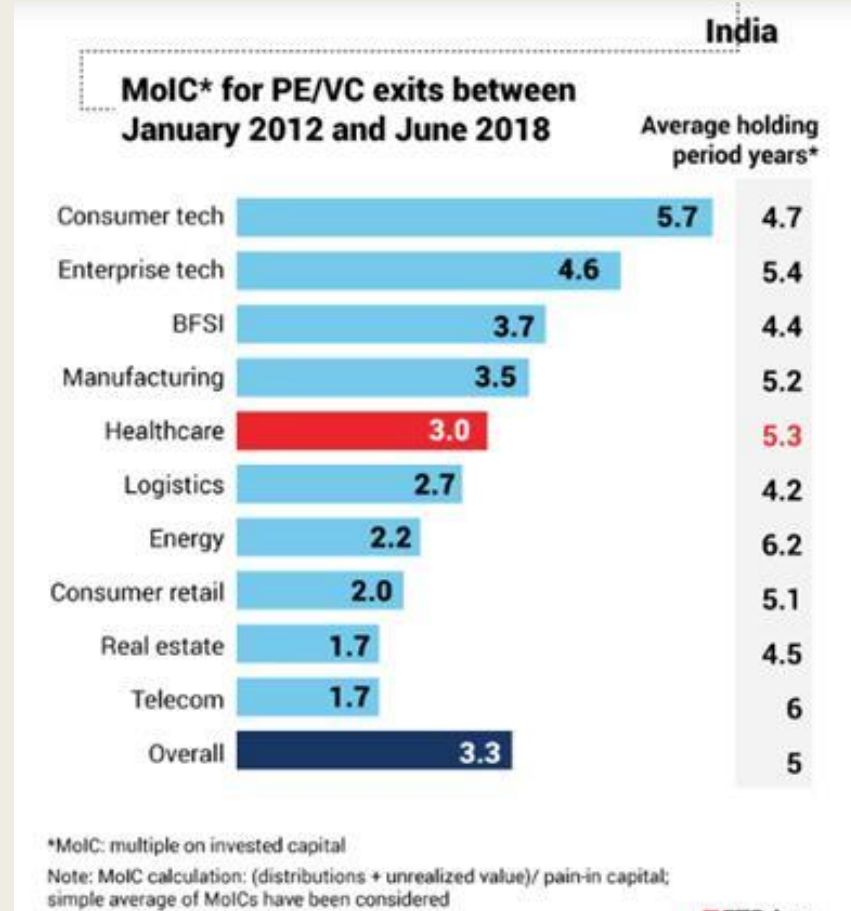
5 states contribute more than 70% of domestic MF AUM



Source: AMFI

# 9. PE/VC Exits In India

Consumer tech has the highest multiple on invested capital in India



Source: ET

# 10. Worlds top tourist destination

US has ~7.5x more international tourist receipts than India



Source: Howmuch



THANK YOU