

INFOGRAPHIC: FIVE REASONS WE BELIEVE INDIAN EQUITIES COULD SPICE UP YOUR PORTFOLIO

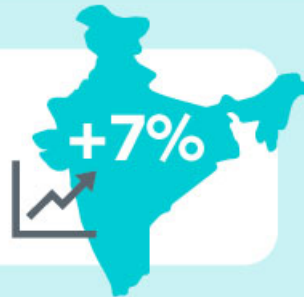
Wisdomtree EU
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FIVE REASONS WE BELIEVE INDIAN EQUITIES COULD SPICE UP YOUR PORTFOLIO

India is at an interesting crossroad where leadership is pro-actively making tough reforms for long-term growth. Two pillars of the Indian economy, consumption and demographics, have strong growth projections.

1. STRONG PROJECTED GROWTH COMPARED TO EMERGING MARKETS PEERS

India is the only large accessible economy that the IMF projects to grow at 7% or more in the foreseeable future!

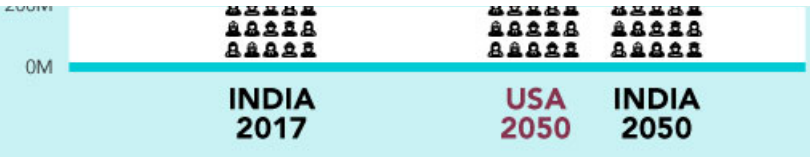


2. A FAST-GROWING WORKFORCE

By 2050, India's workforce (that is, people between 15-59 years old) is expected to have grown from the current 674 million to a staggering 940 million². By comparison:

- US workforce will be a little over 200 million in 2050 at its current rate.
- China is likely to be facing a shrinking workforce.





3. LOW DEBT LEVELS MAY HELP ACCELERATE GROWTH

Due to India's relatively low debt levels, India can increase debt issuance with ease, thereby accelerating growth without running into the risk of excess debt levels.

In 2015 Domestic Credit to the private sector (% of GDP)³ was:



4. CONSUMPTION DRIVEN

Consumption expenditure to GDP ratio in India is ~60% versus China's ~39%¹:



This indicates an economic model that is hugely influenced by local consumption with greater potential insulation from global headwinds.

5. LIBERALISATION OF THE ECONOMY AND KEY REFORMS

The Modi government has been gradually opening various sectors of the economy to foreign investors. This creates opportunities for investors to invest in sectors which were earlier not accessible.

Sectors now allowed to have 100% Foreign Direct Investment (FDI):



Construction projects



Cable networks



Agriculture and plantation (coffee, rubber, palm oil, etc.)



Air transportation (non-scheduled and ground handling)

HOW CAN YOU ACCESS INDIA?

Find out about the methodology of the WisdomTree India Quality Index by visiting www.wisdomtree.eu/EPIQ

¹ Source: IMF projections until 31/12/2020, as of 31/12/2016

² Source: United Nations Statistics Department, as of 31/12/2016

³ Source: World Bank, as of 31/1/2017

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