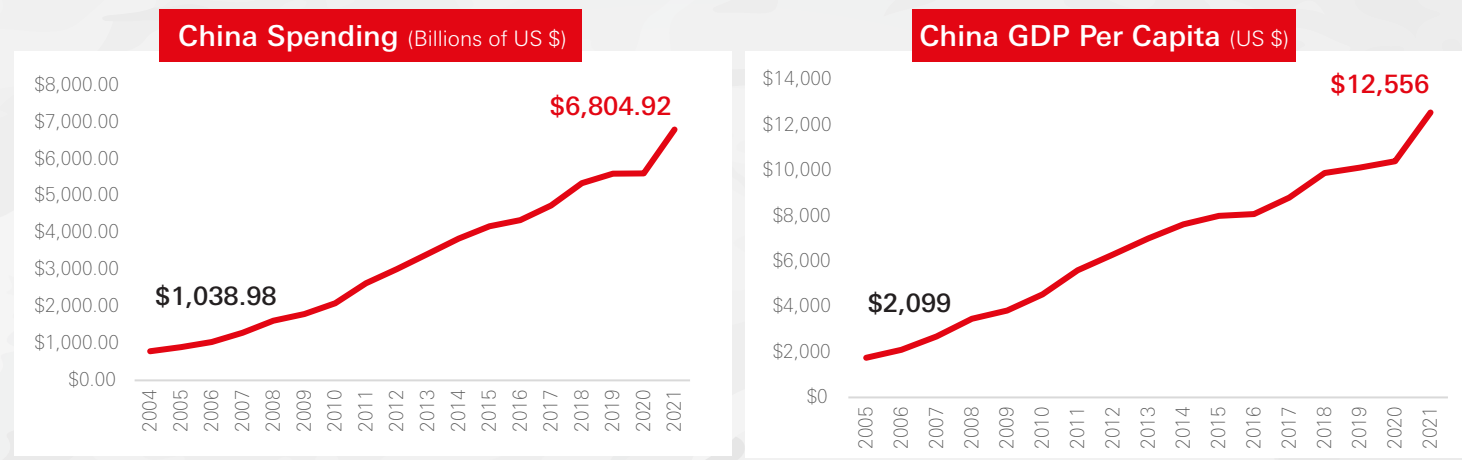




HISTORY REPEATS ITSELF!



It's a common understanding that when GDP per capita rises in a nation it experiences a boost in demand but how much? Let's take a look at a prominent past example of China



This map is for illustraion purpose only

China per capita income crossed
US\$ 2,000 in CY06

China's growth in per capita income prior 10 years

(CY96-06) was 11.5%

while growth in next 10 years

(CY06-16) was 14.5%

Source : macrotrends.net

After crossing the \$2000 mark of per capita GDP, a country experiences rise in discretionary spending due to higher disposable income in the hands of the population. This results in growth of sectors like



For example,
From CY06 to CY16,
China's Car sales grew

~5x

CY06 **5.18 million**



CY16 **24.38 million**



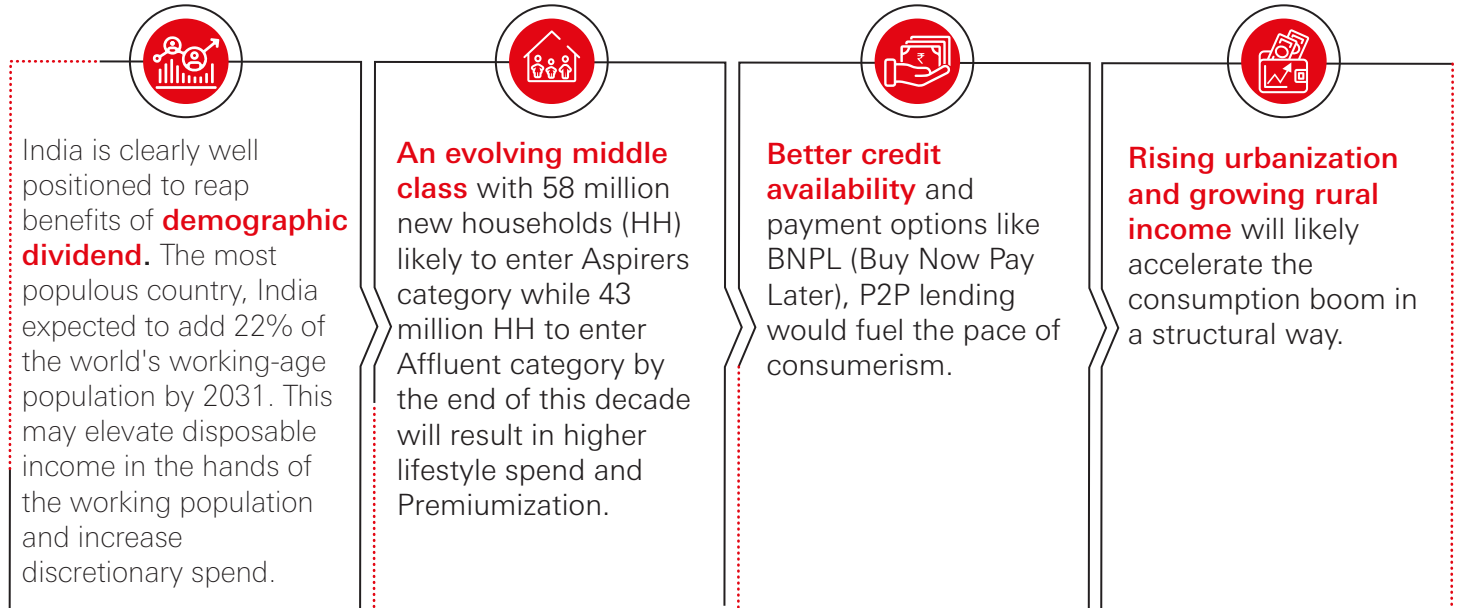
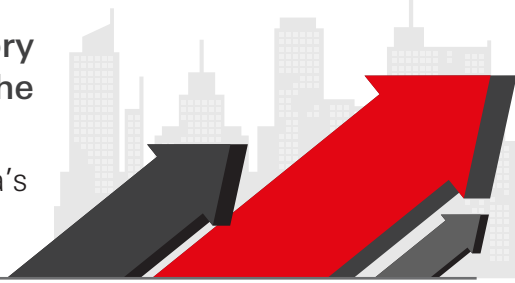
Source : Statista

India crossed \$2000 per capita GDP milestone in 2019.

Source : World Bank

Today, India is where China was in 2006. Will the history repeat itself? Will India follow China's fate in terms of the consumer spending?

With various structural drivers turning favourable, India's **Consumption sector** is expected to grow at a faster pace.



With higher **Ability, Affordability, Awareness, Availability, and Accessibility**, India is well-placed to repeat the history and replicate China's consumption story in the next few decades.

So, want to benefit from India's consumption boom? Invest in mutual funds that predominantly invest in the consumption theme.

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