

PHD Chamber organised an Open House Discussion on Stock Markets at all Time High: Where are the markets headed and why?

PHD Research Bureau, the research arm of PHD Chamber of Commerce and Industry conducted an Open House Discussion on Stock Markets at all Time High: Where are the markets headed and why? on Friday 04th August 2017, 4 pm at PHD House, New Delhi.

Glimpses of the Roundtable Open House Discussion on Stock Markets at all Time High: Where are the markets headed and why? held at PHD House



From Left to Right: Shri Ambuj Jain, Vice President - Financial Markets, Jubilant Life Sciences Limited, Shri Ram Poddar, Founder Chairman, Vriddhi Consulting, Shri B K Sabharwal, Chairman, Federation of Indian Stock Exchanges, Shri Vijay Mehta, Chairman, Mefcom Capital Markets Ltd., Shri Rajeev Garg, Additional General Manager, BSE Ltd., Dr. S P Sharma, Chief Economist, PHD Chamber

Highlights of the Speakers Views on Stock Market:

Mr. Vijay Mehta, Chairman, Economic Affairs Committee, PHD Chamber in his welcome remarks said that he feels that the stock market fever has really spread out and everyone wants to know what we are going to do beyond 10,000. He said that there is a need to appreciate the factors due to which the stock markets have reached 10,000 mark. He mentioned that there is about Rs. 10,000 crore investments of public in schemes of mutual funds who in turn are investing in stock markets. He also mentioned that the boom has already kick started under the leadership of the present Prime Minister of India , Hon'ble Shri Narendra Modi and because of the kind of reforms announced by the government along with the enthusiasm of the economy

towards these reforms. He said that the future of the country still looks bright and this is also expected to go up in the coming times. He said that the situation is very same as before, except that the valuations of the companies have gone up.

Mr. B K Sabharwal, Chairman, Federation of Indian Stock Exchanges said that the markets will be sky-high and will be beyond our expectations about where the markets are right now. He said that in the next six years markets will be at a very high level due to few reasons. He said that he has never seen such a conducive environment with low fiscal deficit, low inflation and government's tiring efforts to reduce subsidies, low rate of oil which is expected to remain so for the next 4-5 years. He added that GST will get success more than the expectations of the government and as the economy will become more tax compliant, the only option that will be for the people will be to invest in mutual funds and SIP. He verbalized that this Sensex of 32,000 and NIFTY at 10,000 will be the lowest level after 6 years. He appreciated the reforms of the government such as Make in India, Digital India which will add to the growth of the country.

Mr. Rajeev Garg, Additional General Manager, BSE Ltd., shared his view from an intermediary perspective suggesting that the Indian economy is doing well and the markets are at all time high. He emphasized that people need to strike a difference between trading and investing, as he mentioned that for an investor a market is never at risk i.e. a 10-20 point dip does not scare / alert an investor. From exchange point of view he shared that they are doing their best given the regulations and are living in line with the Digital aim of Hon'ble Prime Minister Shri Narendra Modi. He concluded that the retail investor base is expanding , specially the youth is getting motivated to invest in the markets and is happy that financial literacy will be incorporated as a part of CBSE school curriculum from class 10th onwards.

Shri Ram Poddar, Founder Chairman, Vriddhi Consulting, in his key note shared his experience as an investor in the stock market. He highlighted the historical perspective of stock market and explained the current situation of stock markets wherein there are very less options available, stocks are limited and market is majorly led by demand-supply. In the end, he mentioned that one should diversify their investments in the stock market to mitigate the risks and avail the gains.

Shri Ambuj Jain, Vice President - Financial Markets, Jubilant Life Sciences Limited gave a brief presentation on the stock markets including trend analysis of global stock markets, Indian stock markets and comparison of Indian rupee with various currencies, among others. In his presentation he highlighted that the BSE index moved from 2900 in 2003 to 20500 in 2007, a nearly 7 fold move in 4 years. It subsequently trebled between 2009 and 2014. He was of the view that a doubling from 2016 low of 22500 is possible over the next 2 years.

Dr. S.P. Sharma, Chief Economist, PHD Chamber while giving his presentation on the markets emphasized that markets are so intelligent that no one can either predict or control them. However as an economist he shared that the current account deficit and fiscal deficit impact, influence and shape the market and both are currently in favour. He further suggested that inflation which marks to be a true indicator of country's growth showcases a positive trend. He added, that comparing with the world markets India is doing significant well along with Dow Jones industrial average , thereby

considering the global policy environment and the policy environment he is not negative but there is always a correction after market reaches peak. As an economist he suggested a lot can happen in the short run but in the long run markets look healthier.

Glimpses of the discussions on Stock Markets





Please contact for any query related to this mail to Ms. Megha Kaul, Associate Economist at megha@phdcci.in , with a cc to Dr. S P Sharma, Chief Economist, PHD Chamber of Commerce & Industry.

Yours sincerely,

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