



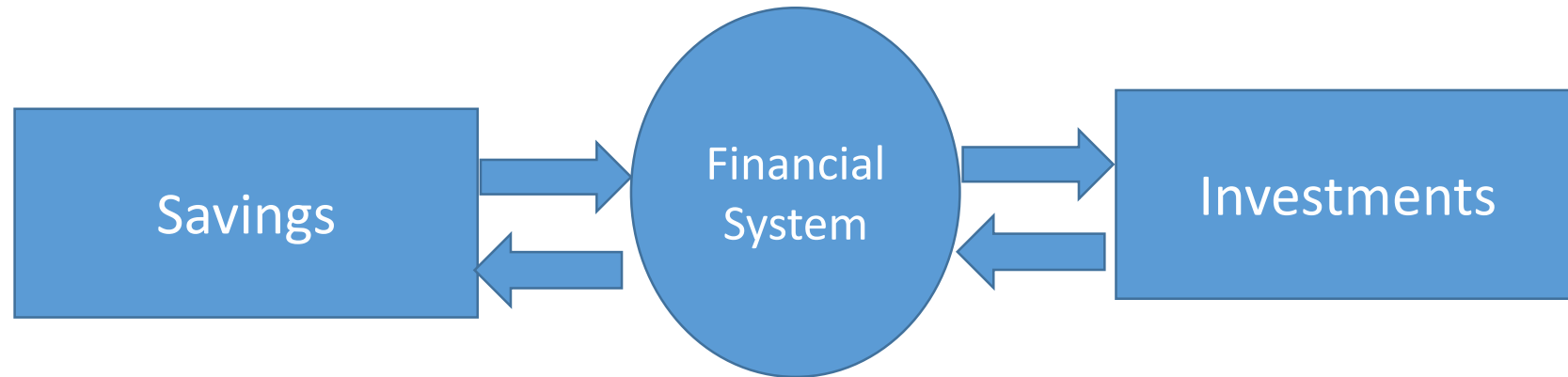
IIM Visakhapatnam
Executive Certificate Program in Business Finance & Financial Modelling

Overview of Financial Markets

Amol Agrawal
Ahmedabad University

What is a Financial System?

- Financial system transfers the surplus savings to the deficit investors.
- The investors in turn give return to the savers in form of interest rates, dividends etc.



Where do savings come from?

- $\text{Income} = \text{Consumption} + \text{Savings}$
- $\text{Savings} = \text{Physical Savings (land, gold etc)} + \text{Financial Savings (shares, bonds, insurance etc)}$
- Financial Savings are Financial Assets
- Financial system create these financial assets enabling us to save.
- Financial Assets serve different purposes
 - Investment
 - Safety
 - Risk management
 - Insurance
 - Pensions

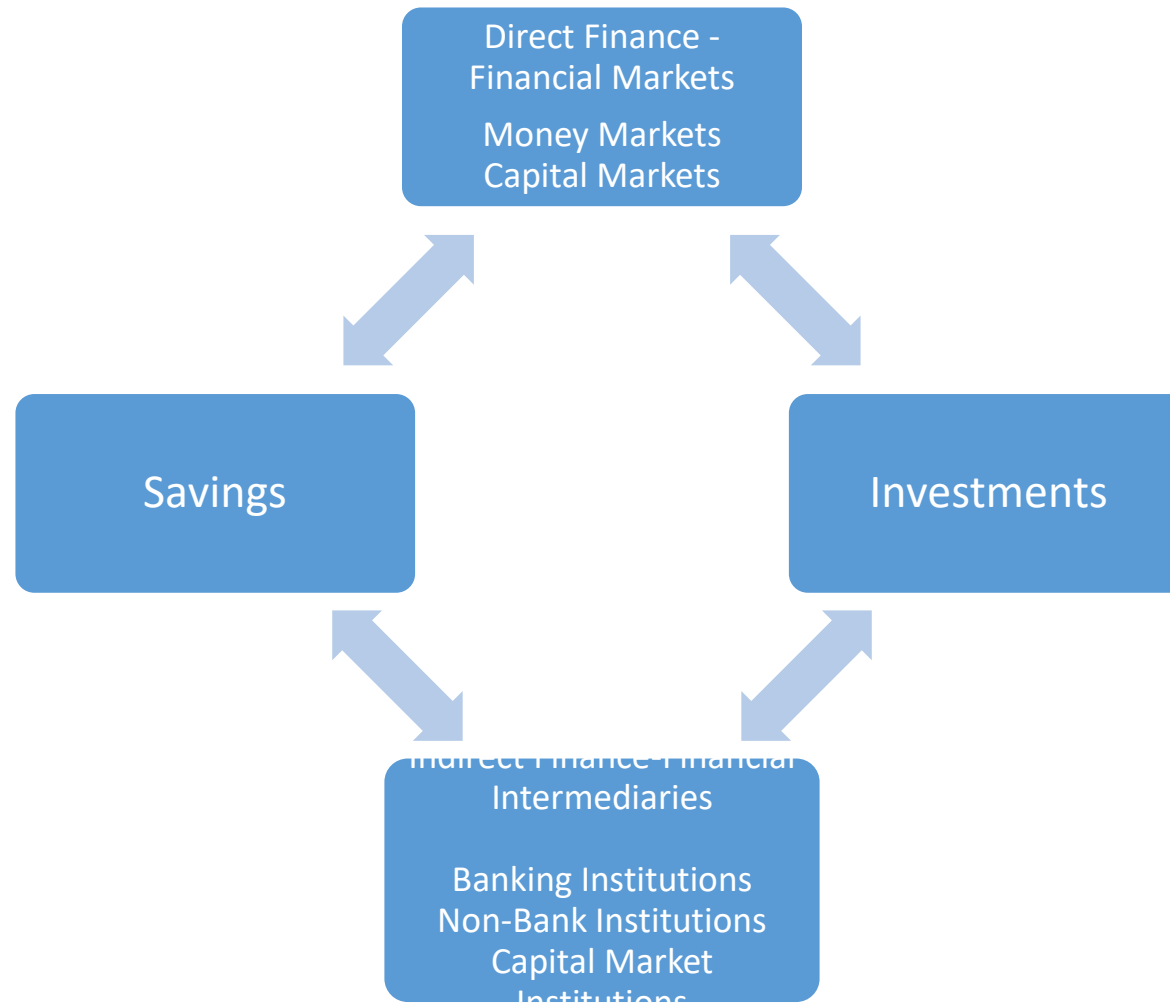


Financial Assets

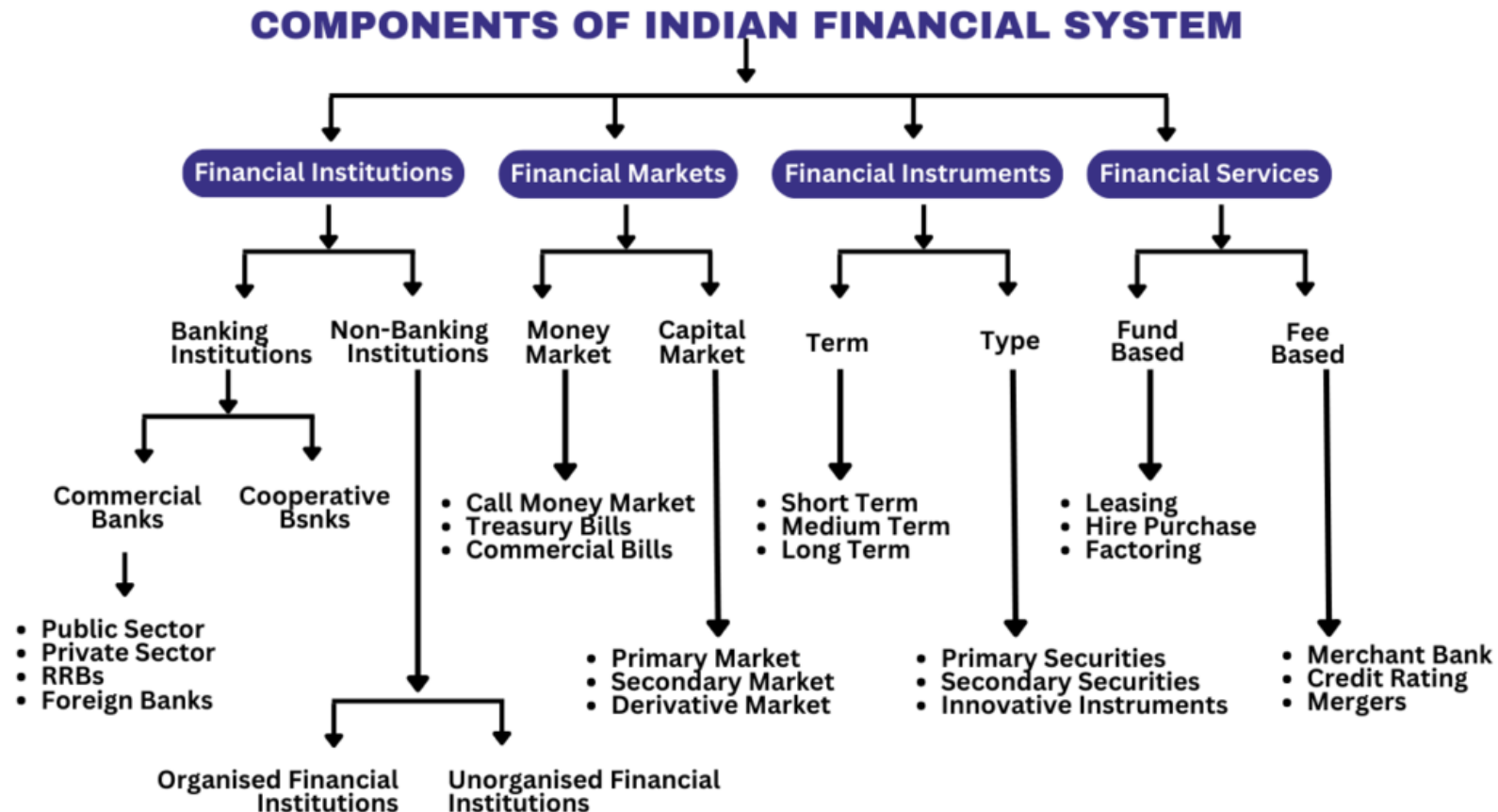
- Cash
- Bank Deposits
- Equity oriented
 - Stocks/Shares
 - Common Shares
 - Preference Shares
 - Equity Mutual Funds
- Debt oriented
 - Bonds
 - Fixed Deposits
 - Debt Mutual Funds
- Derivatives
 - Futures
 - Options
- Commodities



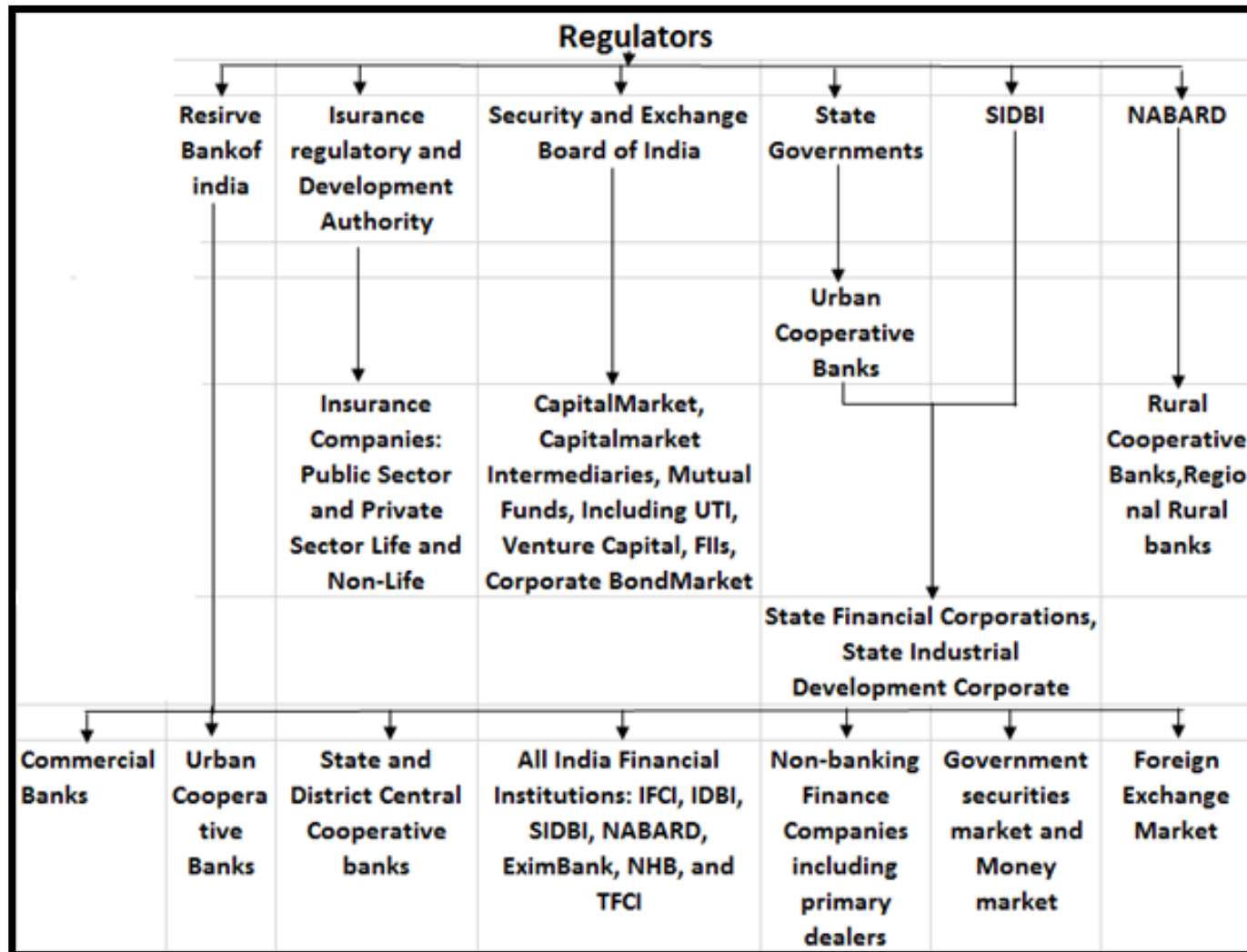
How does Financial System match the savers and investors? Via Financial Markets + Financial Intermediaries



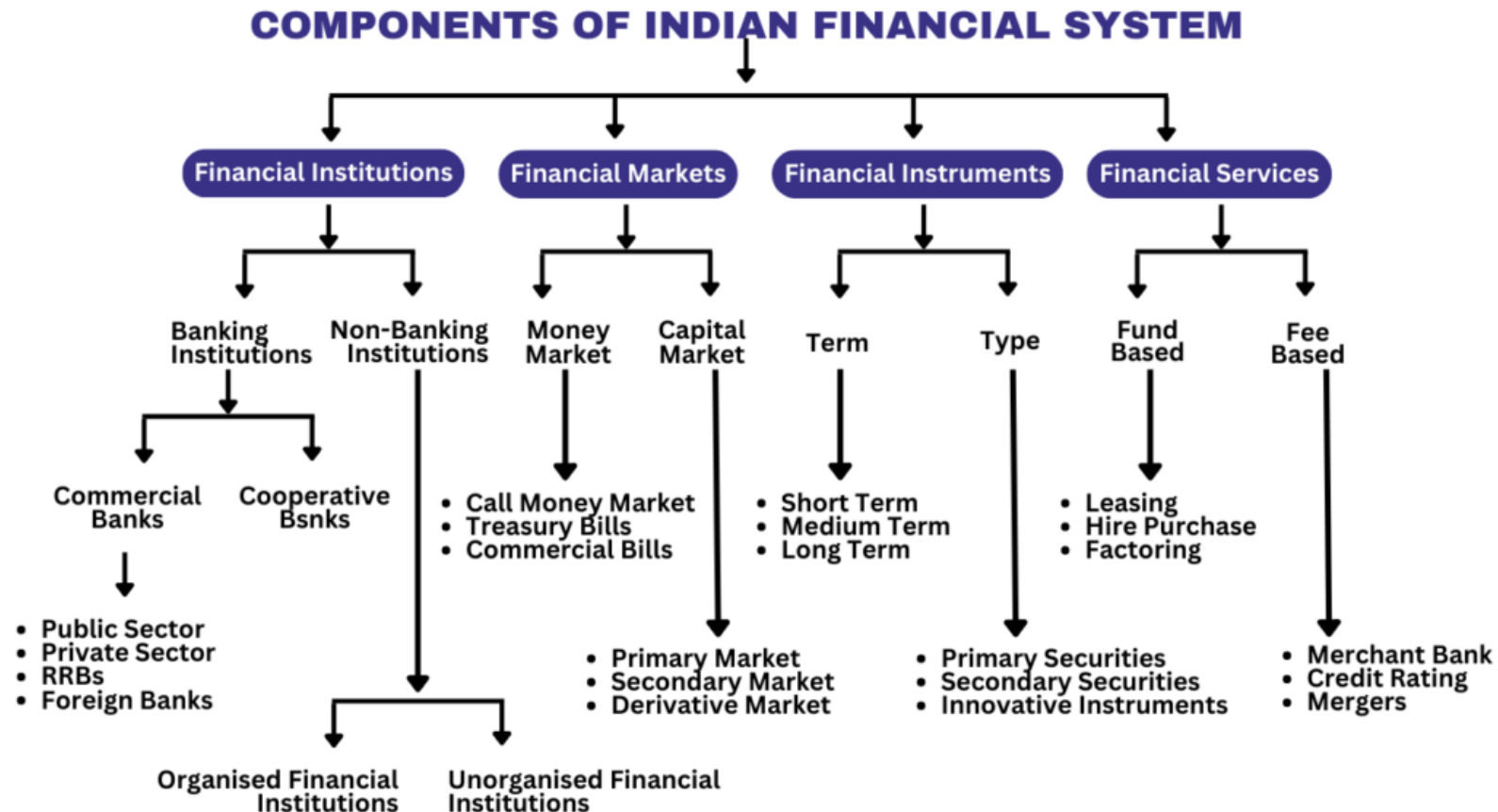
Components of Indian FS: Chart



Financial System Regulatory Structure



Components of Indian FS: Discussion



Financial Markets: Capital Markets

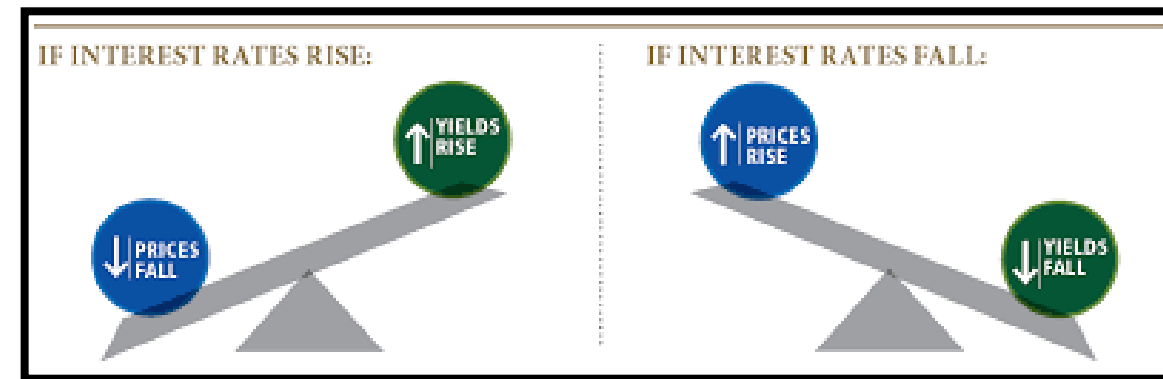
- Capital Markets
 - Primary Market:
 - for raising funds
 - Secondary Market/Spot Market
 - for trading
 - Derivative Markets:
 - For hedging and risk management
 - A futures contract is an agreement to buy or sell assets at a set price on a future date.
 - An option gives the buyer the choice to buy or sell at a set price before a certain date.
 - Call
 - Put

Features	Primary Market	Secondary Market
Definition	- Securities issued first time to the public.	- Trading of already issued and listed securities.
Also called as	- New Issue Market.	- Post Issue Market.
Price Determination	- By Issuer Company in consultation with Merchant Bankers.	- Supply and Demand Forces of Market.
Key Intermediaries	- Merchant Bankers and RTAs	- Stock Brokers and DPs.
Purpose	- Raise capital for expansion, diversification, etc.	- Trading of securities. - Providing liquidity to investors. - Raising further capital for expansion.



Financial Markets: Fixed Income Markets or Debt Markets

- Fixed Income Markets
 - Money markets: short term instruments upto 1 year
 - Overnight: Call, CBLO, Notice
 - Bond Markets
 - Government Bond Market
 - Short term: T-Bills – 14 day, 91 day, 182 day and 364 day
 - Medium to Long Term: called as Govt Securities from 1 year to 50 year
 - Corporate Bond Market
 - Short term: Commercial Paper
 - Medium to Long-Term: Corporate Bonds
 - Derivative Markets: interest rate swaps, interest rate futures



Financial Markets: Commodity Markets

- Commodity Markets
 - Forwards: Customised
 - Futures: Standardised traded on exchange
 - Options: Standardised traded on exchange



Financial Markets: Currency Markets

- Spot
- Derivatives

A digital display board showing currency exchange rates. The board is divided into sections for different currencies, each with a flag icon and the currency code. The rates are displayed in green and white text on a dark background. The currencies shown include USA, GBP, EUR, JPY, MYR, SGD, INR, CNY, NZD, CAD, CHF, and KWD. The rates are arranged in a grid format.

Country	Rate 1	Rate 2	Rate 3
USA	34.69	35.29	35.72
GBP	35.09	0.00	35.75
EUR	53.91	54.288	55.60
JPY	38.57	38.733	39.75
MYR	0.290	0.291	0.304
SGD	24.47	24.84	26.00
INR			
CNY			
NZD			
CAD			
CHF			
KWD			

Financial Institutions

- Institutions through which savers provide funds to borrowers
 - Banking Institutions
 - Non-Banking Institutions
 - Capital Market Institutions
- Also called as Financial Intermediaries



Banking institutions

- Nationalised/Public Sector Banks (12)
- Private Sector Banks (21)
 - Old Private Sector Banks (10)
 - New Private Sector Banks (11)
- Foreign Banks (43)
- Local Area Banks (2)
- Small Finance Banks (12)
- Payment Banks (4)
- Regional Rural Banks (43)
- Cooperative Banks ...next slide



Cooperative Bank structure

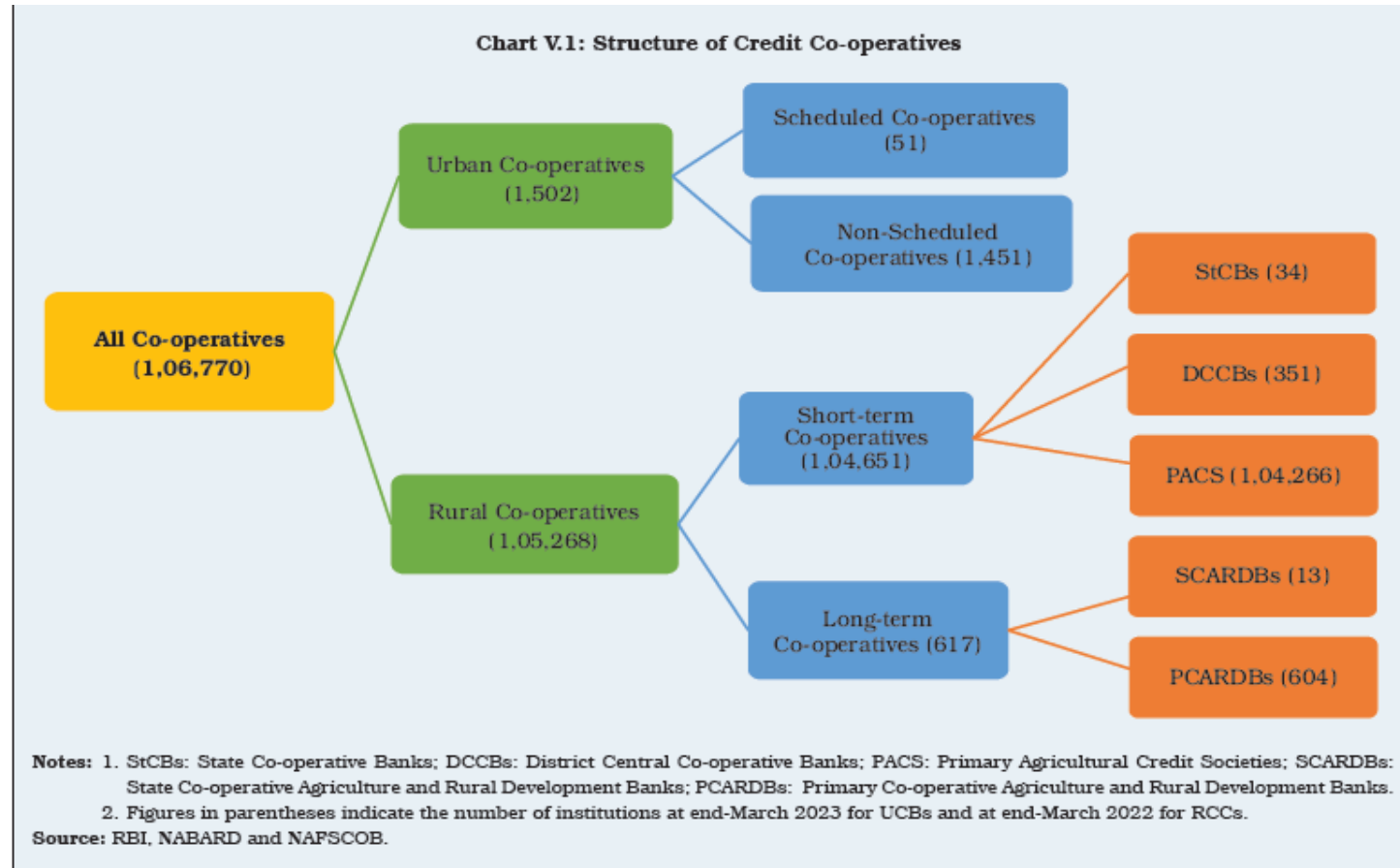
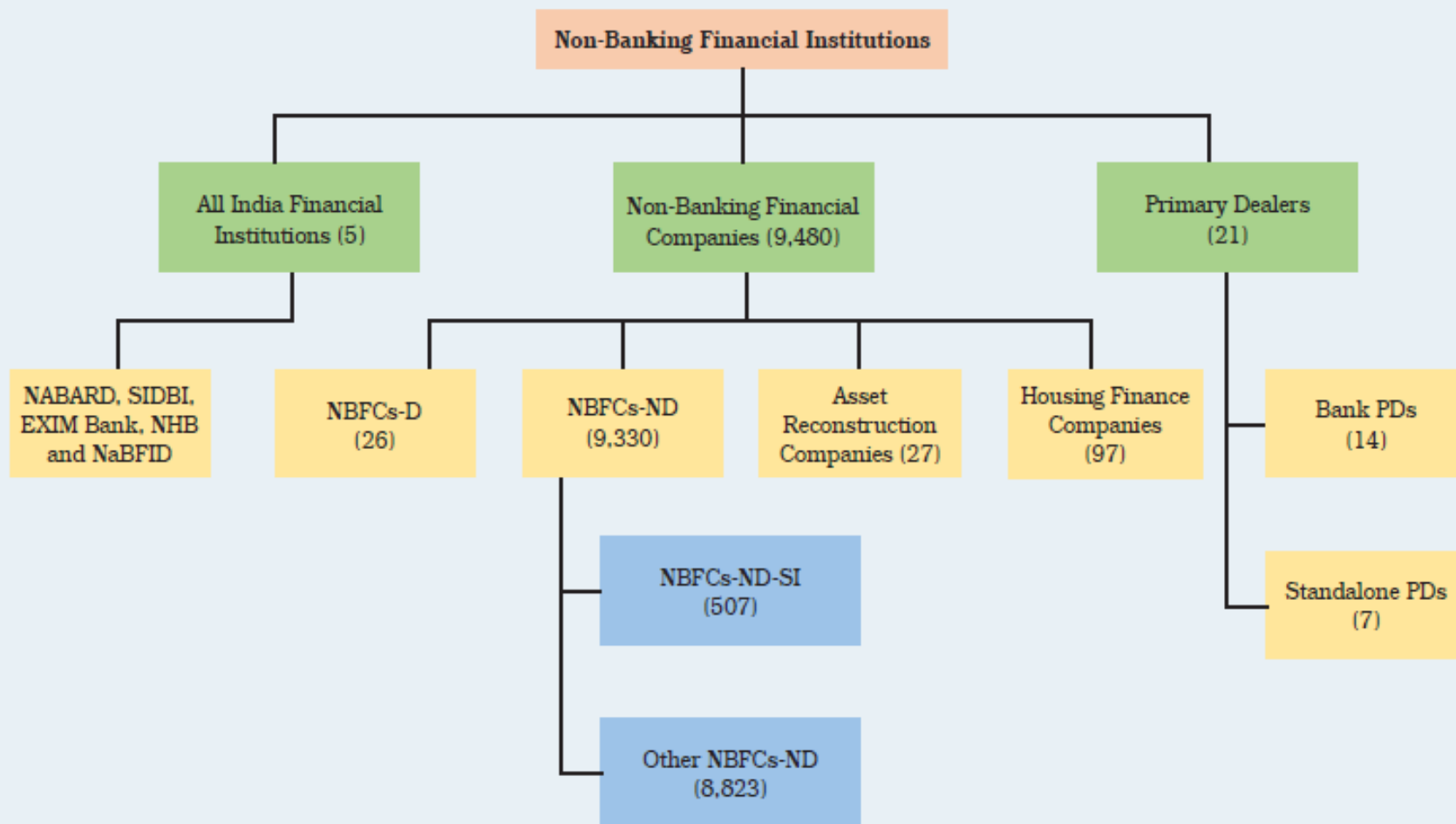


Chart VI.1: Structure of NBFIs under the Reserve Bank's Regulation



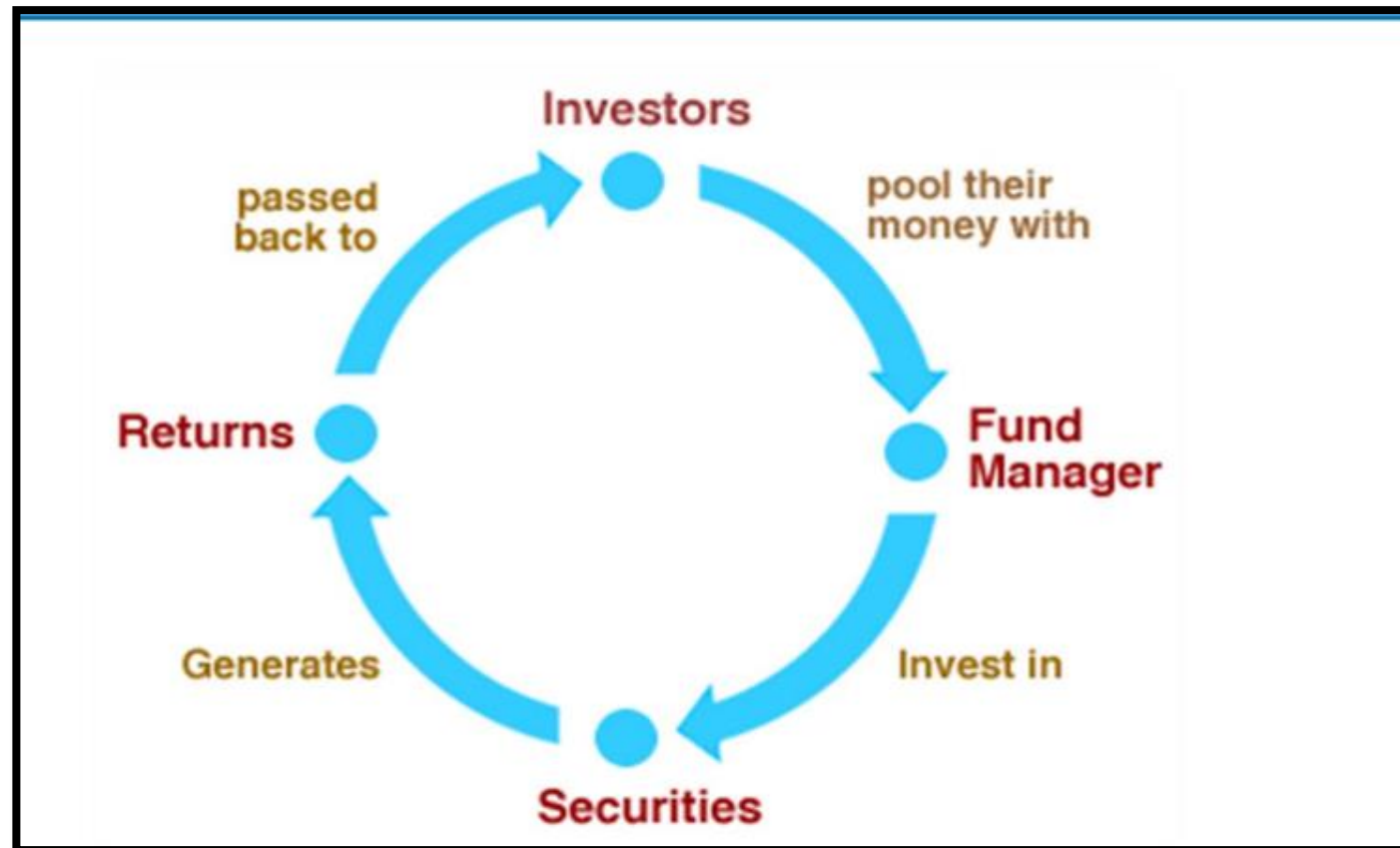
- Notes:
1. Figures in parentheses indicate the number of institutions (Provisional).
 2. The number of NBFCs is at end-September 2023 and the number of HFCs is at end-March 2023.
 3. Based on asset/liability structure, NBFCs are categorised into deposit-taking NBFCs (NBFCs-D) and non-deposit taking NBFCs (NBFCs-ND). Within NBFCs-ND, NBFCs with asset size of ₹500 crore or more are called non-deposit taking systemically important NBFCs (NBFCs-ND-SI) and the remaining are other NBFCs-ND. Under scale based regulation (SBR), a layer-wise regulatory structure is envisaged for NBFCs. Accordingly, all references to NBFC-ND, NBFC-ND-SI and NBFC-D shall mean NBFC-BL, NBFC-ML or NBFC-UL, as laid out in the SBR framework.
 4. Although standalone PDs are registered as NBFCs under Section 45-IA of RBI Act, 1934, they have also been kept under PDs in this chart.
 5. NBFCs-ND includes 53 CICs.

Classification		Activity
1		2
1.	Investment and Credit Company (NBFC-ICC)	Lending which supports productive/economic activities and acquisition of securities for investment.
2.	NBFC-Infrastructure Finance Company (NBFC-IFC)	Infrastructure loans.
3.	Core Investment Company (CIC)	Investment in equity shares, preference shares, debt, or loans of group companies.
4.	NBFC-Infrastructure Debt Fund (NBFC-IDF)	Facilitation of flow of long-term debt post commencement operations date (COD) infrastructure projects which have completed at least one year of satisfactory performance and finance toll operate transfer project as the direct lender.
5.	NBFC-Micro Finance Institution (NBFC-MFI)	Providing collateral free small ticket loans to economically disadvantaged groups.
6.	NBFC-Factors	Acquisition of receivables of an assignor or extending loans against the security interest of the receivables at a discount.
7.	NBFC-Non-Operative Financial Holding Company (NBFC-NOPHC)	Facilitation of promoters/ promoter groups in setting up new banks.
8.	Mortgage Guarantee Company (MGC)	Undertaking of mortgage guarantee business.
9.	NBFC-Account Aggregator (NBFC-AA)	Collecting and providing information about a customer's financial assets in a consolidated, organised, and retrievable manner to the customer or others as specified by the customer.
10.	NBFC-Peer to Peer Lending Platform (NBFC-P2P)	Providing an online platform to bring lenders and borrowers together to help mobilise funds.
11.	Housing Finance Company (HFC)	Financing for purchase/ construction/ reconstruction/ renovation/ repairs of residential dwelling units.

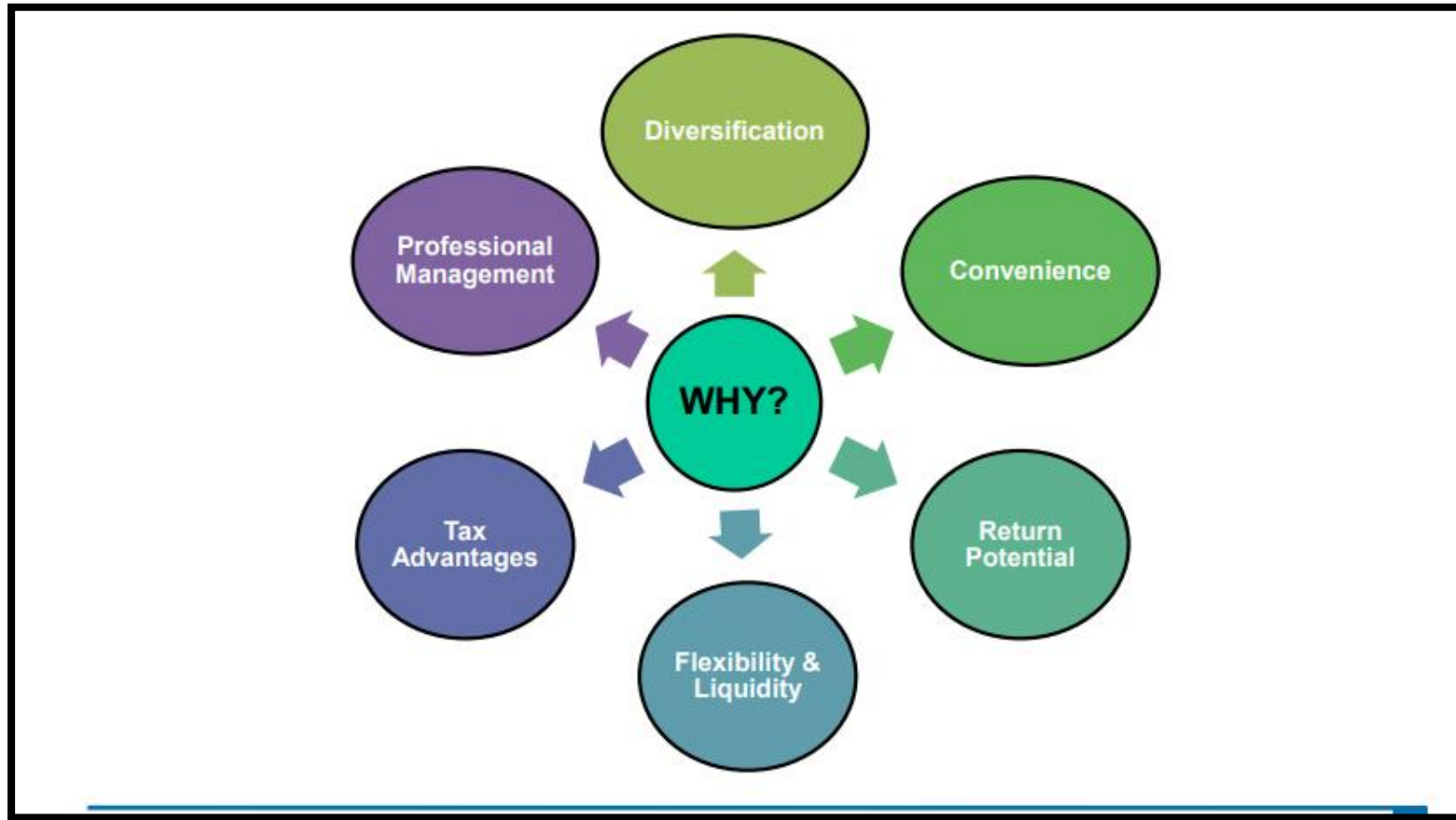
Capital Market Institutions

- Stock Exchanges
 - BSE
 - NSE: <https://www.nseindia.com/national-stock-exchange/nse-volume-business-growth>
- Commodity Market Exchanges
 - Multi Commodity Exchange
 - National Commodity and Derivative Exchange
- Merchant Bankers/Investment Bankers
- Brokerage Houses
- Asset Management Companies/Mutual Funds (next slide)
- Portfolio Management Schemes (PMS)
- Supporting institutions
 - Depository institutions (Dematerialisation): NSDL, CDSL
 - Clearing Corporations
 - Credit Rating Agencies: CRISIL, ICRA

What is a Mutual Fund?



Why Mutual Fund?



Types of MFs

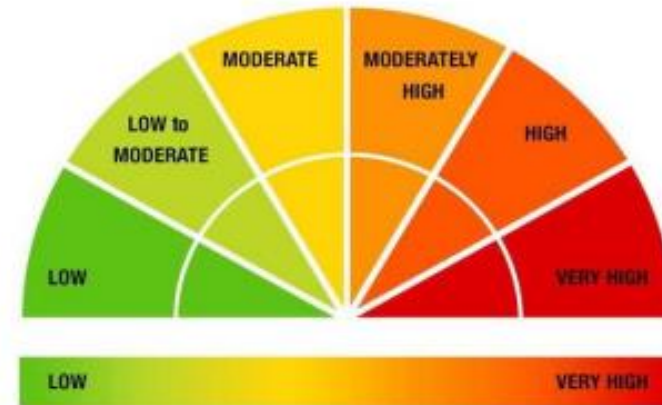
- **Mutual Funds**

a) Classification of mutual funds into 5 schemes:

- Equity Schemes
- Debt Schemes
- Hybrid Schemes
- Solution Oriented Schemes
- Other Schemes.

b) Product labelling of Mutual Funds as under:

- Low - principal at low risk
- Low to Moderate - principal at moderately low risk
- Moderate - principal at moderate risk
- Moderately High - principal at moderately high risk
- High - principal at high risk
- Very High- Principal at very high risk.



Insurance and Pensions

- Insurance: for managing risks and uncertainty
 - Life Insurance
 - General Insurance
 - Property
 - Health
 - Car and 2 wheeler
 - Travel
 - Business
 - Weather
- Pensions: for retirement
 - Defined Benefit
 - Defined Contribution

Financial Instruments

Term	Banks	Equity	Debt	Pensions and Insurance
Short	Loans, Deposits	Shares, Derivatives, Mutual Funds	Call money, T-Bills, Corporate Bonds, Mutual Funds	
Medium	Loans, Deposits		G-Sec, Corporate Bonds Mutual Funds	
Long	Loans, Deposits		G-Sec, Corporate Bonds, Mutual Funds, Pensions and Insurance	Pension and Insurance

Indian Financial System at a glance

Savings and Investments

(Amount in ₹ Crore)							
Item/Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Domestic Product	170,90,042	188,99,668	201,03,593	198,54,096	235,97,399	269,49,646	295,35,667
Saving	54,80,741	60,00,390	59,41,135	57,86,929	73,63,103	81,50,008	-
Investment	50,53,181	58,86,657	58,55,617	54,63,457	71,93,484	85,64,099	-

Savings and Investment

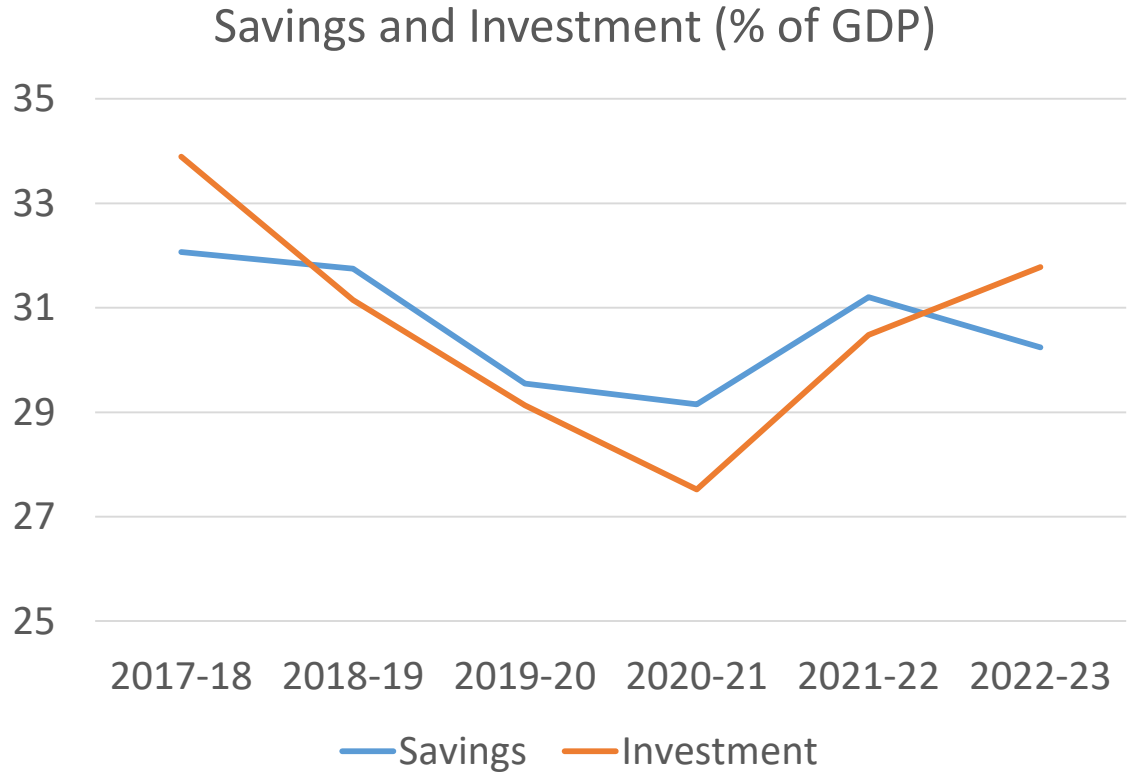
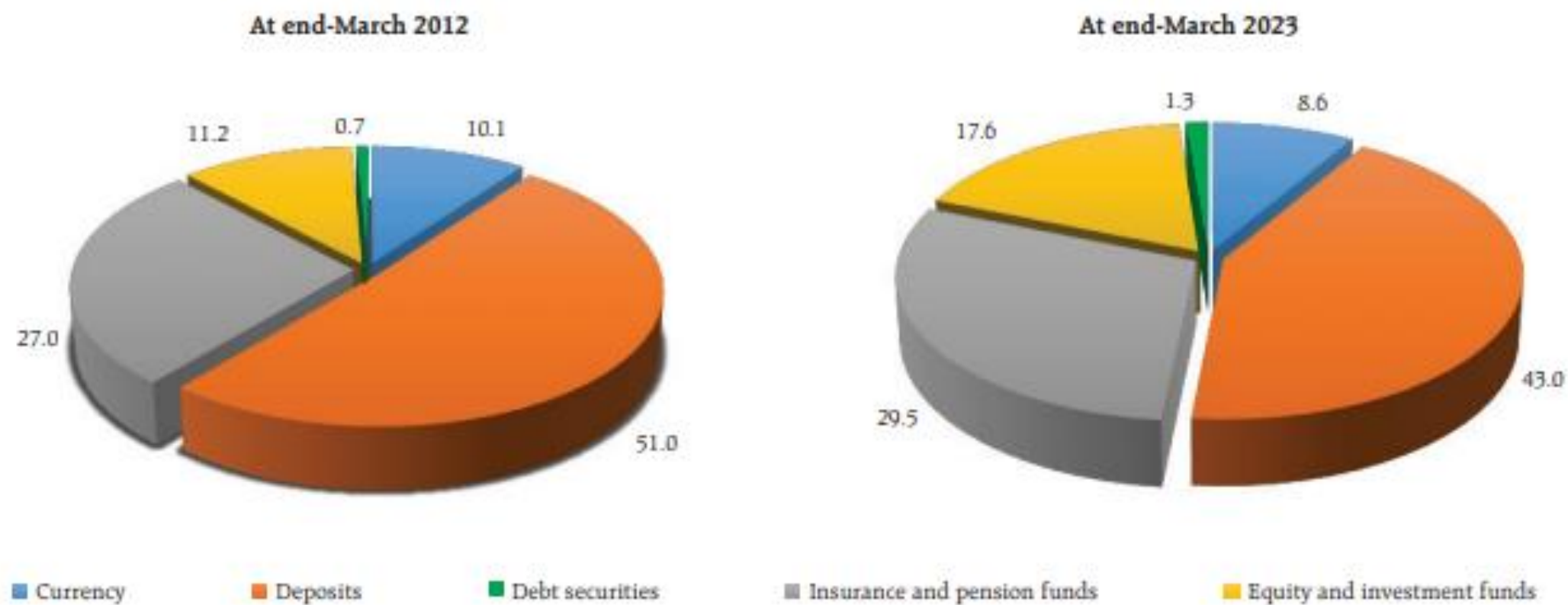


Chart 4: Composition of Financial Assets



Source: Authors' calculation.

Banking System in 2023-24

	Advances	Deposits	% of Total	% of Total
Public Sector Banks	8,283,763.1	11,709,580.8	26.8	28.6
Private Sector Banks	5,366,675.3	6,299,332.0	17.4	15.4
Foreign Banks	491,029.4	855,825.0	1.6	2.1
Small Finance Banks	177,887.4	191,372.0	0.6	0.5
Payments Banks	0.1	12,173.7	0.0	0.0
All Scheduled Commercial Banks	14,319,355.3	19,068,283.5	46.4	46.6
Regional Rural Banks	386,951.0	608,509.0	1.3	1.5
Local Area Banks	957.0	1,189.0	0.0	0.0
UCBs	330,325.0	533,255.0	1.1	1.3
Rural	766,470.0	833,844.0	2.5	2.0
State Coop Banks	238,919.0	240,953.0	0.8	0.6
District Coop Banks	336,546.0	412,573.0	1.1	1.0
Primary Societies	153,137.0	176,390.0	0.5	0.4
All Bank Institutions	30,852,015.5	40,943,280.1	100.0	100.0

Banks vs NBFCs

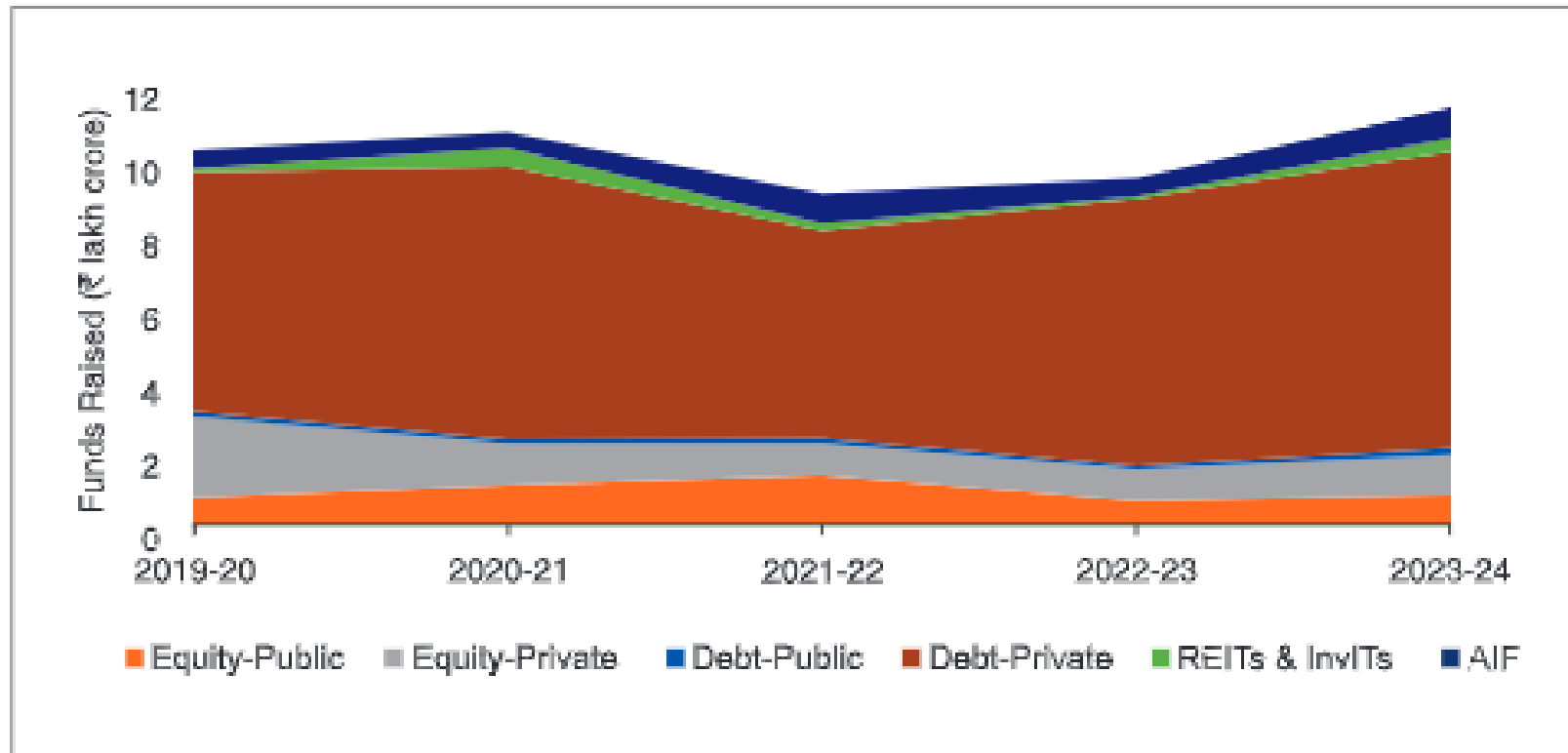
	Indian Banking System	NBFCs	Banks/NBFCs
Capital and Reserves	2168339	1106643	2.0
Deposits	19068284	85254	223.7
Borrowings and other provisions	1957222	2327821	0.8
Other Liabilities	1124330	1017422	1.1
Total	24318174	4537139	5.4
Cash Balances with RBI	1168479		6.7
Balances with Banks	788397	174972	1.2
Investments	6436540	657723	9.8
Loans	14319355	3426970	4.2
Fixed Assets	173558		
Others	1431845	277474	5.2

Trends and Progress of Banking in India

- <https://www.rbi.org.in/Scripts/AnnualPublications.aspx?head=Trend%20and%20Progress%20of%20Banking%20in%20India>

Primary Market: Fund Mobilization

Chart 1.1: Facilitating Corporate Financing through Primary market



Raising funds through Equity Markets

Table 3.1: Resource Mobilisation through Public and Rights Issues

Particulars	2022-23		2023-24		Percentage Share in Total Amount Raised	
	No.	Amount	No.	Amount	2022-23	2023-24
1) Public Issues, of which	165	59,072	273	67,982	89.7	81.8
A) IPOs of which	164	54,772	272	67,955	83.2	81.8
a) OFS* Component	11	29,046	13	16,839	44.1	20.3
b) Fresh Issues	114	3,700	181	14,618	5.6	17.6
c) Both (OFS + Fresh Issues)	39	22,027	78	36,499	33.5	43.9
Breakup of Both (OFS + Fresh Issue)						
OFS	-	9,264	-	19,910	14.1	24.0
Fresh	-	12,763	-	16,589	19.4	20.0
B) FPOs	1	4,300	1	27	6.5	0.03
2) Rights Issues	73	6,751	67	15,110	10.3	18.2
Total (1+2)	238	65,823	340	83,093	100.0	100.0

Note: The primary market resource mobilization is inclusive of amount raised on the SME platform

* OFS - Offer for Sale

Source: BSE and NSE

Primary Market: Fund Mobilization across industries

Table 3.3: Industry-wise Resource Mobilisation

Industry	2022-23			2023-24		
	No.	Amount (₹crore)	Percentage Share in Total Amount Raised	No.	Amount (₹crore)	Percentage Share in Total Amount Raised
Automobile and Auto Components	5	1,829	2.8	4	1,516	1.8
Capital Goods	39	5,149	7.8	74	12,135	14.6
Chemicals	15	4,418	6.7	9	786	1.0
Construction	8	485	0.7	12	771	0.9
Construction Materials	2	87	0.1	3	4,497	5.4
Consumer Durables	16	3,093	4.7	22	4,644	5.6
Consumer Services	16	961	1.5	24	8,696	10.5
Fast Moving Consumer Goods	24	6,897	10.5	26	5,481	6.6
Financial Services	19	28,009	42.6	22	17,020	20.5
Forest Materials	2	11	0.0	2	77	0.1
Healthcare	14	4,549	6.9	31	11,188	13.5
Information Technology	11	955	1.5	30	6,370	7.7
Media, Entertainment & Publication	7	272	0.4	11	796	1.0
Metals & Mining	4	95	0.1	2	80	0.1
Power	1	22	0.0	3	274	0.3
Oil, Gas & Consumable Fuels	4	66	0.1	4	1,079	1.3
Realty	13	906	1.4	6	1,256	1.5
Services	24	6,768	10.3	34	5,581	6.7
Telecommunication	3	104	0.2	4	135	0.2
Textiles	9	399	0.6	13	272	0.3
Utilities	2	746	1.1	4	435	0.5
Total	238	65,823	100.0	340	83,092	100.0

Source: BSE and NSE

Raising Resources Through Debt Markets

Table 3.7: Resource Mobilization through Public Issues and Private Placement of Debt

(Amount in ₹ crore)

Period / Category	2022-23		2023-24	
	No. of Issues	Amount	No. of Issues	Amount
Public Issues #	34	9,221	45	19,168
Private Placement*, of which	1,524	7,54,467	1,347	8,37,756
EBP Issues	862	7,13,596	1,125	8,16,356
Total	1,558	7,63,688	1,392	8,56,924

Note: # Data for public debt issues have been taken on the basis of final post issuance reports received.

**Listed issues; EBP - Electronic Book Provider issues included in the total.*

Source: BSE and NSE.

Secondary Equity Markets: Across the world

Table 2.2: Return in Local Currency Terms across Major Markets

Country	Index	Returns in Local Currency (per cent) during 2023-24	Returns in Local Currency (per cent) during 2022-23	Annual Volatility (per cent) during 2023-24	Annual Volatility (per cent) during 2022-23
Japan	NIKKEI 225	44.0	0.8	15.9	17.3
USA	NASDAQ COMPOSITE	34.0	-14.1	15.2	29.5
Taiwan	TAIWAN TAIEX	27.9	-10.3	11.5	18.9
India	Nifty 50	26.6	-0.6	9.5	14.4
Brazil	BRAZIL IBOVESPA	26.6	-15.1	14.7	21.0
USA	DOW JONES INDUS. AVG	19.6	-4.0	9.6	18.9
Germany	DAX	18.3	8.4	10.5	19.3
France	CAC 40	12.1	9.9	11.5	18.5
South Korea	KOSPI	10.9	-10.2	14.8	17.4
UK	FTSE 100	4.2	1.5	10.0	14.4
Singapore	STRAITS TIMES INDEX STI	-1.1	-4.4	9.3	10.6
South Africa	FTSE/JSE AFRICA	-4.4	0.8	14.9	19.6
China	SHANGHAI SE COMPOSITE	-7.9	0.6	13.0	15.2
Hong Kong	HANG SENG	-18.9	-7.3	21.5	28.7

Source: Refinitiv

Secondary Equity Markets: Activity in India

Table 4.1: Exchange-wise Trading Statistics for Cash Segment

Stock Exchange	2022-23	2023-24	Variation (per cent)
Turnover (₹ crore)			
NSE	1,33,05,073	2,01,03,439	51.1
BSE	10,28,865	16,29,038	58.3
MSEI	44.48	29.34	-34.0
Total	1,43,33,983	2,17,32,507	51.6
Total Market Capitalisation (₹ crore)			
NSE	2,56,32,704	3,84,21,668	49.9
BSE	2,58,19,896	3,86,97,100	49.9
MSEI*	2,51,57,438	3,83,56,305	52.5

Table 4.3: Select Ratios Relating to the Stock Market (Per cent)

Year	Market Capitalisation to GDP Ratio		Total Turnover (NSE + BSE) to GDP Ratio	
	BSE	NSE	Cash Segment	Equity Derivatives Segment (premium)
2022-23	95.8	95.1	53.2	150.2
2023-24	131.7	130.7	73.9	165.6

Notes: First revised estimate of GDP at current prices for 2022-23 and second advance estimate for 2023-24 released on February 29, 2024 by MoSPI, have been taken for computation; For Options, premium turnover has been considered

Source: BSE, NSE and Central Statistical Office

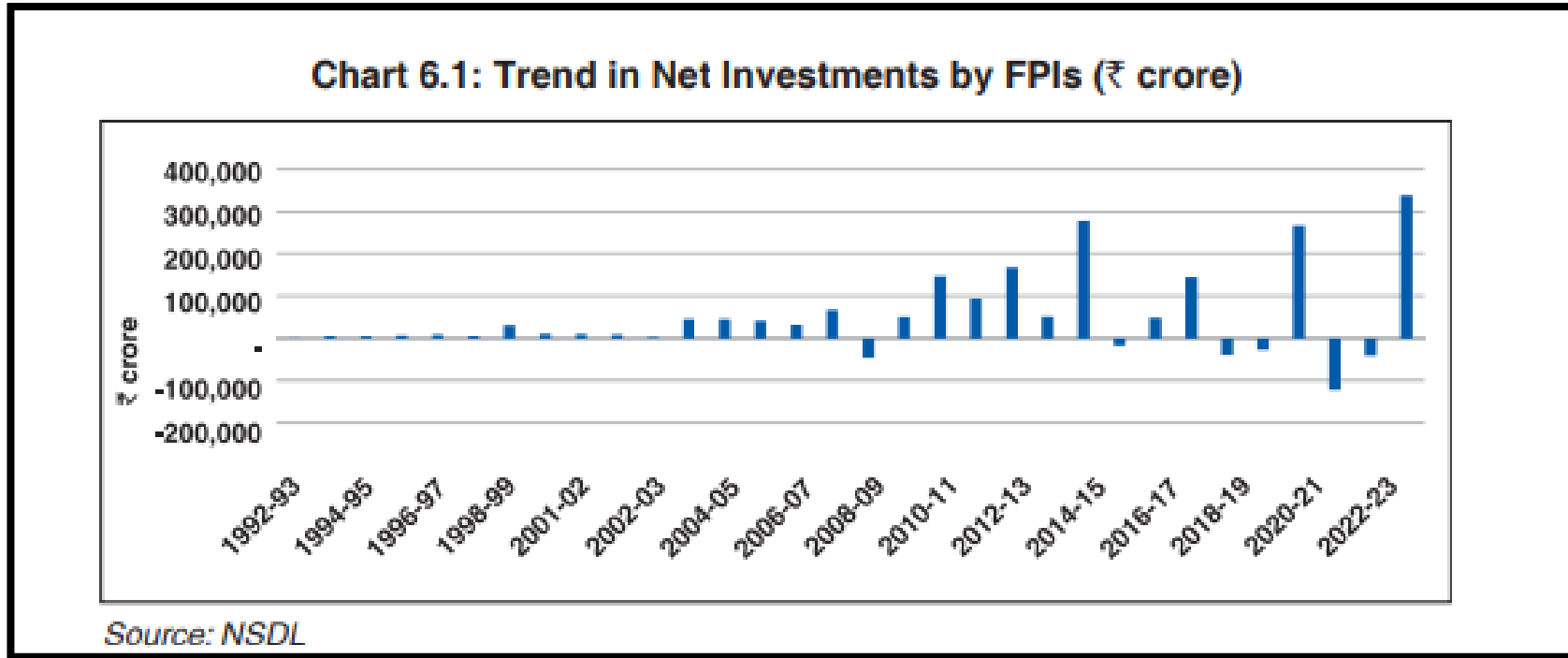
Ownership Pattern

Table 4.33: Ownership Pattern of Stock Exchanges (Per cent)

Category	BSE		NSE		MSEI	
	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24
Foreign Shareholding (A)	13.4	18.6	41.2	36.5	7.5	7.3
- FDI	0.1	0.1	34.0	29.4	-	-
- FPI	7.6	13.0	7.2	7.2	-	-
- Others	5.6	5.5	-	-	7.5	7.3
Domestic Shareholding (B)	86.6	81.4	58.8	63.5	92.5	92.7
- Banks	0.3	0.1	4.6	4.6	13.5	13.4
- Insurance Companies	6.2	8.9	19.4	19.4	-	-
- Domestic Financial Institutions (Other than Banks and Insurance) (including MFs, NBFCs, AIFs)	0.7	10.0	-	3.7	1.5	1.5
- Individuals	57.5	44.6	12.7	16.6	59.3	58.4
- Corporates	19.4	15.2	16.0	16.6	15.2	18.3
- Others	2.5	2.5	6.2	2.6	3.1	1.1
Total (Foreign + Domestic)	100.0	100.0	100.0	100.0	100.0	100.0

Source: BSE, NSE and MSEI

Foreign Investors



Country-wise Foreign investors

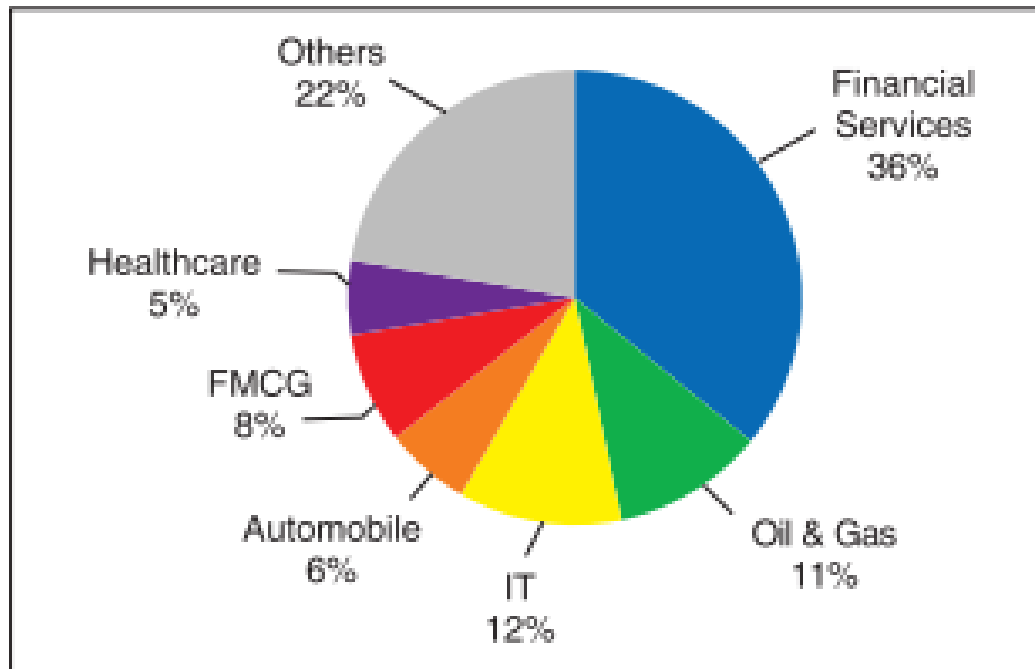
Table 6.2: Country-wise Number of FPIs and AUC of FPIs

Sr. No.	Country	No. of FPIs as on			AUC as on (₹ crore)				
		March 31, 2023	March 31, 2024	YoY change %	March 31, 2023 (₹ crore)	March 31, 2024 (₹ crore)	YoY change %	Share (%) as on Mar 31, 2023	Share (%) as on Mar 31, 2024
1	USA	3,464	3,457	-0.2	19,19,053	27,24,420	41.9	39.4	39.2
2	Singapore	557	588	5.6	4,56,204	6,80,078	49.1	9.4	9.8
3	Luxembourg	1,348	1,393	3.3	3,63,663	4,97,193	36.7	7.4	7.1
4	Mauritius	583	604	3.6	3,24,551	4,18,964	29.1	6.7	6.0
5	Ireland	732	739	1.0	2,38,336	3,83,609	60.9	4.9	5.5
6	UK	627	632	0.8	2,55,319	3,33,106	30.5	5.2	4.8
7	Norway	23	26	13.0	1,47,185	2,30,613	56.7	3.0	3.3
8	Canada	820	804	-2.0	1,54,845	1,97,722	27.7	3.2	2.8
9	Japan	438	430	-1.8	1,12,360	1,80,097	60.3	2.3	2.6
10	France	60	57	-5.0	98,958	1,60,245	61.9	2.0	2.3
11	Others	2,429	2,489	2.5	8,00,316	11,47,943	43.4	16.4	16.5
	Total	11,081	11,219	1.3	48,70,792	69,53,988	42.8	100.0	100.0

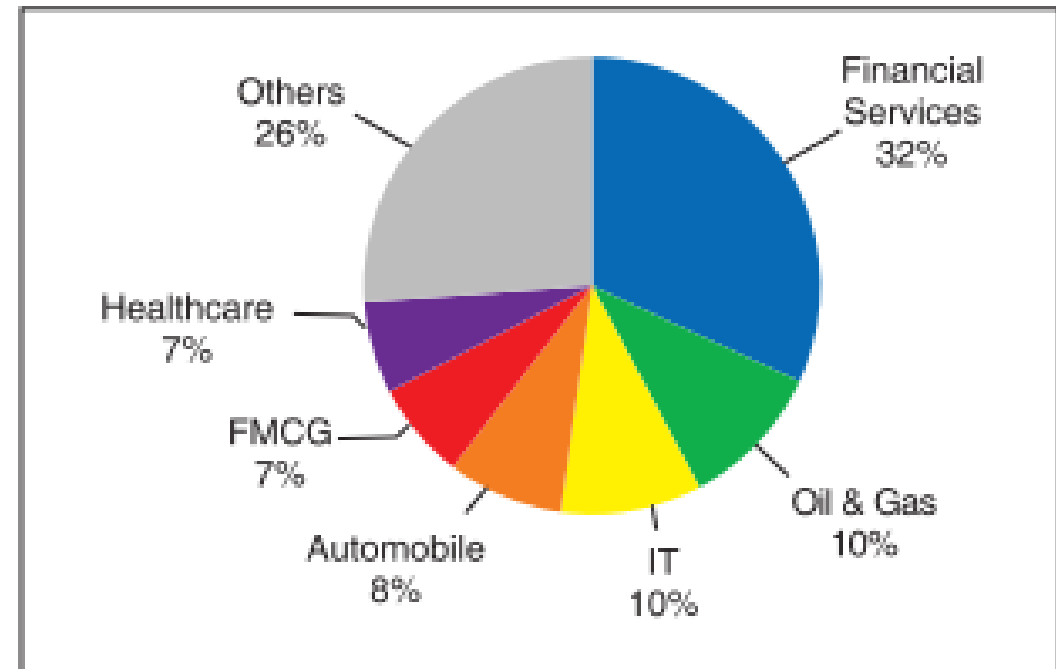
Foreign Investors

Chart 6.4: Sector-wise Distribution of FPI Equity Assets

2022-23



2023-24



Secondary Equity Markets: Top 10 cities

Table 4.2: City-wise Distribution of Turnover in the Cash Segment (Per cent)

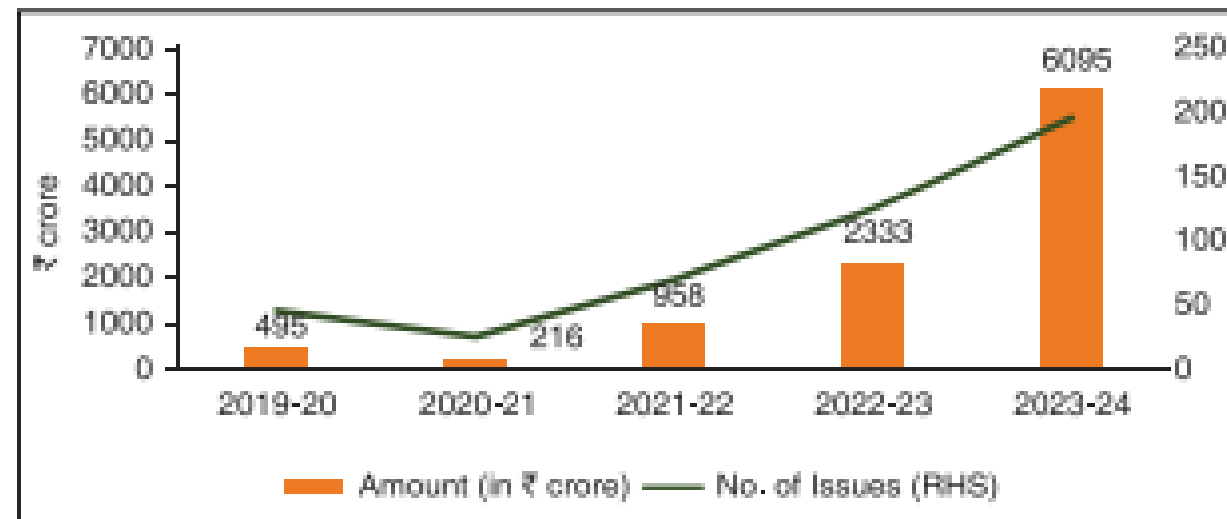
BSE			NSE		
City	2022-23	2023-24	City	2022-23	2023-24
Mumbai	39.7	37.6	Mumbai / Thane	68.0	65.3
Ahmedabad	23.2	23.1	Ahmedabad	11.2	14.6
Kolkata	1.9	2.4	Hyderabad	2.5	2.7
Rajkot	0.9	1.4	Delhi/Ghaziabad	3.7	2.7
Noida	0.6	1.3	Kolkata	4.2	1.8
New Delhi	1.5	1.1	Bangalore	0.8	1.8
Jaipur	0.3	0.4	Rajkot	1.0	1.4
Surat	0.2	0.3	Chennai	0.9	0.7
Vadodara	0.3	0.3	Kanpur	0.3	0.5
Chennai	0.2	0.3	Pune	0.4	0.4
Others	29.7	30.2	Others	6.0	7.3
Total	100.0	100.0	Total	100.0	100.0

Note: City-wise turnover is calculated on gross basis.

Source: BSE and NSE

SME - IPOs

Chart 3.3: Resource Mobilisation through SME IPOs



Source: BSE and NSE

Secondary Equity Markets: Who are participants?

Table 4.10: Participant-wise Share in Cash Segment Turnover (per cent)

Category	NSE		BSE	
	2022-23	2023-24	2022-23	2023-24
Proprietary Traders	27.2	28.2	33.1	34.4
Domestic Institutions*	2.6	2.3	3.1	2.8
Foreign Portfolio Investors	15.1	14.8	15.4	13.0
Mutual Funds	8.0	7.8	2.3	3.3
Corporates	4.2	5.6	4.5	5.6
Others**	43.0	41.3	41.6	40.9
Total	100.0	100.0	100.0	100.0

*Notes: *Domestic institutions (excluding mutual funds) include banks, DFIs, insurance companies and the New Pension Scheme. **Others include individual domestic investors, Partnership Firms/LLPs, Trust/Society, AIFs, Depository Receipts, PMS clients, Statutory Bodies, VCFs, NBFC, etc*

Table 4.11: Mode of Trading in the Cash Segment (per cent)

Mode of Trading	BSE		NSE	
	2022-23	2023-24	2022-23	2023-24
Co-location	36.9	36.7	34.1	34.3
Mobile	18.1	20.3	19.7	19.5
Non- Algo	30.3	26.4	18.6	18.3
Internet Based Trading	7.5	7.4	9.1	8.4
Algorithmic Trading	4.3	6.2	14.6	12.8
Direct Market Access	0.3	0.2	2.8	5.8
Smart Order Routing	1.7	2.0	1.0	0.9
FOW-NOW	0.9	0.8	0.0	0.0

Source: BSE and NSE

Secondary Equity Derivatives Markets

Table 4.19: Trends in the Equity Derivatives Segment

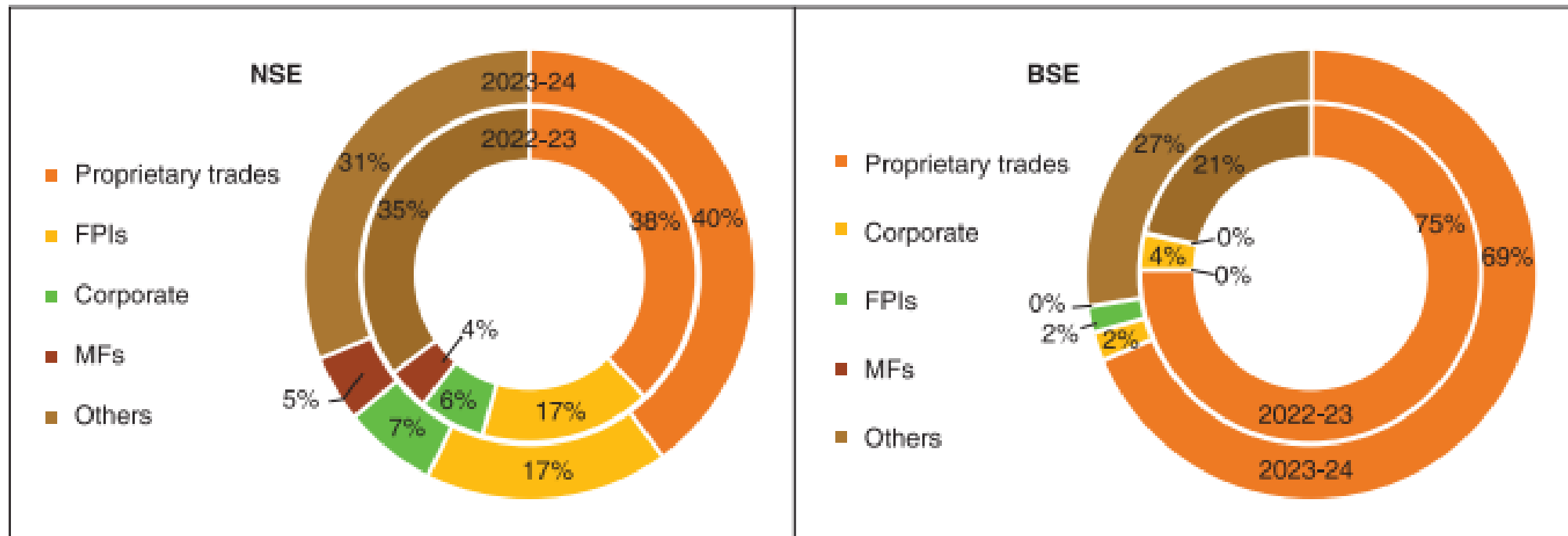
Year	No. of Contracts Traded (crore)		Notional Turnover (₹ lakh crore)		Premium Turnover (₹ lakh crore)		Open Interest at the end of the Year			
							No. of Contracts		Value (₹ crore)	
	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE
2022-23	4,177	37	38,223	343	404.8	0.009	1,34,18,486	-	11,05,826	-
2023-24	9,520	1,130	79,928	8,028	481.6	5.1	1,50,39,231	21,83,096	13,04,407	1,61,229

Note: At the end of FY 2022-23, there was no OI at BSE as all the contracts had expired.

Source: NSE and BSE

Secondary Markets: Equity Derivatives

Chart 4.9: Participant-wise Share in the Equity Derivatives Turnover (Premium)



Note: Domestic Institutions are excluding MFs. Source: BSE and NSE

Commodity Markets

Table 4.23: Turnover of Commodity Derivatives Market

Particulars	2022-23	2023-24	Change year-on-year (per cent)
All-India Total Turnover (₹ crore)	1,50,13,596	2,80,63,327	86.9
MCX, of which	1,47,80,566	2,76,55,480	87.1
Futures	60,43,084	49,87,564	-17.5
Options	87,37,483	2,26,67,916	159.4
BSE, of which	8,365	36	-99.6
Futures	3,433	5	-99.9
Options	4,933	31	-99.4
NCDEX, of which	2,06,909	2,06,112	-0.4
Futures	2,04,920#	2,06,102	0.6
Options	1,989	10	-99.5
NSE, of which	17,755	2,01,699	1,036.0
Futures	14	5,429	38,436.4
Options	17,741	1,96,270	1,006.3

Note: #Revised Figure.

Source: All Exchanges.

Commodity Markets

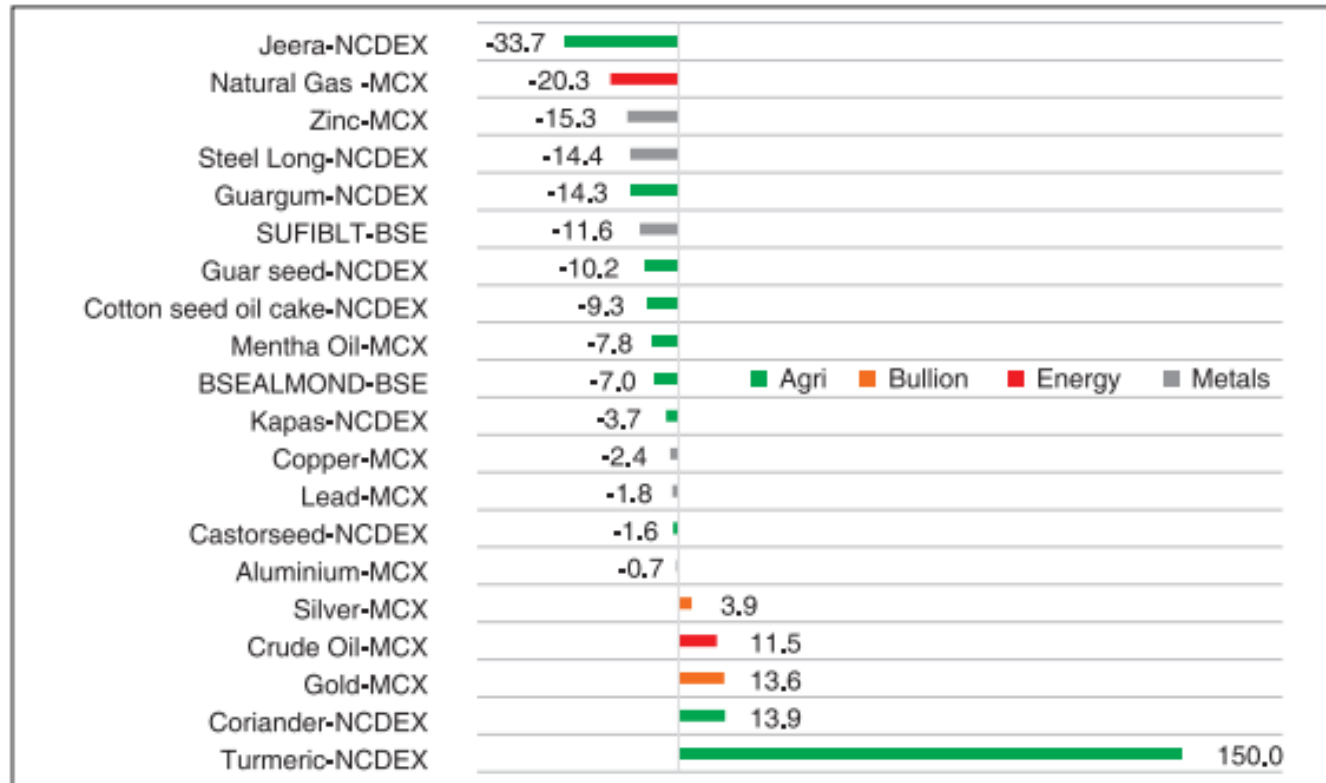
Table 4.21: Domestic Commodity Indices during 2023-24

Particulars	2022-23	2023-24	Change year-on-year (per cent)
A. Domestic Commodity Indices			
MCX iCOMDEX Composite			
Year-end	13,285	13,268	-0.1
Average*	13,490	12,890	-4.4
MCX iCOMDEX Bullion			
Year-end	16,176	17,038	5.3
Average*	14,679	16,057	9.4
MCX iCOMDEX Metal			
Year-end	17,743	15,318	-13.7
Average*	18,058	15,836	-12.3
MCX iCOMDEX Energy			
Year-end	5,749	5,833	1.5
Average*	8,448	5,796	-31.4
B. Annualised Volatility of Indices (in per cent)			
MCX iCOMDEX Composite	16.3	10.0	-38.8
MCX iCOMDEX Bullion	13.7	10.8	-21.1
MCX iCOMDEX Metal	19.1	11.5	-40.0
MCX iCOMDEX Energy	41.2	28.0	-32.2

*Note: *Average of daily closing values*

Prices of select commodities

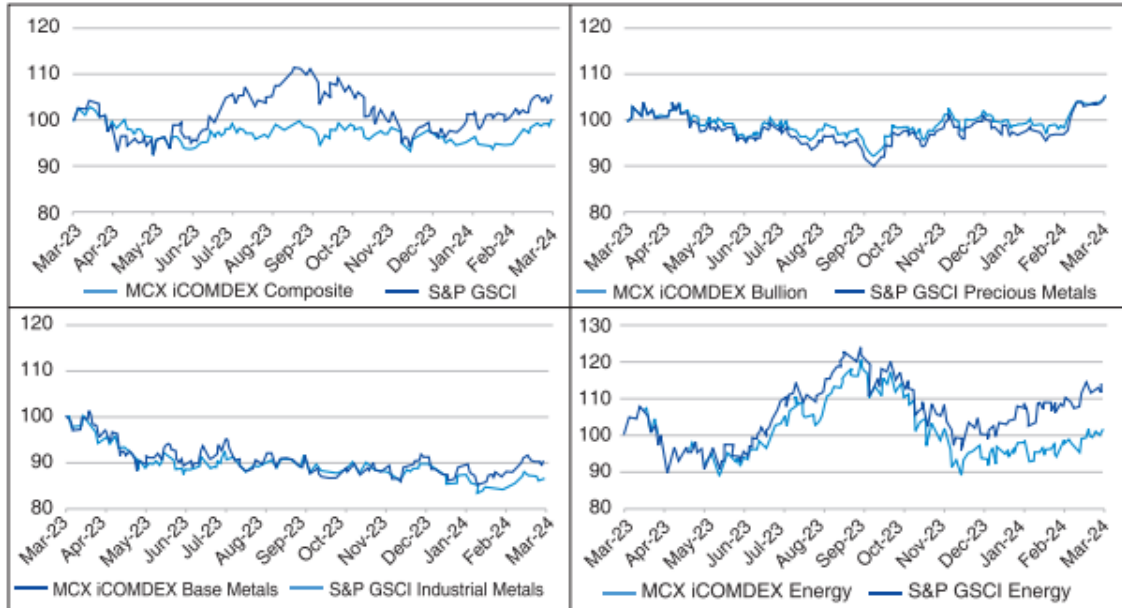
Chart 4.13: Trends in Prices of Select Commodities during 2023-24



Note: Variation is computed for closing prices of near-month contracts of select commodities traded during 2023-24. Source: All Exchanges.

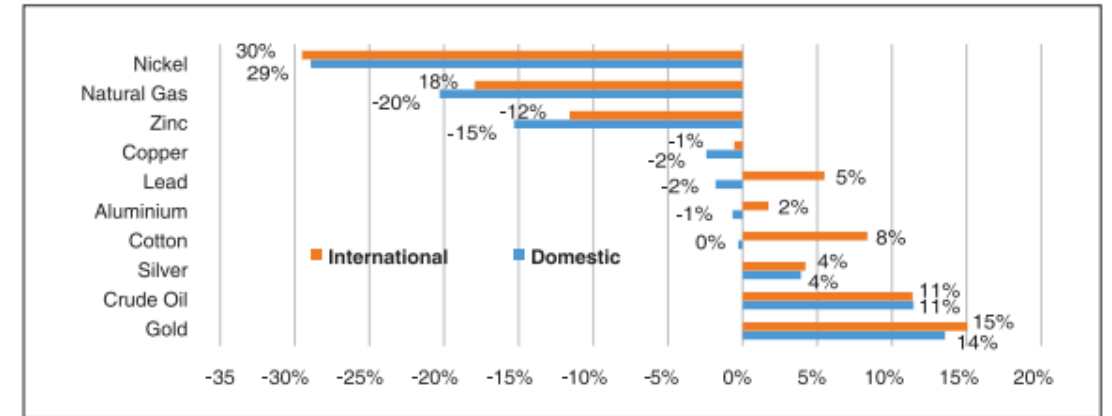
Commodity Markets: Indian vs Global

Chart 4.12: Trends in Domestic and Global Commodity Indices during 2023-24



Sources: MCX and S&P.

Chart 4.14: Divergence between Domestic and International Commodity Prices

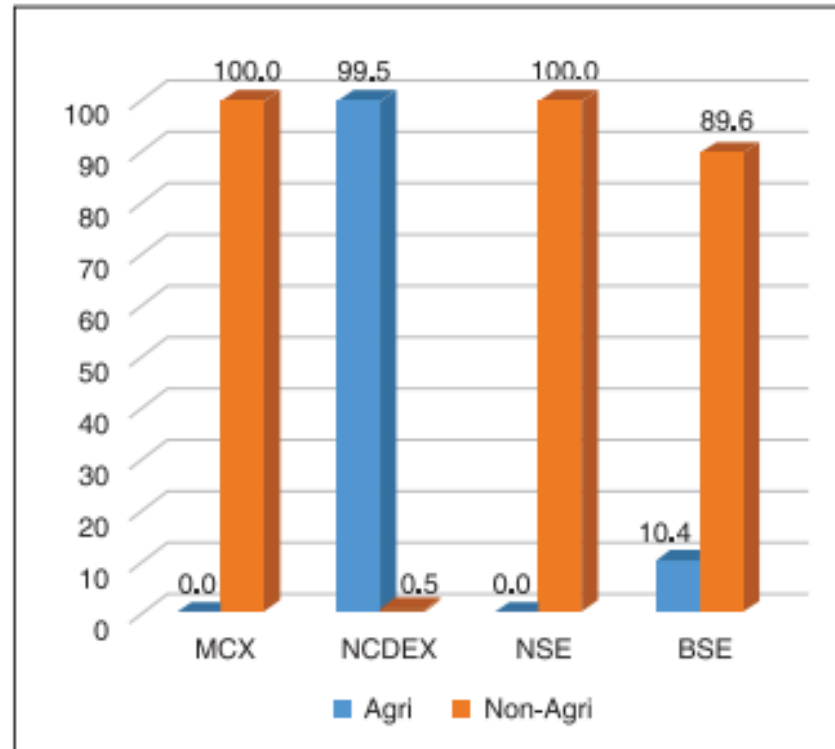


Sources: MCX and Refinitiv.

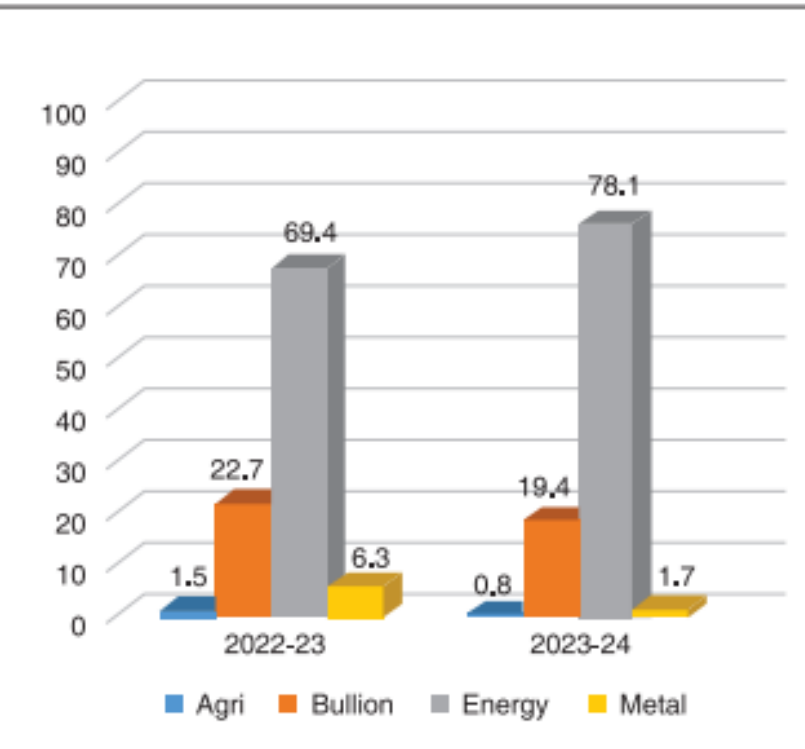
Commodity Markets

Chart 4.15: Distribution of Trading Activity in Commodity Derivatives

Segment-wise share in Commodity Derivatives Turnover

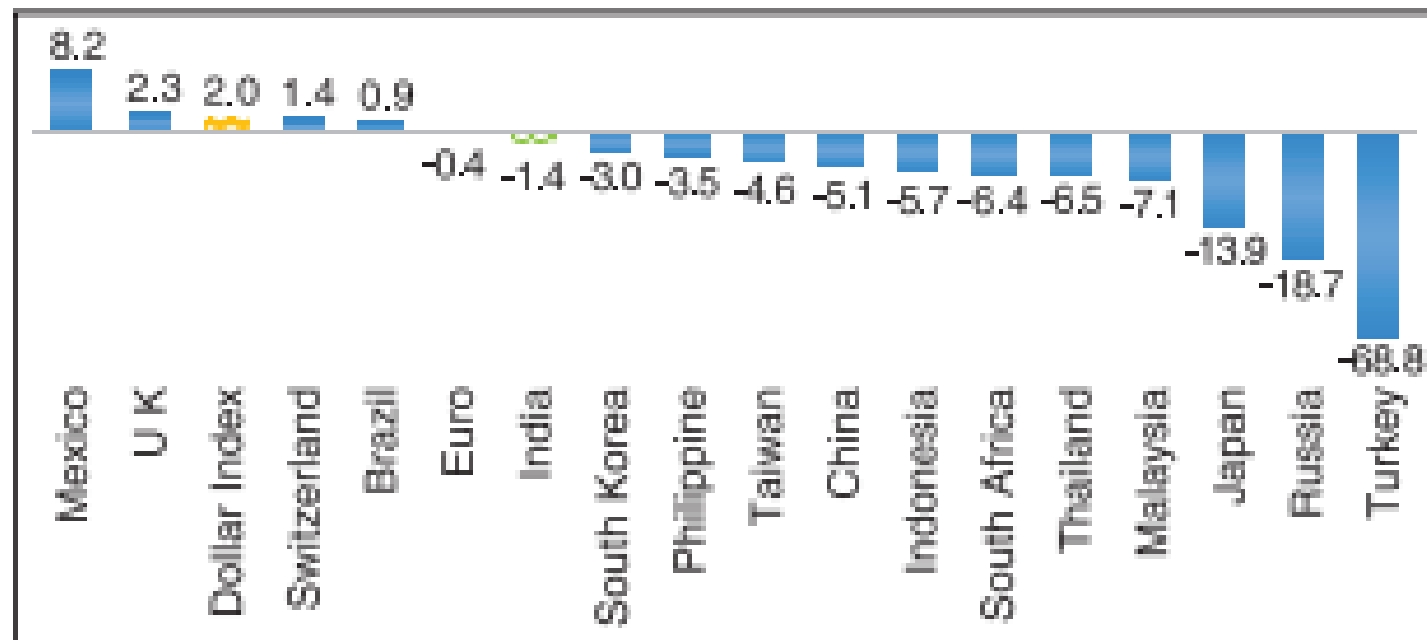


Product Segment-wise share in Total Turnover



Currency Derivatives: Currency trends against US Dollar

Chart 4.16: Trends in Global Currency Movements



Source: Refinitiv

Currency Derivatives: NSE and US Dollar dominant

Table 4.28: Trends in the Currency Derivatives Segment

Exchange	No. of Contracts Traded (₹ Lakh)		Turnover (₹ crore)	
	2022-23	2023-24	2022-23	2023-24
BSE	7,804	2,831	62,71,864	23,45,815
MSEI	284	299	2,31,435	2,47,738
NSE	46,975	42,222	3,80,86,873	3,51,44,038
Total	55,063	45,352	4,45,90,171	3,77,37,592

Source: BSE, NSE, MSEI

Table 4.29: Product-wise Market Share in Currency Derivatives Segment (Per cent)

Type	Currency Pair	Exchanges	
		2022-23	2023-24
Futures	USD-INR	29.7	21.6
	EURO-INR	1.4	1.3
	GBP-INR	1.9	2.2
	Others	0.4	0.4
Options	USD-INR	66.6	74.3
	EURO-INR	0.0	0.0
	GBP-INR	0.0	0.2
	Others	0.0	0.0

Source: BSE, NSE, MSEI

Interest Rate Derivatives

Table 4.31: Trends in Interest Rate Derivatives

Exchange	No. of Contracts Traded (Lakh)		Turnover (₹ crore)	
	2022-23	2023-24	2022-23	2023-24
BSE	13	14	23,552	28,700
NSE	14	15	26,296	29,571
Total	26	29	49,848	58,271

Source: BSE and NSE

Table 4.32: Participant-wise Share in Interest Rate Derivatives

Category\ Year	NSE		BSE	
	2022-23	2023-24	2022-23	2023-24
Proprietary Trades	53.0	47.2	39.6	59.6
FPIs	0.9	0.2	0.0	0.0
Banks	1.5	0.1	1.0	0.0
Corporate	22.7	44.1	39.4	22.1
Insurance Companies	2.6	3.8	0.0	1.9
Others	18.1	7.3	18.1	17.7

Source: BSE and NSE

Mutual Funds

Table 5.1: Mutual Fund Schemes Registered with SEBI

Sector	2022-23	2023-24
Private Sector	40	39
Public Sector	6	6
Total	46	45*

*excluding inactive mutual funds: 04

Table 5.3: Sector-wise Resource Mobilisation (in ₹ crore)

Financial Year	Private Sector Mutual Funds				Public Sector Mutual Funds				Grand Total
	Open	Close	Interval	Total	Open	Close	Interval	Total	
Mobilisation of Funds									
2022-23	77,45,376	7,544	1,996	77,54,916	27,43,629	8,812	0	27,52,442	1,05,07,357
2023-24	88,37,761	3,267	537	88,41,565	26,05,893	757	0	26,06,650	1,14,48,215
Redemptions/Repurchases									
2022-23	77,02,011	35,333	1,589	77,38,933	26,83,332	8,867	0	26,92,199	1,04,31,132
2023-24	85,23,575	8,067	1,025	85,32,667	25,51,159	9,688	0	25,60,847	1,10,93,513
Net Inflows/Outflows									
2022-23	43,365	-27,789	407	15,983	60,297	-55	0	60,242	76,225
2023-24	3,14,185	-4,800	-487	3,08,898	54,735	-8,931	0	45,803	3,54,701

Note: As on March 31 of respective Year.

Excludes net assets of ₹66,590 crore and ₹76,397 crore pertaining to Fund of Funds schemes (domestic) for 2022-23 and 2023-24 respectively.

Mutual Funds

Table 5.4: Scheme-wise Resource Mobilisation and AUM

Sr. No.	Scheme Category	No. of Schemes	No. of Folios	Funds mobilized for the period (₹ crore)	Repurchase/ Redemption for the period (₹ crore)	Net Inflow (+ve)/ Outflow (-ve) for the period (₹ crore)	Net AUM as on March 31, 2024 (₹ crore)
		(As on March 31, 2024)		(From April 01, 2023 to March 31, 2024)			
A	Open ended Schemes	1,418	17,72,92,450	1,14,43,654	1,10,74,734	3,68,920	53,12,736
	<i>Income/Debt Oriented Schemes</i>	316	71,64,917	1,03,51,490	1,03,74,588	-23,097	12,62,224
	<i>Growth/Equity Oriented Schemes</i>	440	12,28,21,685	5,15,103	3,31,013	1,84,091	23,48,949
	<i>Hybrid Schemes</i>	155	1,34,94,406	3,54,818	2,09,864	1,44,954	7,22,722
	<i>Solution Oriented Schemes</i>	38	58,48,892	4,880	2,595	2,284	44,247
	<i>Other Schemes</i>	469	2,79,62,550	2,17,363	1,56,674	60,689	9,34,595
B	Close Ended Schemes	111	5,61,808	4,023	17,755	-13,731	26,939
	<i>Income/Debt Oriented Schemes</i>	93	2,83,968	4,023	15,026	-11,003	22,851
	<i>Growth/Equity Oriented Schemes</i>	18	2,77,840	-	2,728	-2,728	4,088
	<i>Other Schemes</i>	-	-	-	-	-	-
C	Interval Schemes	12	2,502	537	1,025	-487	519
	<i>Income/Debt Oriented Schemes</i>	12	2,502	537	1,025	-487	519
	<i>Growth/Equity Oriented Schemes</i>	-	-	-	-	-	-
	<i>Other Schemes</i>	-	-	-	-	-	-
Grand Total (A+B+C)		1,541	17,78,56,760	1,14,48,215	1,10,93,513	3,54,701	53,40,195
	<i>Fund of Funds Scheme (Domestic)</i>	80	21,13,656	10,059	12,505	-2,446	76,397

Mutual Funds

Chart 5.2: Deployment of Funds by Debt Schemes as on March 31, 2024

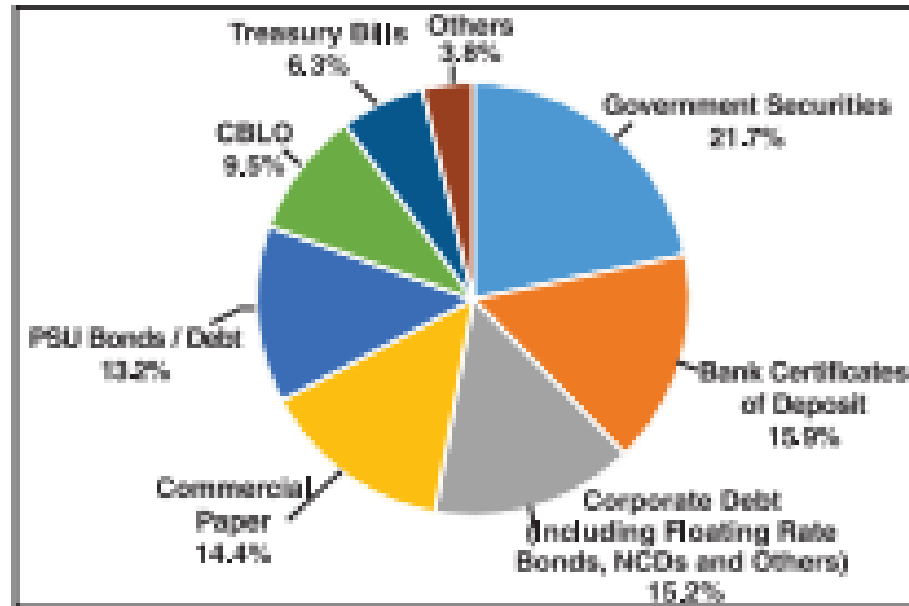
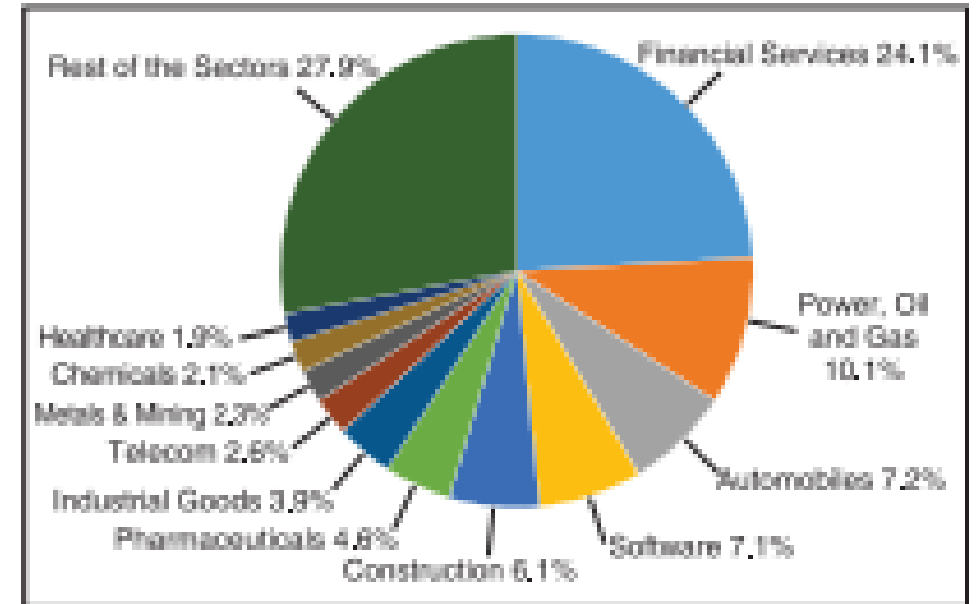


Chart 5.3: Sector-wise Deployment of Funds by Equity Schemes as on March 31, 2024



Mutual Funds

Table 5.8: Unit holding Pattern of Mutual Funds

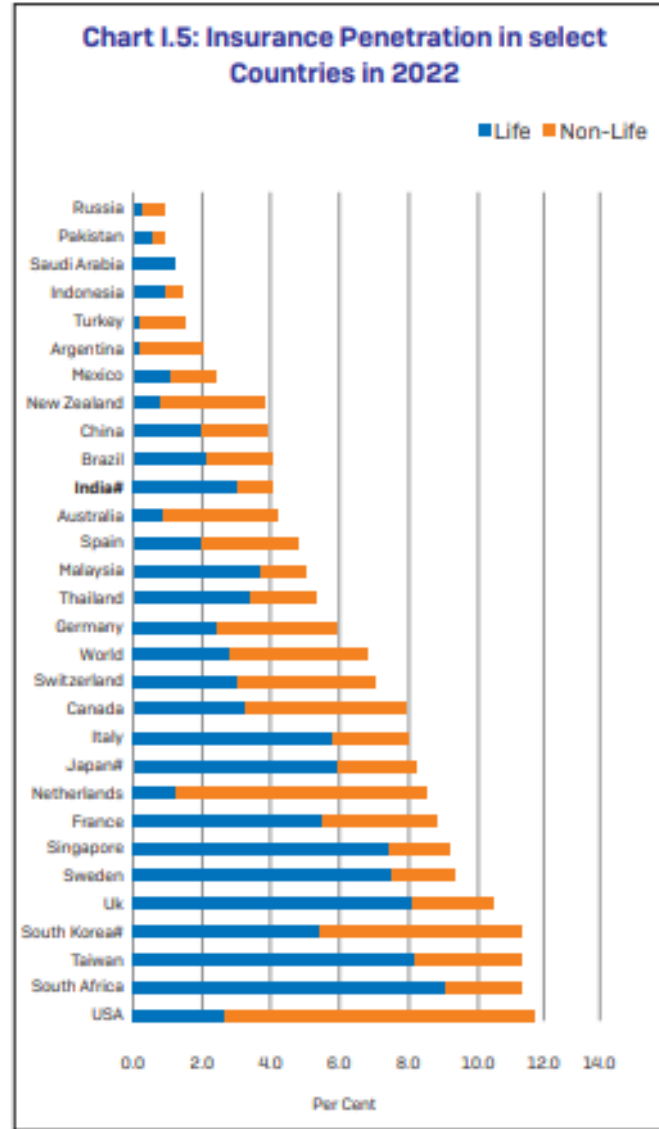
Category	Year (As on March 31)	No. of Folios	Percentage to Total Folios	AUM (₹ crore)	Percentage to Total Net assets
Individuals	2022-23	14,15,07,350	97.1	21,67,774	55.0
	2023-24	17,29,62,233	97.2	31,14,766	58.3
NRIs/OCBS	2022-23	26,84,795	1.8	1,62,225	4.1
	2023-24	31,88,072	1.8	2,14,256	4.0
FPIs	2022-23	198	0.0	4,763	0.1
	2023-24	153	0.0	4,479	0.1
Corporates/Institutions/others	2022-23	15,38,257	1.1	16,07,268	40.8
	2023-24	17,06,302	1.0	20,06,694	37.6
Total as on March 31, 2023		14,57,30,600	100	39,42,031	100
Total as on March 31, 2024		17,78,56,760	100	53,40,195	100

Brokers

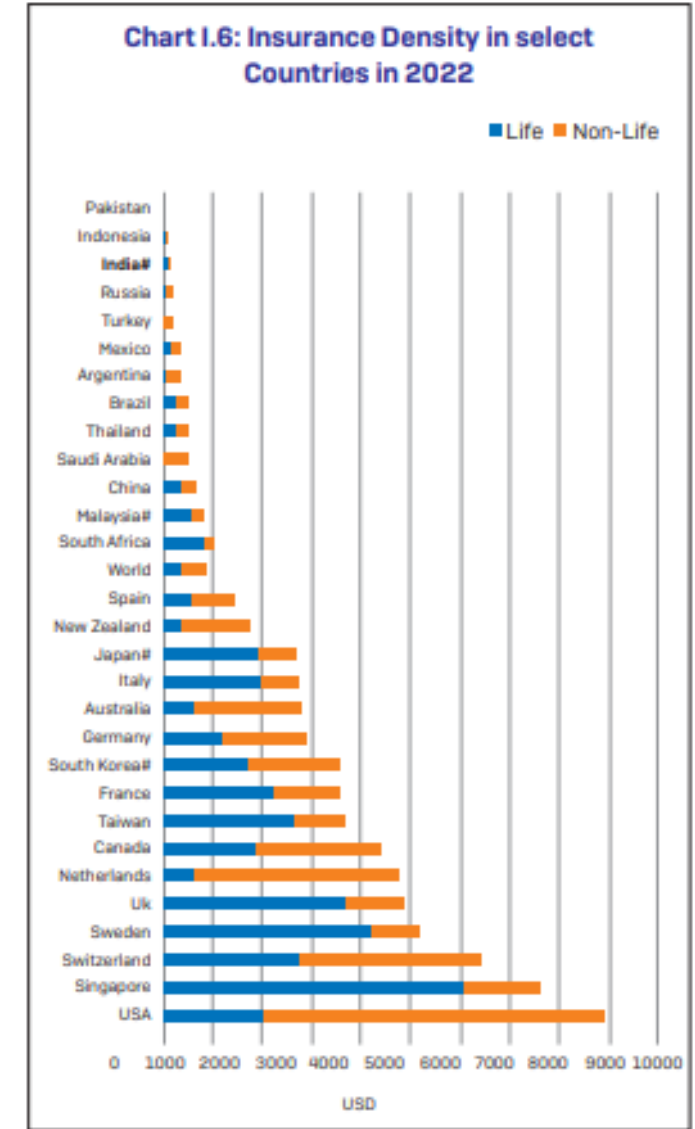
Table 4.35: Registered Stock Brokers

Segment	Exchange	Registered Stock Brokers as of March 31, 2023	Addition during the Year 2023-24	Cancellation/ Surrender of Memberships	Registered Stock Brokers as of March 31, 2024	Net Addition during the Year
Cash Segment	BSE	1,270	47	52	1,265	-5
	NSE	1,226	46	60	1,212	-14
	MSEI	303	3	11	295	-8
Equity Derivatives	BSE	886	79	38	927	41
	NSE	1,149	41	52	1,138	-11
	MSEI	284	1	11	274	-10
Currency Derivatives	BSE	555	21	17	559	4
	NSE	758	25	29	754	-4
	MSEI	488	1	19	470	-18
Debt	BSE	274	18	10	282	8
	NSE	252	24	5	271	19
	MSEI	14	0	0	14	0
Commodities Derivatives	MCX	546	33#	33	546	0
	NCDEX	309	1	60*	250	-59
	ICEX	103	0	5	98	-5
	BSE	287	8	7	288	1
	NSE	292	68	8	352	60

Insurance

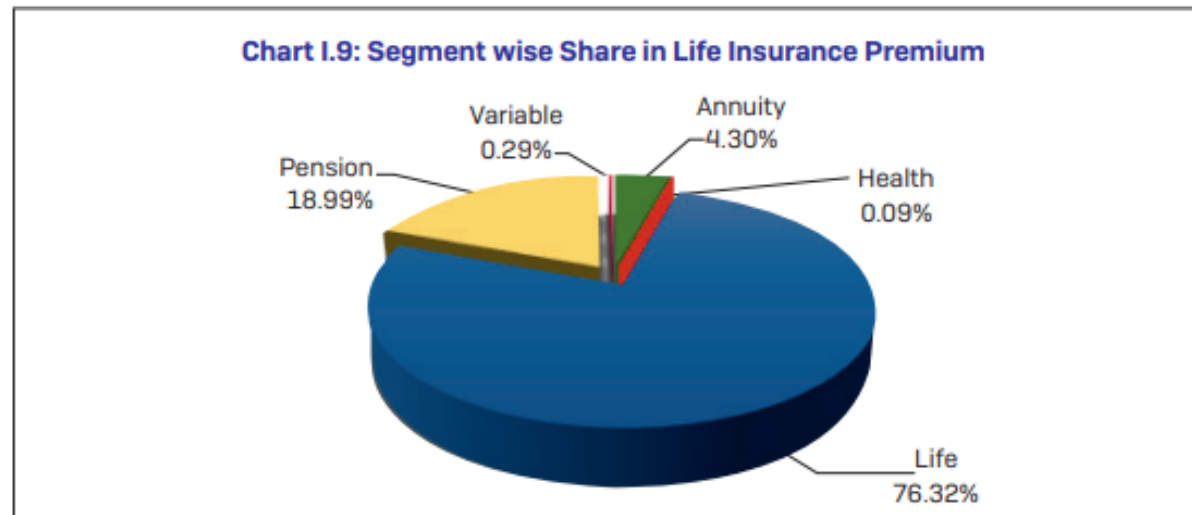
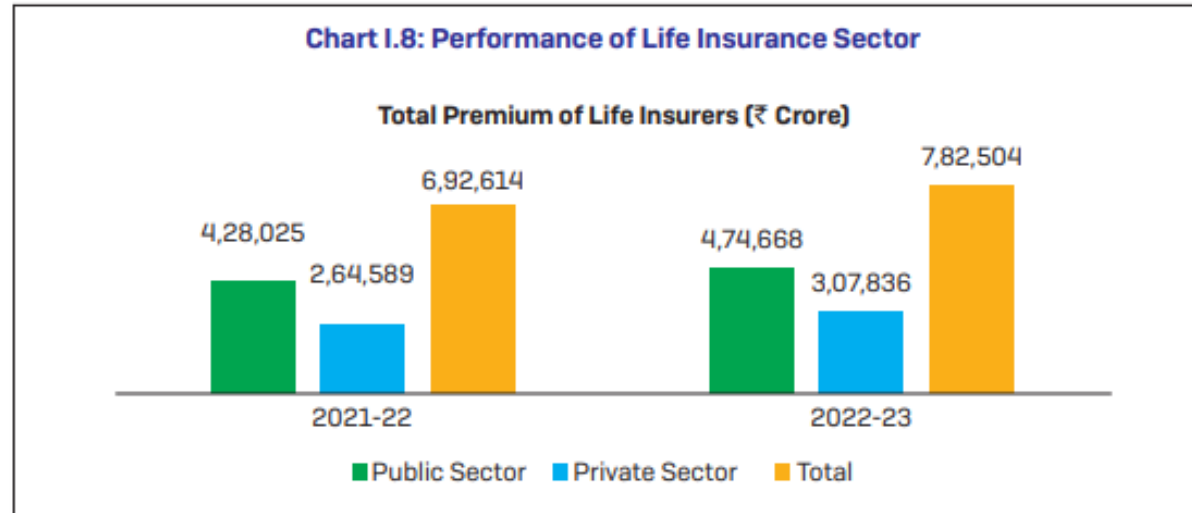


Data Relates to financial year
 Note: Insurance Penetration is measured as percentage of Insurance premium to GDP

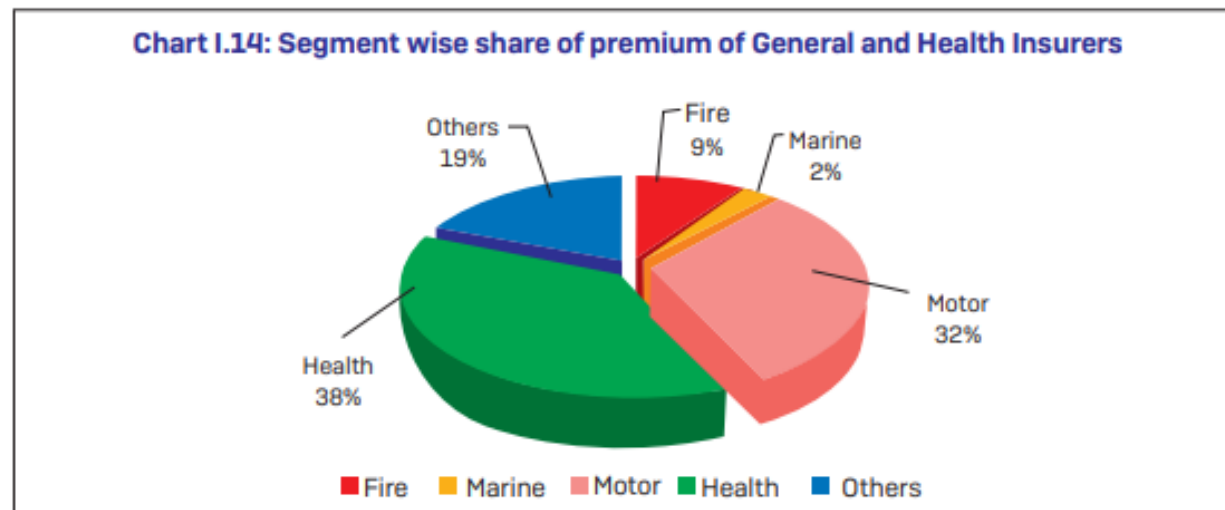
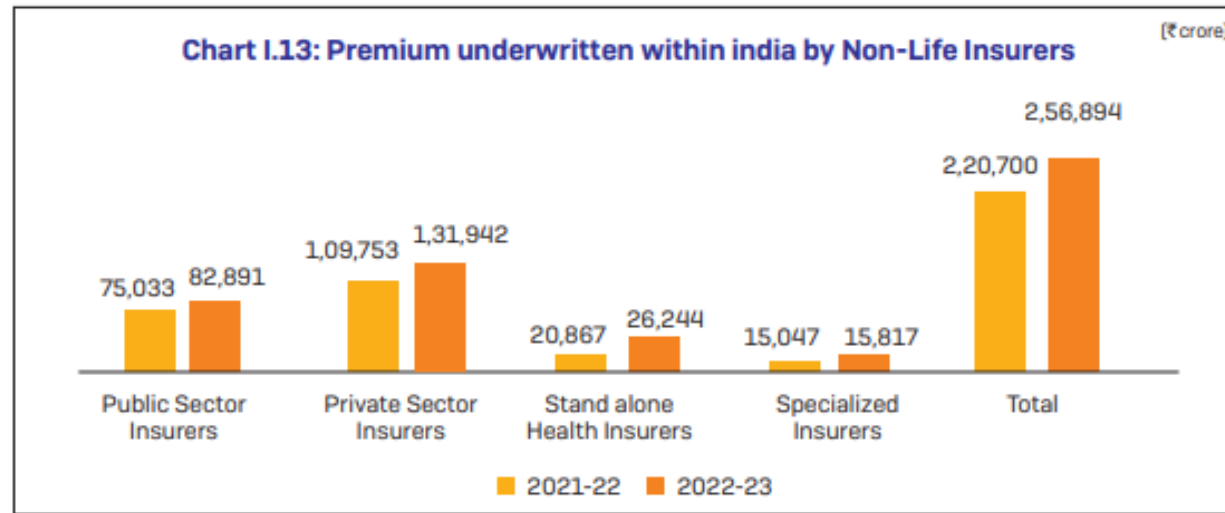


Data Relates to financial year
 Note: Insurance Density is measured as ratio of Insurance premium to population
 Source: Swiss Re Sigma World Insurance Report (No 03/2023)

Insurance: Life



Insurance: Non-Life



Thank You!