

From Director's Desk

Staying invested is the most efficient way for building wealth. Instead of waiting for the right time to deploy money and trying to time the market bottoms, staying invested and taking advantage of the market's long term upward trend is a sure-fire way to successful investing.

Given that markets are by nature volatile, it is next to impossible to predict the market highs and market lows. Investing regularly and staying fully invested allows the power of compounding to work for you without the stress of trying to time the market.

It is clear from the analysis below, that for investors who remain invested for the long haul, timing the market does not make a substantial difference to the return on investment. Let us look at an investor who has stayed invested for a period of 20 years. That is, she invested in the year 2004-2005 and redeemed her investment on 28th March 2024, at an index (Nifty) level of 22326.90. If she had got lucky and had invested at the market low of 1388.75, as on 17th May, 2004, the 20-year CAGR on her investment would have been 14.90%. If unfortunately, she was unlucky and invested at the market high of 2168.95, as on 8th March, 2005, the 20-year CAGR on her investment would have been 12.36%. If she was smart and understood that timing the market was beyond what she was capable of and invested on the 1st of April, 2004, at an index level of 1819.65, the 20-year CAGR on her investment would have been 13.36%.

| 20 Year investment | | | |
|--------------------|-------|-------------|---------------------|
| Date | | Index Level | CAGR (2004 to 2024) |
| April 01, 2004 | Entry | 1819.65 | 13.36% |
| May 17, 2004 | Low | 1388.75 | 14.90% |
| March 08, 2005 | High | 2168.95 | 12.36% |

While it cannot be disputed that catching the market lows does, but obviously, result in a better outcome, the outcome for an investor who chooses not to time the market, is also quite satisfactory. The outcome will be even better if you invest systematically rather than a one-time investment, like in the illustration above.

Sashi Krishnan
Director, NISM

India: Macro-finance Data

December 2024, Volume 36

Source: Bloomberg

| Macro Indicators | As On | | | % Change in last | |
|-------------------------------|----------|----------|----------|------------------|---------|
| | 29-11-24 | 30-11-23 | 30-11-21 | 1 year | 3 years |
| Nifty | 24131.1 | 20133.2 | 16983.2 | 19.8 | 18.5 |
| Sensex | 79802.8 | 66988.4 | 57064.8 | 19.1 | 17.3 |
| Nifty P/E | 22.6 | 21.8 | 24.6 | | |
| Sensex P/E | 22.9 | 22.1 | 26.6 | | |
| RBI Rate (%) | 6.5 | 6.5 | 4 | | |
| 10 Yr G Sec (Gol) % | 6.7 | 7.3 | 6.3 | | |
| INR USD | 84.4 | 83.4 | 75.1 | -1.3 | -10.9 |
| GST Collection (Rs lac cr) | 1.8 | 1.6 | 1.3 | 11.5 | 27.6 |
| GDP growth rate % | 5.4 | 8.1 | 9.8 | | |
| Export growth rate % (yoy) | 17.2 | -2.8 | 34.6 | | |
| Import growth rate % (yoy) | 3.8 | -4.3 | 56.8 | | |
| CPI % | 6.2 | 5.5 | 4.9 | | |
| WPI % | 2.3 | 0.3 | 14.8 | | |
| BSE Mkt Cap (Rs lac cr) | 446 | 335 | 257 | 33.1 | 30.3 |
| NSE Mkt Cap (Rs lac cr) | 443 | 332 | 255 | 33.4 | 30.1 |

2000

Congratulations!

Lucky winners of November 2024 Quiz

- John Zachariah
- Dinesh Gupta
- Viral Barodia

Win attractive
cash prizes by
answering simple
Quiz.

Details in inside
pages....

Financial Markets

India's GDP growth at 5.4%

India's economy recorded a GDP growth of 5.4% in the second quarter of FY 2024-25, compared to 8.1% growth in the same quarter of FY 2023-24. The real GVA maintained positive momentum with 6.2% growth during the first half (April-September) of the fiscal year

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India Composite PMI stood at 58.6

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India Composite PMI stood at 58.6 in November 2024. It marked the 40th consecutive month of expansion in private sector activity. The manufacturing sector recorded a faster increase than the service economy.

India Services PMI increased to 59.2 in November 2024

The India Services PMI increased to 59.2 in November 2024 from a reading of 58.5 in October. This marked the 40th consecutive month of expansion in services activity and the fastest pace since August, driven by strong end demand and improving business conditions.

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GST collection spikes 8.5% Y-o-Y in November at Rs 1.82 tr

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GST collections for the month of November grew 8.5% year-on-year at Rs 1.82 lac cr. Maharashtra witnessed the highest GST collection among all the states, registering 29,948cr a 17% increase compared to November 2023



RBI keeps repo rate unchanged at 6.5%, cuts CRR by 50 bps to 4%

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Manufacturing PMI 56.5 for the month of November 2024

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India's manufacturing PMI stood at 56.5 in Nov 2024 from 57.5 in Oct. Positive demand trends fed through to sharp expansions in sales and output, though firms indicated that growth was somewhat restricted by competitive conditions and prices pressures. The latest results shows that a quicker upturn in cost burdens sparked the steepest rise in selling prices in over 11 years.

UPI transactions see 38% YoY growth in November 2024

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The unified payments interface (UPI)-based transactions stood at 15.48 bn in November 2024 which is a 38% year-on-year growth, along with Rs 21.55 lakh crore in total transaction amount – a 24 per cent YoY growth.

REGULATORY DEVELOPMENTS

SEBI announces interoperability for stock exchanges

SEBI announced the interoperability of stock exchanges to ensure business continuity in the face of a technical glitch or an outage. The interoperability for cash, derivatives, currency derivatives, and interest rate derivatives will be effective from April 1, 2025. Traders would be able to hedge their open positions by taking offsetting positions in identical or correlated indices on other exchanges.

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SEBI allows common contact details for multiple investor accounts of HUFs, corporates, trusts

The same email ID and mobile number may be given for more than one investor client if the contact details are of the authorised person of a Hindu Undivided Family, corporate, partnership or a trust. These contact details are used by stock exchanges to send information to investors through SMS-es and e-mail alerts. [Read More](#)

SEBI issues rules for uniform nomination standards in securities markets

[Read More](#)

SEBI has notified the rule mandating every participant to provide beneficial owners with the option to nominate a person to whom their securities will transfer upon their death. The new rules are aimed at enhancing investor convenience and introducing uniform standards for nomination facilities across the Indian securities market.

Interest rate ceiling on FCNR(B) deposits hiked to attract capital : RBI

In order to attract more capital inflows, the RBI has decided to increase the interest rate ceilings on FCNR(B) deposits. These are foreign currency term deposits that non-resident Indians can open with Indian banks. Banks are permitted to raise fresh FCNR(B) deposits of 1 year to less than 3 years maturity at rates not exceeding the ceiling of overnight Alternative Reference Rate (ARR) plus 400 bps as against 250 bps at present. [Read More](#)

SEBI revises guidelines for capacity planning, real-time performance monitoring of MIs

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SEBI came out with new guidelines for stock exchanges, clearing corporations and depositories to ensure robust capacity planning and real-time performance monitoring of their critical IT systems.

Unlocking Rs 1 lac cr unclaimed bank deposit coffer

The Lok Sabha passed amendments to the banking laws, by bringing in as many as 19 amendments to the existing pieces of legislation governing the banking system, including that of the RBI Act. The bill also allows a bank account-holder to simultaneously make four nominees so that successors of an account holder are not locked out of the money or someone with a fixed deposit is able to access the fund once the account holder is no more. [Read More](#)

SECTORAL DEVELOPMENTS

India's fiscal deficit on track, but spending challenges persist

The central government fiscal deficit for the first seven months of FY25 stands at 46.5% of its budget estimates. Capital expenditure fell by 14.7% during this period, impacting long-term economic growth, although there was a fiscal improvement in October 2024. [Read More](#)



**FDI inflows increase
45% to \$29.79 bn**

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Foreign direct investment in India rose by 45% year-on-year to \$29.79 bn in April-September this fiscal on healthy inflows in services, computer, telecom and pharma sectors, FDI inflows were at \$20.5 bn

India's power consumption up 5% to 125.44 bn units in November [Read More](#)

India's power consumption up 5% to 125.44 bn units in November 2024 from 119.30 billion units in the same month last year. The increase in power demand reflects the higher level of commercial and industrial activity taking place in the economy.

RBI adds 27 tn gold to country's reserve [Read More](#)

Central banks significantly increased gold reserves, with India leading the charge by adding 27 tonnes. Turkey and Poland also contributed substantially, driving global net purchases. Several other central banks continued their gold accumulation strategies, boosting overall reserves. This purchase the total gold reserve of India is now at 882 tonnes.

GLOBAL FINANCIAL DEVELOPMENTS

US services sector activity takes breather in November

U.S. services sector activity slowed in November after posting big gains in recent months, but remained above levels consistent with solid economic growth in the fourth quarter. The nonmanufacturing purchasing managers index (PMI) slipped to 52.1 last month after surging to 56.0 in October. [Read More](#)

UK growth hit by global and domestic pressures

After a strong start to the year, low productivity, supply shortages and rising energy costs have begun to weigh on the UK's economic performance. Global uncertainties including trade tensions and higher energy prices are compounding these challenges, resulting in an increasingly uncertain economic outlook. [Read More](#)

Japan revises Q3 GDP higher, keeps alive BOJ rate-hike expectations

Japan's economy expanded in July-September at a faster pace than initially reported thanks to upward revisions in capital investment and exports, keeping alive market expectations for a near-term interest rate hike by the central bank. [Read More](#)

Consumer spending increased in US [Read More](#)

Consumer Spending in the United States increased to 16106.40 USD Bn in the third quarter of 2024 from 15967.30 USD Bn in the second quarter of 2024. Consumer Spending in the United States averaged 6600.59 USD Bn from 1947 until 2024, reaching an all time high of 16106.40 USD Bn in the third quarter of 2024 and a record low of 1351.40 USD Bn in the first quarter of 1947.

DEVELOPMENTS IN RELATED AREAS

Net FDI, FPI and FII data (2024-2025) [Read More](#)

FDI, FPI and FII data are out for ready reference in RBI Bulletin for November 2024 with estimates of latest months along with debt transactions of FDI enterprises – point 34 under Foreign Investment Inflows.

India's GDP base year to shift to 2022-23 for improved accuracy [Read More](#)

The Government of India will revise the base year for calculating Gross Domestic Product (GDP) from 2011-12 to 2022-23, marking the first update in over a decade. This change aims to better reflect the structural shifts in India's economy and provide a more accurate foundation for economic policymaking.

NISM PROGRAMS

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As part of its Investor Education initiatives, NISM has introduced a masterclass series featuring Industry experts in financial and Capital market fields. These sessions are designed to enhance the learning experience for both students and professionals. Each carefully curated, hour-long session aims to provide valuable insights and practical strategies to help both experienced and new investors make informed investment decisions.

NISM Masterclass Series



Fostering Partnerships



Securities and Exchange Board of India (SEBI) emphasizes the need for a proficient workforce to maintain market efficiency and integrity. Ongoing global, technological, and regulatory shifts demand skilled and adaptable professionals who can navigate market complexities with unwavering commitment to compliance and ethics. In light of the evolving financial landscape, it is evident that enhancing the current academic curriculum offered by Higher Education Institutions can effectively prepare students with the specialized knowledge and practical skills to navigate the dynamic and regulated world of finance. The Financial Services Industry is facing critical shortage of skilled and job-ready professionals to keep pace with its rapid growth and expansion. NISM offers a range of certifications, e-learning, and other long-term programs designed to equip individuals with the necessary skills and updated knowledge to excel in the dynamic field of securities markets. We believe that our expertise in this area can be of great value to the institutions and their students. By collaborating with NISM, HEIs can fulfill the mission of promoting professional development and job readiness among students, while also reaping benefits such as improved job placements, higher rankings, and better admissions. We invite HEIs to explore this opportunity and engage in discussions on how we can work together.

NISM CERTIFICATIONS




NISM-Series-XXI-A: Portfolio Management Services (PMS) Distributors Certification Examination: This examination seeks to create a common minimum knowledge benchmark for distributors of Portfolio Management Services (PMS) and aims to enhance the quality distribution and related support services in the Portfolio Management Services (PMS). The certification covers about basics of investments, securities markets, investing in stocks, fixed income securities, derivatives and mutual funds. This book also provides an understanding about the role of portfolio managers, operational aspects of portfolio management services, the portfolio management process, performance measurement and evaluation of portfolio managers. The taxation, regulatory, governance and ethical aspects of portfolio managers have also been discussed in this workbook.

Certificate Program in Commodity Warehousing Management: This e-learning program aims to train the participants with the best practices in the warehousing management industry. The course would enable passionate professionals to handle all functions related to warehousing right from good practices in the commodity eco-system such as storage, price stabilization, minimization of risk, financing, grading and packing.

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NISM National Institute of Securities Markets
A Capacity Building Initiative of SEBI

YOUR MONEY,
YOUR FUTURE,
OUR CALCULATOR.

- Corpus Making Calculator
- Fixed Deposit Calculator
- Recurring Deposit Calculator
- Vehicle Loan Calculator
- Retirement Calculator
- EMI Calculator
- Lumpsum Calculator
- SIP Calculator
- Compounding Calculator
- NPS Calculator

Financial calculators are indispensable tools that help individuals and businesses make informed decisions about their finances. These financial calculators are user-friendly and provide detailed, accurate results, empowering users to make informed financial decisions.



[Click here](#) to access the financial calculator

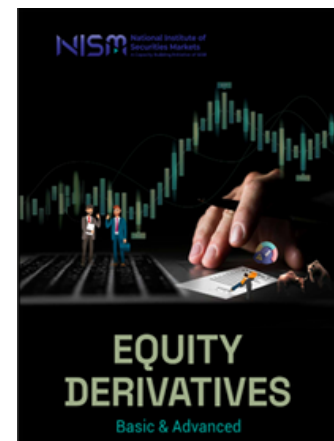
NISM e-LEARNING MODULES

Equity Derivatives (Basic & Advance)

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Basic: This course has been revised and updated with fresh content to enhance learners' foundational understanding of equity derivatives, covering essential concepts, trading strategies, and practical applications. The course takes about 4 hours to complete, is fully online, and includes quizzes and assessments with a certificate upon successful completion.

Advanced: This new course dives deeper into advanced derivatives strategies and complex option greeks, designed for professionals and learners aiming to expand their expertise in equity derivatives. The course takes about 5 hours to complete, is fully online, and includes quizzes and assessments with a certificate upon successful completion.



Interest Rate Derivatives

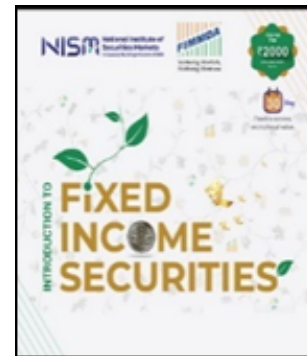
[Read More](#)


Interest rate derivatives are F&O contracts used to trade or hedge against interest rate fluctuations. Introduction to Interest Rate Derivatives, is an eLearning course, co-branded by NISM and FIMMDA (The Fixed Income Money Market and Derivatives Association of India). This course offers an insightful journey into understanding the intricacies of this vital segment of the financial market. From exploring market overview to understanding trading and hedging strategies, this course equips you with essential knowledge to navigate the interest rate derivatives landscape effectively.

Fixed Income Securities

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Fixed income securities refer to a diverse range of investment instruments where investors lend money to an entity, such as governments or corporations, in exchange for regular interest payments over a period. Introduction to Fixed Income Securities, is a comprehensive eLearning course jointly developed by the National Institute of Securities Markets (NISM) and the Fixed Income Money Market and Derivatives Association of India (FIMMDA). This course is designed to provide a thorough understanding of the Indian fixed income securities market, types of fixed income securities, and the associated risks. Whether you're a seasoned professional or a student looking to enhance your knowledge, this course offers valuable insights into the world of fixed income securities.



Forensic Investigation- Level 1

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Interest rate derivatives are F&O contracts used to trade or hedge against interest rate fluctuations. Introduction to Interest Rate Derivatives, is an eLearning course, co-branded by NISM and FIMMDA (The Fixed Income Money Market and Derivatives Association of India). This course offers an insightful journey into understanding the intricacies of this vital segment of the financial market. From exploring market overview to understanding trading and hedging strategies, this course equips you with essential knowledge to navigate the interest rate derivatives landscape effectively.

Forensic Investigation- Level 2

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Overview of Indian Debt Markets

[Read More](#)

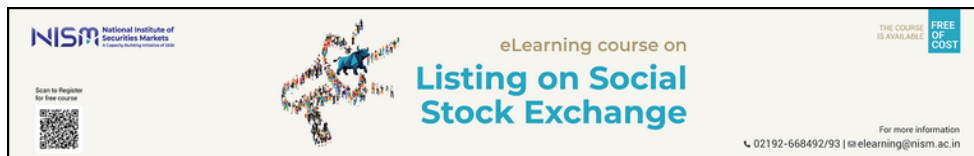

Debt Market is the market where fixed income securities of various types and features are issued and traded. Overview of Indian Debt Markets, is a comprehensive eLearning course jointly developed by the National Institute of Securities Markets (NISM) and the Fixed Income Money Market and Derivatives Association of India (FIMMDA). This course is designed to give a comprehensive understanding of the intricacies of Money Market, Government Debt Market, and Corporate Debt Market in India.

Municipal Bonds

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Municipal bonds are an innovative, yet underutilised, financing option for Indian municipalities and urban local bodies. To help bridge this gap, a comprehensive eLearning course has been prepared aimed at empowering municipalities with the knowledge and practical skills to leverage municipal bonds as a powerful tool for financing development projects.

Listing on Social Stock Exchange

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In India, social stock exchanges are emerging as a game-changing platform for organizations with a social impact mission. Our eLearning course, Listing on Social Stock Exchange, is designed to empower socially responsible organizations such as Not for Profit Organizations (NPOs) and For Profit Social Enterprise (FPEs) with the knowledge and tools they need to access these innovative markets. Whether you're a nonprofit, social enterprise, or a mission-driven business, this course will guide you step-by-step through the listing process and regulatory requirements to maximize your impact.

SME Listing and Compliance

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Take your financial knowledge to the next level with our "Financial Planning (Advanced)" eLearning course. Designed for individuals with an understanding of basic financial concepts, this course delves into advanced topics such as goal prioritization, application of time value of money, building retirement corpus, and regulatory framework for SEBI registered investment advisers. Led by experts in the field, this course challenges you to explore complex financial scenarios using case studies, equipping you with the tools to navigate intricate financial landscapes. Whether you are a seasoned investor or an investment adviser looking to enhance your expertise, this course provides advanced insights to elevate your financial planning skills.

AML for Insurance Professionals

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Effective Anti-Money Laundering (AML) practices are crucial in the insurance industry to prevent illegal activities like money laundering and financing terrorism. By implementing robust AML measures, insurance companies can not only contribute to a safer, more transparent industry, but also promote trust and confidence among clients and stakeholders. This course is designed to equip the insurance professionals with the essential knowledge and skills required to maintain the integrity of financial systems, ensure regulatory compliance, and safeguard their company's reputation.

Financial literacy Course for Bharat

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Financial literacy is a universal necessity for individuals seeking to enhance their financial acumen and secure their financial future. It is the cornerstone of sound financial decision-making. It encompasses understanding various financial instruments, managing finances effectively, planning for the future, assessing risks, and grasping the dynamics of the financial landscape.

NISM & CRISIL Certified ESG Risk Analyst (NCCERA)

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The intense spotlight on sustainability is leading to greater systematic scrutiny of environmental, social, and governance (ESG) aspects of businesses world over. Investors, looking beyond traditional market rate returns, are driving corporate leaders to redraw organisational strategy and increasingly focus on the 'triple bottom line'. These shifts have opened up great demand for professionals across industries with critical training in ESG analysis, sustainability practices and regulatory asks, hence, for credible ESG courses that impart these skills.

Answer questions of the quiz to win attractive prizes

NISM Newsletter Quiz

Three lucky winners who give all correct answers will be given Cash prizes of Rs. 1000/-# each!!!



Last date to participate is December 31, 2024

#Terms and condition apply.

Vigilance Awareness Week 2024 in NISM

NISM has observed Vigilance Awareness Week 2023 from October 28, 2024 to November 3, 2024. NISM organised and conducted many successful events throughout the Vigilance Awareness Week-2024. NISM has taken concerted efforts to disseminate and publicize the importance of Vigilance Awareness Week through various means. The activities encompassed a wide range of engagements, including promotion of the 'Integrity Pledge', the short poetry writing and poster making competitions, awareness campaign through banners, standees, e-posters, social media posts etc. Students & staff members of NISM participated in all the events enthusiastically. Almost 45 entries (38 poems and 7 posters) were received for the competitions. The winners were awarded with a gift coupon.

Overall, the week-long observance was filled with activities aimed at increasing awareness against corruption. The various methods adopted by NISM during this week to promote corruption free India for a developed nation, that reflects our strong commitment to eradicate corruption and to uphold the highest standards of ethical conduct, transparency and good governance.

Program on Financial Awareness for FICCI FLO Members

On December 10, 2024, an enlightening program titled Demystifying Mutual Funds and Equity Stocks was successfully conducted, jointly organized by the National Institute of Securities Markets (NISM) and FICCI FLO. This online session brought together members from 16 chapters of FICCI FLO across India. The session featured esteemed speakers Mr. Joydeep Sen, a Corporate Trainer, Author, and Senior Industry Professional, and Dr. Dhiraj Jain, Professor at NISM. Both experts provided invaluable insights into the world of Mutual Funds and Stock Investing, catering to the diverse queries and interests of the attendees. The program witnessed an overwhelming response, with over 100 participants actively engaging in the interactive session. This collaborative effort between NISM and FICCI FLO underscored the importance of financial awareness and education, promoting a culture of informed investing among its members.

FOOD FOR THOUGHT – FROM NISM BRAINS

Impact of family values & upbringing on sibling relationships: Moderating role of wealth inheritance [Read More](#)

India's inclusion in global bond indices via the Fully Accessible Route (FAR) has attracted foreign capital, but also exposes the country to volatility risks. Policymakers must balance the benefits of foreign inflows with the need to manage currency and interest rate pressures

Authors: Kirti Arekar, Rinku Jain, Rupali Paranjpe, and Prerna Mahindrooa

Factor-based funds are catching on in India. Are they right for you? [Read More](#)

This article discusses the various types of factor-based funds (or smart beta strategies) in India, which blend active and passive investing. These funds select specific factors like momentum, value, volatility, and quality to build portfolios. While factor funds have shown potential for long-term gains and often outperform benchmarks, consistency is not guaranteed, as some factors may underperform in certain market conditions. Systematic investment plans (SIPs) could be an effective way of investing in factor funds.

Author: Rasmeet Kohli

New Star in the bond market [Read More](#)

Non-convertible debentures (NCDs) are gaining traction in India's evolving bond market. Regulatory reforms, particularly mandatory listing, enhance transparency and liquidity, attracting investors seeking stable returns. While concerns about potential delisting and funding shifts exist, measures like institutional allocation mandates and the appeal of NCDs over traditional fixed deposits are driving market growth.

Authors: Rasmeet Kohli, Tripurari Panda and Pradiptarathi Panda

SEBI can do more to dissuade retail speculation in futures and options [Read More](#)

The article discusses the highlights of the SEBI report on retail investors losing money in Futures and Options Segments and how investors should be taught that F&O is only a hedging instrument and not an investment itself. The authors propose certain measures which in their opinion may further curb the retail frenzy in this segment.

Authors: Kuldeep Thareja & Mitu Bhardwaj

India's Global Bond Gamble: Unlocking the power of FAR and the currency tightrope [Read More](#)

India's inclusion in global bond indices via the Fully Accessible Route (FAR) has attracted foreign capital, but also exposes the country to volatility risks. Policymakers must balance the benefits of foreign inflows with the need to manage currency and interest rate pressures

Authors: Mohammed Reyhan, Ganesh Prabu* and V Shunmugam
NISM students of PGPISM course 2024-25

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