

CHARTBUSTER

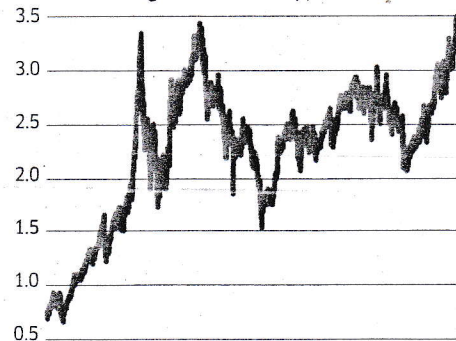
ET GRAPHICS

India's global market cap share at all-time high

After becoming the world's fifth-largest economy, India is now the fifth-biggest equity market as well. While global equities collapsed under the weight of two Black Swan events – the Covid pandemic and the Ukraine war – the Indian share market held firm in 2022. The relative outperformance has propelled India's share in global market cap to an all-time high of 3.5%, rebounding from a low of 2.05% on May 19, 2020, in the aftermath of the pandemic-triggered collapse in share prices. **Rajesh Mascarenhas** reports.

UP THE GLOBAL LADDER

India's share in global market cap, in %



Sep 22, 2003

Sep 6, 2022

HELPED BY RELATIVE OUTPERFORMANCE

	Mcap (\$b)	YTD Ret (%)
World	97,942	-19.40
United States	42,543	-20.87
China	10,497	-19.22
Japan	5,116	-22.71
Hong Kong	5,034	-17.10
India	3,433	-0.88
Saudi Arabia	3,033	13.79
United Kingdom	2,742	-25.34
Canada	2,737	-14.38
France	2,524	-27.14
Germany	1,805	-34.71
Switzerland	1,780	-25.27
Taiwan	1,668	-26.97
South Korea	1,580	-26.56
Australia	1,484	-16.39
Sweden	855	-41.32

Source: Bloomberg

India's strong economic growth makes country attractive

Strong FII flows driving markets since August

MSCI India index has outperformed the MSCI Emerging Market index by 27% in the past 12 months

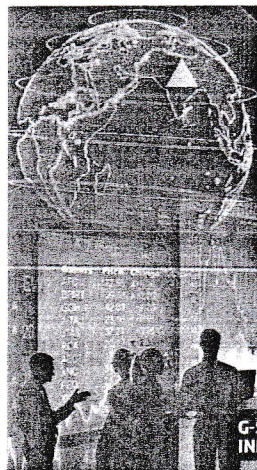
WHAT IT MEANS

Rise in share because of relative performance

In absolute terms, Indian market has been almost flat

High valuations mean Indian market more at risk in case of adverse events

High US interest rates and strong dollar key risks



G-SECS' LIKELY ENTRY IN GLOBAL INDEX HELP RE BEAT EM PEERS

RISING WEIGHT IN MSCI EM MAY SUPPORT INDIAN EQUITIES ▶▶ 5