



INDIA REPORT

Celebrating 29 years

Since 1995: Independent, objective, succinct analysis
Over 1,000 issues in 29 years

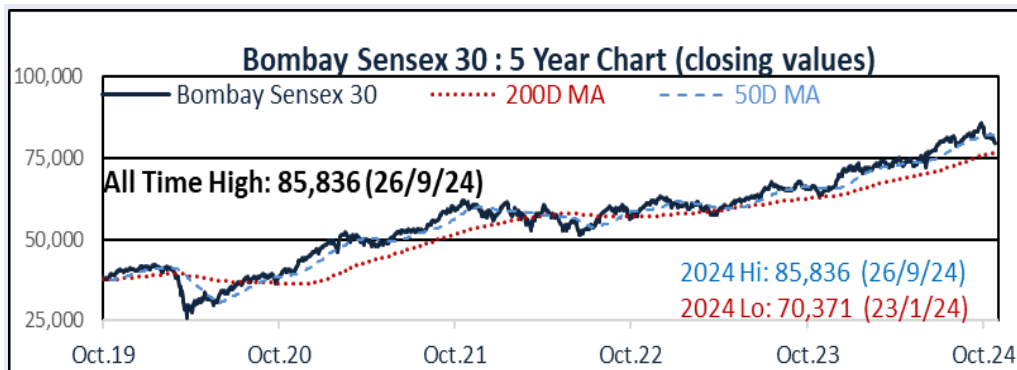


LALCAP

Deepak N. Lalwani OBE, FCSI, FCCA

E: dl@lalcap.com

London, 25 October 2024



Close:	Level	Index Pts	YTD
25 Oct 2024		Chg- Day	% Chg
SENSEX 30	79,402	-663	+ 9.9%
NIFTY 50	24,181	-219	+ 11.2%

Other Markets: Level & % YTD

ASIA: CHINA Shanghai: 3,300 (+11%)
JAPAN Nikkei 225: 37,914 (+13%)
EUROPE: UK FTSE: 8,248 (+7%)
GERMANY DAX: 19,464 (+16%)
USA: Dow Jones: 42,114 (+12%)
NASDAQ Composite: 18,519 (+23%)
GOLD: \$2,747.17 (+33%)
SILVER: \$33.70 (+42%)
BRENT OIL: 76.05 (-2%)

Indian Currency; Level & YTD

INR ₹ / USD	\$1=	Rs84.10 (-1.1%)
INR ₹ / GBP	£1=	Rs109.07 (-2.9%)
INR ₹ / EUR	€1=	Rs90.90 (+1.2%)

⇒ **Indian oil minister Hardeep Singh Puri said that India will be able to navigate through any oil shocks from the potential disruptions to oil supplies stemming from the escalating Middle East conflict.**

As the world's third-largest oil importer, India relies on imports for about 80% of its daily consumption, drawing significantly from Middle Eastern producers. However, Puri emphasised that the global market currently offers ample oil supplies. "Today, there is more oil available in the world than there is consumption," he stated, noting the presence of new suppliers to fill any gaps. **This optimism comes amid OPEC and its allies, including Russia, reducing production to stabilise prices against a background of weakening global demand.**

⇒ **India is one of the world's fastest-growing aviation markets.**

Government data projects that domestic passenger traffic will double to 300 million by 2030, while international flight traffic could more than double, according to aviation research firm CAPA India. With record orders placed with Airbus and Boeing, the country's airlines are gearing up for explosive growth. In tandem, authorities plan to double the number of airports, aspiring to create global hubs that rival Singapore, Dubai, and Doha. However, realising this vision comes at a cost. S&P Global Ratings estimates that the aviation sector will need a massive \$150 billion to finance 1,700 outstanding aircraft orders and \$24 billion for new and expanded airports. The timing, according to analysts, is favourable for increased borrowing, driven by rising passenger traffic, lower domestic financing rates, and supportive government policies on foreign ownership. **While this surge in demand means higher borrowing for airlines and airports, a growing reliance on aircraft lessors and domestic banks may cushion financial pressures.**

⇒ **India ranks among the world's top five space-faring nations, yet it commands only about 2% of the global commercial space market.**

Prime Minister Modi's government aims to transform this landscape by inviting foreign investment and targeting a five-fold increase in market share, projecting a \$44 billion industry by 2033. Currently, there are nearly 250 space startups which offer cost-effective services in communications, agriculture, and commodities, where high-quality data is invaluable. Some are even developing the nation's first private rockets. **Investment by Private**

Equity in the sector surged to \$126 million in 2023, up an impressive 235% from just \$37.6 million in 2021, according to Tracxn data.

⇒ **In a bold move to elevate its space sector, the Indian government has approved a ₹10 billion (\$119 million) fund aimed at supporting 40 emerging startups.** This initiative is part of India's strategy to capture a larger slice of the commercial space market by 2033. The funding, which ranges from ₹100 million to ₹600 million based on each startup's maturity, is expected to generate jobs, enhance space technology development, strengthen supply chains, and boost research and development. "Capital infusion will create a multiplier effect, attracting further investments for later-stage developments," officials stated. **Proposed in July, the fund will be managed by the Indian National Space Promotion and Authorisation Centre, marking a significant step in India's quest for space leadership.**

⇒ **With over 1.4 billion people and widespread low-cost internet access, India is poised to expand its influence in Artificial Intelligence (AI), emerging as a crucial growth market for U.S. tech giants.** From established firms to dynamic startups, Indian businesses are crafting AI models tailored to the country's diverse languages, enhancing consumer engagement and driving innovations like customer service AI assistants and content translation. At an AI summit in Mumbai, US chip giant Nvidia's CEO Jensen Huang announced plans to supply AI processors to major players like Mukesh Ambani's Reliance Industries, deepening collaborations in this burgeoning market. **Having established a presence nearly two decades ago, Nvidia now boasts engineering and design centres across India, with offices in key tech hubs like Bengaluru and Hyderabad, underscoring its commitment to the region's AI evolution.**

⇒ **In September last year, Reliance and Nvidia committed to developing AI supercomputers in India, focusing on large language models tailored to local languages.** Later, Nvidia announced a similar partnership with Tata Group. "India is already world-class in designing chips and developing AI," said CEO Jensen Huang. "Instead of being an outsourcer, India will become an exporter of AI." **While Nvidia's revenue from India is currently small, Huang expressed optimism, stating, "Our hopes are large," highlighting India's potential in the global AI landscape.**



INDIA REPORT

Celebrating 29 years

*Since 1995: Independent, objective, succinct analysis
Over 1,000 issues in 29 years*



LALCAP

GLOBAL GREEN FINANCE INDEX (GGFI) 14: PUBLISHED OCTOBER 2024

courtesy: Z/YEN, LONDON

Source: https://www.longfinance.net/media/documents/GGFI_14_Report_2024.10.24_v1.1.pdf

- GGFI 14 provides evaluations of the green finance offerings of 97 major financial centres around the world. The GGFI serves as a valuable reference into the development of green finance for policy and investment decision-makers.
- Z/Yen is the City of London's leading commercial think-tank. Z/Yen was founded in 1994 to promote societal advance through better finance and technology. The authors of the report are Mike Wardle, Simon Mills and Alderman Professor Michael Mainelli.
- Alderman Professor Michael Mainelli is the Executive Chairman of Z/Yen Group and has been the 695th Lord Mayor of London from 10 November 2023 for a one-year-term. As the elected head of the City of London Corporation, he serves as a global ambassador for the UK financial and professional services industry.
- In the supplement to this edition of the GGFI 14, there is a focus on the response of the insurance industry to the increasing risk of climate-induced catastrophes. Also explored is the need for a global climate risk pool funded either through a global insurance levy, or donations from developed countries with cover provided through existing commercial markets.

TOP 20 (OUT OF 97) GLOBAL GREEN FINANCE CENTRES:

Rank	City	Rank	City	Rank	City	Rank	City
1	London	6	Stockholm	11	Oslo	16	Toronto
2	Zurich	7	Los Angeles	12	Washington DC	17	San Francisco
3	Singapore	8	Luxembourg	13	Lugano	18	Paris
4	Geneva	9	Copenhagen	14	San Diego	19	Edinburgh
5	New York	10	Montreal	15	Chicago	20	Frankfurt

1. London retained its first position in the index, while Zurich and Singapore overtook Geneva to take second and third places.
2. Western European centres take six of the top 10 places, with North American centres take three. Singapore is the only Asia/Pacific centre in the above top 20. Singapore has overtaken Sydney and Seoul to lead the region.
3. India is not in the table above of the top 20 and this reflects the challenging journey ahead in a competitive league. However, GIFT City-Gujarat is number 65, New Delhi is 68 and Mumbai is 91.

TOP 5 GLOBAL GREEN FINANCE CENTRES BY REGION:

	Latin America and Caribbean	North America	Western Europe	Eastern Europe and Central Asia	Middle East and Africa	Asia/Pacific
1	Sao Paulo	New York	London	Kaunas	Dubai	Singapore
2	Santiago	Los Angeles	Zurich	Astana	Abu Dhabi	Seoul
3	Mexico City	Montreal	Geneva	Prague	Casablanca	Shenzhen
4	Rio de Janeiro	Washington DC	Stockholm	Sofia	Tel Aviv	Sydney
5	Bermuda	San Diego	Luxembourg	Riga	Johannesburg	Busan

1. In N. America New York retains first position. Los Angeles retains its lead over San Francisco (Silicon Valley) which is not in the top 5 in North America.
2. In Europe, London retains its prime position with Switzerland moving up to second and third position in Europe.
3. In Asia/Pacific Singapore retains its position as number one in Asia. India's Gift City-Gujarat is no longer even in the top 15. Competition in the region is intense.
4. Dubai and Abu Dhabi retain number one and two position in the Middle East and Africa.



31 OCTOBER 2024: HAPPY DIWALI AND ALL GOOD WISHES FOR A PROSPEROUS NEW YEAR



A short background on Diwali ("the festival of lights" which is the Hindu New Year), on 31 October this year (follows the lunar calendar):

This is part of Hindu mythology and Diwali symbolises the conquest of good over evil, the triumph of light over darkness, and the victory of knowledge over ignorance.

Ravana, who had ten arms and ten heads, was the wicked king of the island of Lanka. He kidnapped the wife of Lord Rama.

After a great battle, Rama killed the demon and rescued his wife, Sita.

Rama's return with his wife, Sita, and his subsequent coronation as King is celebrated as Diwali. The people of the kingdom put little lamps (called "deepaks") outside their houses so that the new King and Queen could find their way home. Thus, the beginning of the tradition of the festival of lights.

Diwali symbolises the conquest of good over evil, the triumph of light over darkness, and the victory of knowledge over ignorance.

It is the start of the Hindu New Year and is celebrated as a family event.



INDIA REPORT

Celebrating 29 years

*Since 1995: Independent, objective, succinct analysis
Over 1,000 issues in 29 years*



LALCAP

DISCLAIMER

This report is solely for knowledge purposes and does not constitute investment advice and should not be construed as an advertisement, solicitation, invitation or inducement to buy or sell securities in any jurisdiction. Lalcap Ltd does not offer a share dealing service or offer investment advice. Readers should make their own investment decisions or seek appropriate professional advice. Nothing in this report constitutes a representation that any investment strategy or recommendation contained herein is suitable or appropriate to a recipient's individual circumstances or otherwise constitutes a personal recommendation to lead to or enable any transaction. The past is not necessarily a guide to future performance. The value of securities and the income arising from them can fall as well as rise and investors may get back less than they originally invested. The information contained here has been obtained from sources which Lalcap Ltd believes to be reliable. The Company does not warrant that such information is accurate or complete. All estimates and prospective figures quoted are forecasts and not guaranteed. Opinions included in this report reflect the Company's judgement at the time of presentation and are subject to change without notice. If the investment(s) mentioned in this report are denominated in a currency different from the currency of the country in which the reader is a resident, the recipient should be aware that fluctuations in exchange rates may have an adverse effect on the value of the investment(s). If you are in or have inadvertently or indirectly received this report within a jurisdiction where the contents may be regarded by local securities exchange authorities as regulated information or investment advice, you should delete the report immediately and inform Lalcap of receipt. The company is not responsible for the suitability of any securities for any purpose, investment or otherwise. Lalcap assumes no fiduciary responsibility or liability for any consequences financial or otherwise arising from trading in securities if opinions and information in this document are relied upon. Full disclaimer available on website at www.lalcap.com
Published by / copyright: LALCAP, 2024

REGISTERED OFFICE: LALCAP LTD, 124 CITY ROAD, LONDON EC1V 2NX, U.K.

REGISTERED IN ENGLAND NO: 07245357

LALCAP: E: info@lalcap.com
W: lalcap.com

EDITOR: Deepak N. Lalwani OBE, FCSI, FCCA

T: +44 (0)20 3519 0909
E: dl@lalcap.com