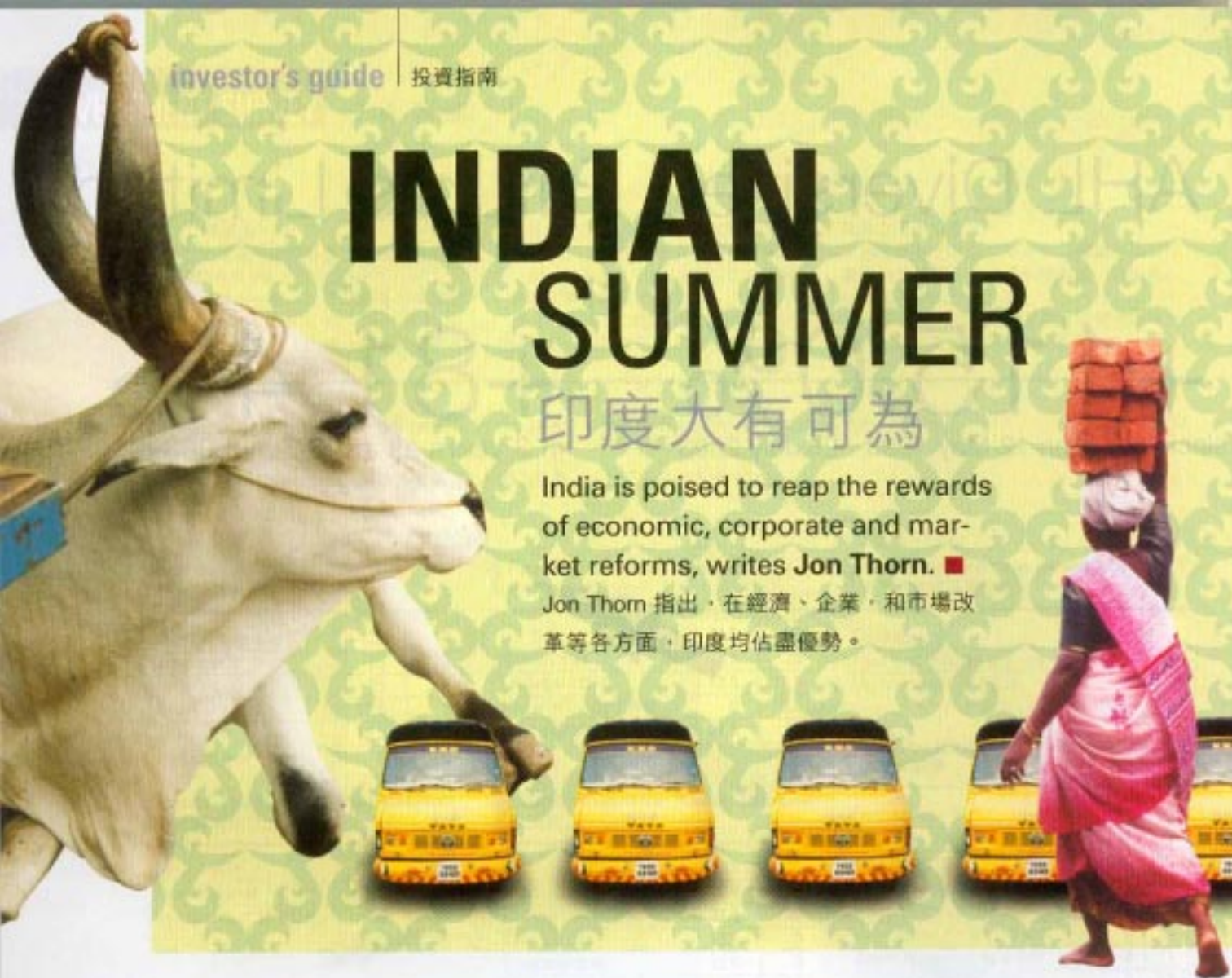


INDIAN SUMMER

印度大有可為

India is poised to reap the rewards of economic, corporate and market reforms, writes **Jon Thorn**. ■

Jon Thorn 指出，在經濟、企業、和市場改革等各方面，印度均佔盡優勢。



The Bombay Stock Exchange is the second oldest continuously operating stock market in the world and there are more listed companies in India, some 6,000, than in most of the rest of Asia ex-Japan and China put together.

Since 1980 India has had the second fastest growing GDP in the world after China and is the fourth largest purchasing power parity economy in the world. During the global recession of 2001, GDP growth in India and China was hardly affected and represented almost 50 percent of total global GDP growth.

In the 1990s India was often discounted by Asian regional investors for two reasons; one, a sound one; the other, the opposite. India's governments have arguably achieved less for their citizens in terms of wealth creation and life chances than many others, and especially so when set against the significantly greater opportunities that India could offer.

The other reason used to be touted

as (amazingly) one of the so-called benefits of Asian investing, what we now call crony capitalism offered opportunities for gains alongside some of the most corrupt politicians in Asia.

A schoolboy level of basic economics and history should have thrown up a few red flags to this view. Things have now changed radically in Asia, and likely will change even more.

India today, arguably, offers the best investment opportunities and investment environment in the world. There are four reasons for this.

Firstly, India's government is starting to get out of the way of its talented businessmen and scientists. Secondly, India's stock markets are now among the most transparent, liquid and efficient in the world. Thirdly, India is a real democracy with a highly trained and high status legal, accounting and managerial corps all of whom speak good English; something that most of the

rest of the world is now trying to produce. Finally, India, like China, plays into the biggest economic force in the world today: outsourcing to lower cost operating centres because of scale.

RECENT HISTORY

India's stock markets have recently come through a perfect storm. The period March 3, 2001 to February 1, 2002 will ever loom large in the history of the Indian stock markets as one of the worst ever. To surmise:

- Ketan Perekh share scam; K10 stocks fall by about 85 percent
- 80 percent fall in market liquidity in 45 days
- 100 percent of all market leverage closed out
- Bombay Stock Exchange Board fired, chairman's firm suspended
- UTI US-64 India's largest mutual fund – 16 percent of total Indian mutual assets – suspended redemptions, resulting in a 42 percent fall



PHOTO MONTAGE: CATHERINE TAN

in its NAV

- The global tragedy of 9/11
- Terrorist attack on the Indian Parliament
- Mobilisation of the Indian army at Pakistani lines (now stood down).

These were all, each of them, very major challenges and taken together they represented a *tsunami* of asset destruction and damage to confidence, on such a scale that India is the only major market to have recently fulfilled the definition of investor capitulation: 100 percent of new investment flows went into debt.

The above events of 2001 also created an urgent momentum for reform and a clean-up in India, mirrored around the world. The net result is that India is now a model for stock market transparency and liquidity.

Derivatives have been introduced with great success – index and single stock futures and options. There is now a requirement for quarterly financial reporting with segment

孟

買的股票交易所是世上第二位既古老而又持續運作的股票市場。上市公司的數目達6,000家；若撇除日本和中國，亞洲大部分證券交易所上市公司的數目加起來也不夠孟買多。

打從一九八零年起，印度的國內生產總值便一直高踞世界第二位，僅次於中國之後；論到實際購買力（PPP），印度也是世上第四大經濟體系。二零零一年環球經濟出現衰退期間，印度和中國的生產總值增長幾乎完全未有受到影響，期間兩國差不多佔了全球國內生產總值總和的一半。

一九九零年代，亞洲投資者往往望印度市場而卻步，原因有二。其一合情合理，另一個卻不成理由。首先，和其他國家相比，印度政府在人民創富和改善生活上工作不彰，而要是考慮到印度在這些方面的高度潛力，就更突顯其不足之處。

另一個理由是今天我們說的「權責資本主義」。過去，那善（難以置信地）被吹捧為亞洲投資的長處——亞洲好些最腐敗的政客，為投資者帶來了獲利的良機。

但只要稍具入門程度的經濟學常識，並將為善候一下歷史，便不難明白，以上觀點並不成立。今天的亞洲，早已從根本上徹底改變，而且勢將出現更大的變化。

今天的印度，某程度上提供了世上最佳的投資機遇和環境，理由有四。

第一，印度政府已開始放手，讓國內具才能的商人和科學家發揮所長。第二，印度股市已成爲世上最富透明度、流通性和效率的股票市場之一。第三，印度推行真正的民主政制，擁有一大批高水平 and 久經訓練的法律、會計和管理人才，而且全部諳流利英語；世上其他地區，都希望能培訓出大量這樣的專業人才。最後一點，是印度跟中國一樣，如今已屬於世上最強大的經濟力量之一，並借助經濟規模之利，不斷將生產工序外判予營運成本較低的地區。

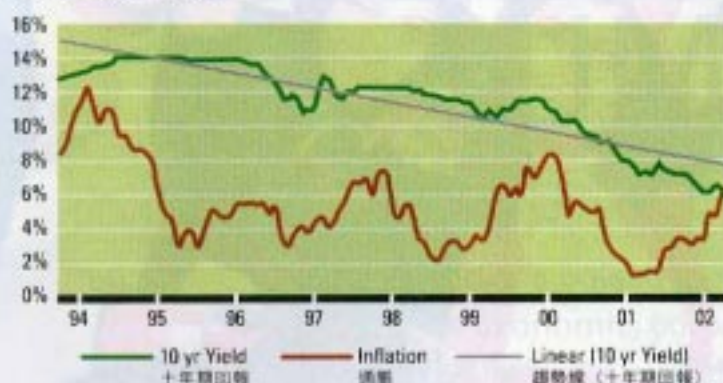
最新發展

印度股票市場近期經歷了一場大風暴，印度股市在二零零一年三月三日至二零零二年二月一日間的慘況，將在史冊上永留印記。期間的事態發展如下：

- Ketan Perekh 設災事件：「K10」股票價格大跌約85%。
- 市場流通量45天內大跌八成。
- 市場上所有權券買賣，全部停止。
- 孟買證券交易所成員全體掛冠，主席的公司遭停牌。

DECLINING APPEAL OF GOVERNMENT DEBT

政府債務逐漸減少



Source 資料來源: Bloomberg 彭博

breakout, which is rare in Asia.

The settlement of trades has moved in less than two years from rolling settlement, which detracts from the cash market, first to T (day of trade) +5, then very soon after that to T+3 and, since April 2003, T+2. T+1 is still being discussed.

It is likely that no other stock market in the world has ever made so many positive changes in such a short space of time, and so successfully. And this in so-called slow-motion India.

In the debt markets we therefore now have the unusual situation of negative real rates from government debt. Investors are starting to move out of negative real yielding government debt and into tax-free dividend yielding stocks (since the recent budget) which are yielding in some cases five to six percent.

CORPORATE INDIA'S BOUNCE BACK

Things have changed in India. A lot. According to one recent review of global emerging markets based on Altman Z scores, which calculate a series of valuation ratios to operating and balance sheet ratios, India is the most attractive market in the world, partly reflected in the chart opposite.

A larger slice of GDP and earnings per share (EPS) will now be due to the top performing big caps than would have been the case even two years ago. Reliance Industries, the biggest private sector company in India, will make close to US\$1

billion in profit across the current year while State Bank of India, the biggest bank in the world by branches, has shed 10 percent of its headcount, in a tightly unionised environment.

There are many other attractive stocks. One we like is a pharma major, Nicholas Piramal (NPIL). NPIL is that unusual stock situation, an integration play, where, finally, and according to plan, the sum of the parts of a series of mergers and takeovers start to create excess value. In NPIL's case quite explosively.

For the quarter ending March 2003, year-on-year profits before tax rose by 153 percent, and for the year ending on the same date, by 60 percent, implying a rising profits curve. Operating margins rose by 350 basis points to 21 percent. Trend return on equity is 33 percent and the price to equity ratio is 11x trailing to March 2003 with a yield of 3.5 percent.

At the macro level, non performing loans (NPLs) are very low in India compared to the rest of Asia which are otherwise a major subtraction from GDP.

The outlook for earnings is, selectively, as good as we have ever seen in almost nine years in India. For the first time, we can see a wide range of investable companies (by our very high standards), which we would be happy to own. This is not a situation we have faced before.

One other notable change to the outlook for the economy and the stock market has been the progress of the US dollar which, for the first time, is depreciating against the Indian rupee (INR); now down to a three-year low.

And what about the fastest growing business segment and, in their time, one of the biggest creators of shareholder wealth in the world; India's IT companies? It has been our view for a while that pressure on margins in the IT sector would be unrelenting.* This view was very much not shared by many in the investment community as, we believe, that we were perhaps the only India/Asian fund with under one percent in Indian IT.

This negative view proved to be correct on April 10th when the Infosys (INFY) share price fell dramatically after it guided that EPS growth would be lower than earlier guidance and, more importantly, that margins had fallen much further in the previous quarter than expectations, despite frenzied cost cutting.

While we, more than most, are nevertheless confident that INFY and the other bigger and better Indian IT companies, which are often very well managed, will continue to prosper on the top line as far as revenue goes, that is not our view of their bottom line and EPS outlook. INFY led the sector route, and all the rest followed.

The trend to outsourcing, however, is also unrelenting. Faced with reduced pricing power and declining margins, US and European companies have cut their Capex and operating costs, both of which impact directly on the headcount. If companies can outsource non-core functions at a fraction of the existing cost, we believe that shareholders should want to know why they are not doing so.

While IT outsourcing may have had all the headlines, Indian pharma companies now produce, by one estimate, 20 percent of the generic drugs sold in the US.

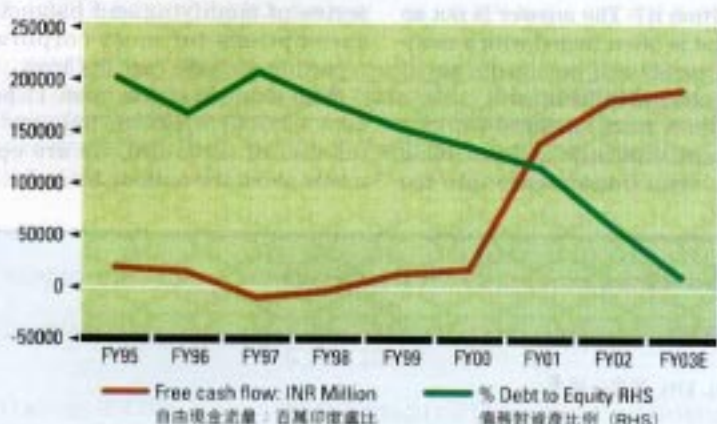
In general, we are facing a very uncertain and unpredictable world from a global investment point of



*This was our comment in a December 2002 Barron's article.

DECLINING DEBT, IMPROVING CASH FLOW

債務減少有助現金流



Source 資料來源: Smith Barney

- 印度最大互惠基金——佔印度互惠基金總資產值16%的UTI US-64暫停檢回申請，令其資產總值下跌了42%。
- 九一一事件。
- 印度國會遭恐怖襲擊。
- 印度動員軍隊開往與巴基斯坦接壤邊境(現已鳴金收兵)。

以上各項已然帶來極大挑戰，再相加起來，就更對資產和信心帶來大地震似的損害，其破壞之嚴重，令印度成為了唯一的主要「投資者有條件投降」市場：100%的新增投資均流進了債券市場。

這些發生在二零零一年內的事件，還為印度帶來了急不容緩的改革及除腐敗的契機，世界各地亦可見類似現象。最終結果，是印度股市在透明度和流通度等方面，已樹立起一個模範。

引入衍生工具的工作極為成功，包括指數和單一股票期貨及期權產品；上市公司如今每季都得發表財務報告，並把債務分開交代，這在亞洲並不常見。

在不足兩年之內，買賣結算已採用在現金市場實現交收的rolling settlement制度，並過渡至T+5 (T為交易日) 的交收期限，很快還會改為T+3。自今年四月起，T+2和T+1交收制度正在討論之中。

世上大概還沒有其他股票市場，能在如此短促的時間內，實現如此多的正面改革，而且成績不錯。誰說印度是個「動作緩慢」的國家？

是以印度的債券市場出現了一個特殊現象：政府債券的實質孳息竟為負數，但投資者已開始放棄實質孳息為負數的政府債券，並轉而投資在提供免稅股息股票上(此種勢見於最新財政預算獲通過後)，部分股票的回報甚至高達5至6%。

印度捲土重來

印度變了，而且變了許多。

據最近一項針對環球新興市場，並以Altman Z評分為基礎的研究指出，印度是世上最具吸引力的市場，書表某程度上反映出這一事實。Altman Z計算一系列市值、營運和資產負債表的比率。

大型公司佔印度國內生產總值和每股盈利的比例，如今愈來愈大，甚至比兩年前有過之而無不及。印度最大型的私營企業Reliance Industries，今年的盈利將近10億美元，分行數目冠絕全球的國營印度銀行，則成功地克服了工會嚴厲掣肘，實現了裁減一成員工的目標。

還有許多其他具吸引力的股票，其中一隻我們看好的，是主要的製藥股Nicholas Piramal (NPIL)。NPIL是在特殊股市場環境下，一個化零為整策略的成功例子。在這樣一種策略下，一系列收購合併將最終創造出剩餘價值，在NPIL的個案中，效果尤為顯著。

截至二零零三年三月止的一季，NPIL的稅前盈利較上年增加153%；截至同一日為止的年度內，則增加了60%，可見其盈利曲線正向上移動。另外，營運邊際利潤增加了350個基點，升至21%；股東回報率為33%，以零三年三月為準的股價對資產比率為11倍，回報達3.5%。

宏觀而言，與亞洲其他地區比較，印度的不良債權比例極低；不良債權可嚴重影響國內生產總值。

某程度上，印度可放有最近九年來最佳的盈利前景。(就我們採用的極高標準而論) 印度首次出現了一系列類別眾多的可投資企業，並引起了我們的投資意欲。這種情況，我們過去還未曾遇見過。

印度經濟和股票市場前景的另一改變，在於美元匯價的變動：美元對印度盧比的匯率首次下跌，如今已跌至三年來的低位。

那麼，作為發展最迅速的行業，並曾為股東帶來冠絕全球利益的印度資訊科技業界，表現又如何？我們一向認為，資訊科技業界在邊際利潤上正面對強大壓力(*注一)。這看法並未為大部分投資同業所認同，我們甚至相信，持有印度資訊科技業資產低於1%的印度/亞洲基金，世上大概只得我們一家。

這一負面觀點，四月十日終被證明是正確的：當天，Infosys (INFY) 宣布其股東回報率的增長將低於早前預期，更重要的是，儘管該公司大刀闊斧地削減開支，上一季的邊際利潤跌幅仍大幅高於預期，令股價戲劇性地大跌。

我們筆較其他大部分人深信，INFY和別些較大、較好，而且往往管理完善的印度資訊科技公司相比，將繼續在收益方面大有可為，但若說到盈利和股東回報的前景，我們卻未敢看好。資訊業界在INFY的帶領下，表現乃出現了全面後撤。

外判合約的趨勢，也絕不樂觀。在定價能力和邊際利潤雙雙下降的情況下，歐美公司已削減了本身的資本開支和營運成本，兩者都對職員人數構成直接影響。公司若本可將非核心業務以低於現有成本外判，而實際上卻未有這樣做，那我們認為股東有權知道箇中原因。

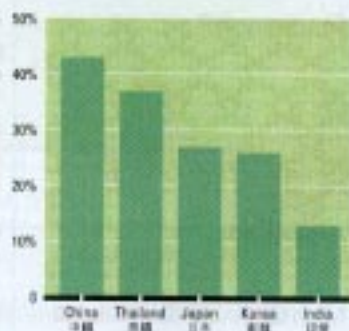
資訊科技業的業務外判問題備受關注，但另一邊廂卻有估計指出，在美國販賣的一般藥品之中，如今有20%是由印度的製藥公司生產。

一般而言，從環球投資的角度來看，我們正面對一個極不明確而且難以預測的世界；這情況並勢將持續好一段日子。幸而，最低限度我們能在印度找到一個比世上大部分其他地區為佳的投資環境，印度

ASIAN NPL REVIEW % OF 2001 GDP

亞洲地區不良債權佔

二零零一年國內生產總值比例



Source 資料來源: Ernst & Young

*注一：此為我們二零零二年十二月於《Barron's》上發表的意見。

view and it's likely to remain so for some time. In India at least we are fortunate to face a far more benign investment environment than most of the rest of the world, as GDP growth will be six plus percent and margins and earnings are selectively rising.

THE ELEPHANT AND THE DRAGON

The comparison to China has traditionally been one which showed

India in a very poor light. While we can all agree that the potential of the Chinese economy may well be greater than any other, our specific interest is a much smaller and less sexy question; how can we make money from it? The answer is not so clear, and is often tinged with a number of caveats and comments about restrictions and difficulties.

Also, how many auditors working to western standards and providing western style transparency into the

financials of Chinese companies are there in China? We don't know of either. But we do know there are many more doing a much better job in India, and where potential investors are not required to make a series of modifying and balancing assumptions for most corporate reporting, as is the case in China.

With exports at less than 11 percent of GDP, whatever happens in the rest of the world, we are optimistic about the outlook for India.

Geographic position 地理位置	Southern Asia 南亞
Capital 首都	New Delhi 新德里
Area 面積	3,287,590 sq. km. 平方公里
Population 人口	1.07 billion, the world's second largest population 10.7億，世界排名第二
Races 種族	Indo-Aryan (72%); Dravidian (25%); Others (3%) 印度及阿曼族 (72%)，德拉維族 (25%)，其他 (3%)
Religion 宗教	Hindu (83.5%); Muslim (10.7%); Christian (2.6%) 印度教 (83.5%)，回教 (10.7%)，基督教 (2.6%)
Political 政治	Head of State: President Dr. A. P. J. Abdul Kalam 國家元首：總統阿卜杜爾·卡拉姆
Head of Government 政府領導人	Prime Minister Atal Behari Vajpayee 總理比哈里·瓦杰帕伊
Major ruling party 主要執政黨	The Bharatiya Janata Party. Executive power lies with the prime minister who is appointed by the President. The Parliament consists of two houses, the Lok Sabha (House of people) and the Rajya Sabha (Council of States). Political tension continues between India and Pakistan, both nuclear powers, over which country controls Kashmir. 印度人民黨。由總統指派的總理握有行政實權。國會實行兩院制，人民院為下院，聯邦院為上院。印度與鄰國巴基斯坦俱擁有核武，並一直為喀什米爾領土問題而關係緊張。
Currency 貨幣	1 Rupee (Rs) = 100 paisa 一盧比相等於一百派士
Language 語言	Hindi, English 印度語、英語
Exchange rate 匯率	US\$1 = Rs46 (as at August, 25) 一美元兌46盧比 (八月二十五日匯價)
GDP growth (%) 國內生產總值增長百分率	5.8% (2002), 4.9% (year-on-year first quarter of 2003), 6-6.5%* 5.8% (2002年)；4.9% (2003年首季與去年同期比)；6至6.5%*
Economy 經濟	Rules restrict the import of most consumer goods without a special license such as electronic goods, telecommunication equipment, watches, fabrics and alcoholic beverages. A free trade agreement with Sri Lanka came into effect on March 2000. Typically imports exceed exports resulting in a substantial trade deficit. 大部分消費商品均設有入口限制，如電器、通訊設備、手錶、紡織品和酒類等，須領有特別牌照方能進口。印度與斯里蘭卡簽訂的自由貿易協議已於二零零零年三月生效，因出口遠低於進口，導致印度的貿易赤字高企。
Exports 出口	Gems and jewellery (15%); Engineering goods (14%); Clothing (11%); Textiles (10%) 珠寶首飾 (15%)，工程儀器 (14%)，衣類 (11%)，紡織品 (10%)
Main destinations 主要出口國	US (around 20%); UK (6%); Hong Kong (5.8%) 美國 (約20%)，英國 (6%)，香港 (5.8%)
Imports 進口	Mainly intermediate goods, equipment and machinery to assist industrial development 主要為半成品、以及支援工業發展的儀器及機械等

的國內生產總值將增6%，許多公司的連
際利潤和收益也有所增長。

大象與龍

與中國相比，印度向來顯得極為遜色。儘
管我們也全同意中國經濟的潛力較其他地
區大，我們卻更著眼在一個更為根本但卻

未必受人關注的問題：我們如何才能從中
獲利？答案並不直截了當，就種種限制和
困難作出警告和評論的人更不在少數。

另外，中國到底有多少核數師採用西方
標準，並能就中國公司的財政狀況，提供
與西方看齊的透明度？我們同樣無法得
知。我們只知道，印度有許多核數師的表

現遠比中國同業為佳。在中國，投資者往
往需要為大部分企業報告作出種種修正評
估；在印度卻沒有這個必要。

印度的出口佔國內生產總值還不足
11%，故無論世上其他地區發生甚麼事
情，我們仍對印度的經濟前景滿有信心。■

Jon Thorn is one of the original founders of the India Capital Fund. Founded in 1994, the fund is an offshore fundamental value-style investment fund with institutional and high net worth investors.

Jon Thorn 是 India Capital Fund 的創辦人之一，該基金於一九九四年成立，是一檔離岸價值型基金，針對機構投資者和高淨值投資者。

Main sources 主要進口國 US (10%); Saudi Arabia (7%); Germany (7%) 美國 (10%)、沙地阿拉伯 (7%)、德國 (7%)

Inflation rate 通脹率 5.1% (2002), 4.7% (year-on-year May 2003)
5.1% (2002年)、4.7% (截至二零零三年五月，與去年同期比)

Credit ratings 信貸評級 S&P: Foreign currency BB; local currency BB+. 標準普爾：外幣BB、本地貨幣BB+
Moody's: Foreign currency Ba1; local currency Ba2 穆迪投資外幣Ba1、本地貨幣Ba2

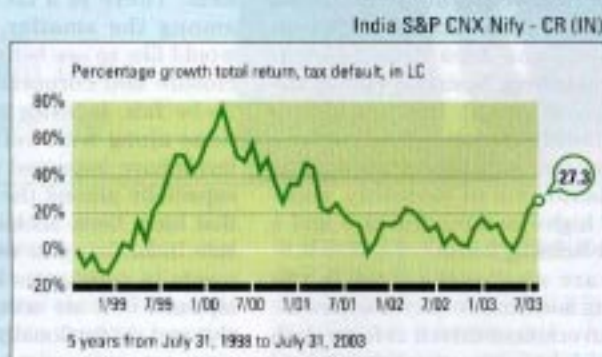
Stock market 股市
(as of June 2003)
(零三年六月止)

National Stock Exchange of India
Companies listed: 853
Total turnover: 61,586 (Rs Cr.)** (about US\$13.38 bn)
Average daily turnover: 2,933 (Rs Cr.)** (about US\$0.64 bn)
Market capitalisation: 678,500 (Rs Cr.)** (about US\$147.38 bn)
印度國家股票交易所
上市公司數目：853
總成交額：61,586 (Rs Cr.) ** (約133.8億美元)
每日平均成交額：2,933 (Rs Cr.) ** (約6.4億美元)
市場總值：678,500 (Rs Cr.) ** (約1,473.8億美元)

The Stock Exchange
of Mumbai (BSE)
孟買股票交易所

Companies listed: 5,641
Total turnover: 24,932.9 (Rs Cr.)** (about US\$5.34 bn)
Average daily turnover: 1,187.28 (Rs Cr.)** (about US\$0.25 bn)
Market capitalisation: 734,389 (Rs Cr.)** (about US\$157.22 bn)
上市公司數目：5,641
總成交額：24,932.9 (Rs Cr.) ** (約53.4億美元)
每日平均成交額：1,187.28 (Rs Cr.) ** (約2.5億美元)
市場總值：734,389 (Rs Cr.) ** (約1,572.2億美元)

Index Growth



* Forecast by The Reserve Bank of India 印度儲備銀行預測

**Cr. = ten million Rupees Cr.即一千萬盧比

Sources: Standard & Poor's, Moody's, worldinformation.com, BSE India, NSE India, Hong Kong Trade Development Council, Population Reference Bureau
資料來源：標準普爾、穆迪投資、worldinformation.com、BSE India、NSE India、香港貿易發展局、美國人口普查局。

INDIA Talking



Adrian Lim, fund manager,
Aberdeen International India Opportunities Fund
安本國際印度機會基金經理林益敦

What is attractive about Indian equities now?

Although there has been increasing interest in the Indian market, we have found it attractive for some time. We have a bottom-up investment philosophy and focus on buying quality businesses with top-notch management and integrity at reasonable valuations. India has been interesting to us as we do see a lot of companies that fit our investment criteria. As an example, we like Bharat Petroleum, which is managed professionally, well-positioned for the liberalisation of the oil-gas market and is reasonably priced. The government has also earmarked it for partial privatisation. Bharat stock is cheap and yields a decent dividend.

What sectors are you overweight or underweight in and why?

We are overweight in the industrial segment. We like Grasim (a cement producer) and Asea Brown Boveri (an engineering business, part of the global ABB group). Both companies will benefit from infrastructure development activity e.g. production and distribution of electricity, building of highway infrastructure and a private housing boom.

We are also overweight in the banking and finance sector where we like government-driven reform such as the debt recovery statutes and recapitalisation and privatisation of banks. We are investors in HDFC, a focused, well-run mortgage financing company that will grow on the back of lower interest rates on housing loans, broad-based improvement in disposable household income and

low levels of home ownership in India. We invest in ICICI Bank, a professionally-run private bank that has wide-based growth, an improving balance sheet and is willing to take steps to control its costs.

Our fund is underweight in the consumer staples segment where Hindustan Lever is about 10 percent of the MSCI Index. Although it is a well-run company we find the stock relatively expensive and we have an underweight position.

What are the risks of investing in India?

The main risk is that the government will succumb to populist measures, backsliding on its liberalisation and privatisation programmes, as the election season approaches.

Other than that, it is not dissimilar to investing in other emerging markets. There is a lack of liquidity among the smaller caps and we would like to see better levels of disclosure and corporate governance. To be fair, investor relations functions along with better disclosure levels have improved over the years, especially among the IT companies that have been seeking capital outside India. Investor relations departments in companies like I-Flex and Mphasis BFL are accessible, responsive and professionally run.

Compared to China is India a more or less attractive market?

China has an attractive macro-economic story – a better managed budget, high levels of foreign reserves – but we find it difficult to find companies that we are comfort-

able with. Therefore, we have participated in the Chinese economic growth through Hong Kong companies. India has a relatively weak macro-economic story but we find many good businesses that are managed for increased shareholder value.

What type of investor should consider India for their portfolio?

The success of global IT services businesses is widely known, but the Indian market has a large portion of companies that provide products and services to the domestic market like HDFC, ICICI Bank, Bharat Petroleum and Grasim which we find very attractive. As such, the Indian market can offer diversity to a global portfolio as the businesses are relatively insulated from the global economy.

In addition, our Indian portfolio is currently trading at a forward earnings multiple of 12 to 13x and delivers a dividend yield of three to four percent. On average, our portfolio companies are not heavily geared with debt to equity under 0.2x, deliver a return on equity in excess of 25 percent with earnings growth of around 10 percent. I think anybody looking to participate in interesting businesses run by quality management teams priced reasonably should think about the Indian market.

Interest has been broad-based. We have seen increasing fund inflows from pension funds, private trusts and sophisticated high net-worth individuals. We have however seen little inflows from retail investors who, incidentally, are more familiar with the China story. The India story is less known to retail investors.

印度股票現在有何吸引之處？

投資者對印度市場的興趣愈見濃厚，但我們早已認為它別具吸引之處。我們採由下而上的投資哲學，專注於以合理市價購入管理完善而誠實的優質企業。印度的吸引力，在於印度有許多公司符合我們的投資原則。比方說 Bharat Petroleum，有專業的管理，在石油及天然氣市場自由化之下盡得地利，而且價錢公道；印度政府已指定將該公司部分私有化。其股價偏低，並派發優厚股息。

你會增持或減持哪些行業？為什麼？

我們增持工業股。我們看好 Grasim（水泥生產商）和 Asea Brown Boveri（屬跨國ABB集團一部分，搞工程業務）。兩家公司都會因基建發展項目得益，例如電力的生產和輸送、公路網的建設，以及私人住房熱潮等等。

我們亦看好銀行和金融業，由政府推動的改革，例如回收債務條例、銀行業的資本結構調整和私有化等，我們都予以肯定。我們投資了 HDFC（一家經營有道並專注於按揭融資業務的公司），因房地產按揭利率低企，可支配家庭收入出現穩健增長，加上印度的住房私有率偏低，該公司應大有可為。我們還有投資 ICICI Bank，那是一家管理完善的私營銀行，增長穩健，財政狀況不斷改善，而且樂於採取措施控制成本。

我們較看淡消費商品行業，例如估 MSCI 指數 10% 的 Hindustan Lever。儘管該公司經營有道，我們卻認為股價偏高，故採減持立場。

TOP 10 HOLDINGS

十大持有資產

AS AT JUNE 30, 2003 截至二零零三年六月三十日

Bharat Petroleum	7.7%
HDFC	6.8%
ICICI Bank	6.8%
Grasim Industries	5.6%
Satyam Computer	5.0%
Asea Brown Boveri	4.8%
Hero Honda	4.7%
Hindustan Petroleum	4.5%
Hindustan Lever	4.2%
Moser-Baer	4.2%

投資印度有哪些風險？

主要風險在於，政府會在選舉季節將臨之際，屈從於種種譁耳取寵的政策，使之在自由化及私有化計劃上走回頭路。

除了這一點，投資印度的風險就和投資其他新興市場沒有兩樣。比方說，小型公司的股票欠缺流通，我們希望資訊公開和企業管治會有更大改善。公平點說，過去好幾年間，（提升了資訊公開度的）投資者公關活動已有所改善，一直在印度以外尋找投資的資訊科技公司尤其如此。像 I-Flex 和 Mphasis、BFL 等公司的投資者關係部門，便較為開放和負責，而且管理有力。

若與中國相比，印度是個更吸引還是較遜色的市場？

中國在宏觀經濟上形勢很好——財政預算處理得較好，並擁有龐大的外匯儲備，我

們卻難以在中國找到讓人安心投資的公司。因此，我們選擇透過香港公司參與中國的經濟增長。印度的宏觀經濟形勢較弱，但印度有許多優質企業，俱以提升股東利益為管理方針。

甚麼類型的投資者應考慮把印度加進投資組合之中？

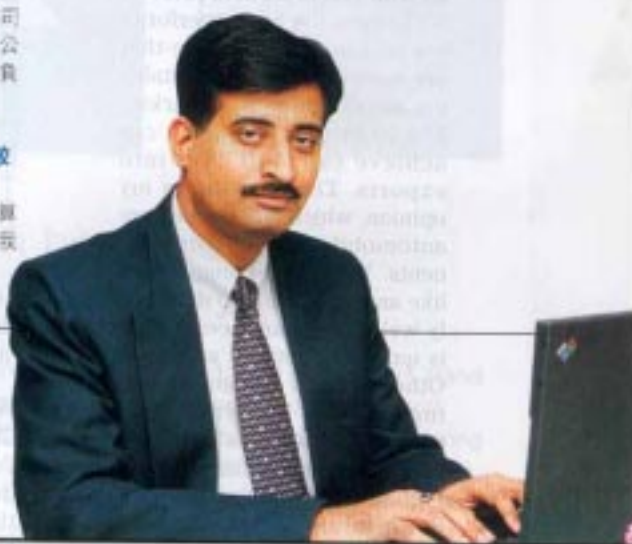
提供環球資訊科技服務的公司，是眾所周知的成功例子，但印度市場內其實有很大比例的公司，提供的產品和服務都是針對本土市場，例如 HDFC、ICICI Bank、Bharat Petroleum 和 Grasim，也很吸引。正因許多企業相對避於環球經濟，印度市場乃可（為環球投資組合）提供分散投資的機會。

另外，我們的印度投資組合目前的市盈率，約為 12 至 13 倍於盈利預測，派發股息有 3 至 4%，平均而言，組合內公司的槓桿比不算高（負債比率低於 0.2），股東回報率逾 25%，盈利增長則約為 10%。我認為，任何對價格合理，管理完善的優良企業有興趣者，都應考慮印度市場。

對印度市場感興趣的投資者可說包羅萬有，例如來自退休基金、私人信託和老練的高淨值人士的流入資金，正不斷增加。然而，我們發覺小投資者仍少有參與，他們看來較為熱衷於中國市場，卻未留意到印度的投資機會。

BP Singh, fund manager and head of equities, Deutsche Asset Management India

Deutsche Asset Management India 股票部主管及基金經理 BP Singh



Are you seeing more interest in India from investors? If so, why?

Yes, definitely. I'm finding that the Indian market has done well in the last three months. There's still a lot of steam in the market and I see good potential going forward both from overseas and local investors.

The strong economic recovery and growth is due to the very strong monsoon and the reform programme which has been carried out

by the government over the past five to six years.

Also, during this time, Indian corporates have gone through a series of restructuring when they cut costs to a great extent. As a result, they have become more competitive and able to compete both with imported products and in terms of exports. A whole host of industries have become competent, for example automobiles and components, phar-

你是否發現愈來愈多投資者對印度感興趣？若然，理由何在？

是的。印度市場在過去三個月表現頗佳，而且看來升勢還會持續。今後，我認為海外或當地的投資者，仍將為印度市場帶來機遇。

印度經濟的強勁復甦與增長，歸因於市場周轉的大逆轉，以及印度政府在過去五至六年間實施的改革。

在這期間，印度企業進行了連串重整，令成本大降，提升了競爭力，令商品能與進口貨一爭長短，並刺激出口。許多行業

INDIA Talking



maceuticals and chemicals.
One major change that has taken place is with the banks, which were earlier discouraged from financing retail demand and are now encouraged to.

If you put all these factors into perspective I think you'll see a growth rate upwards of seven percent this year. After the strong monsoon, it's a distinct possibility, which leaves a lot of scope for corporate earnings. Last quarter when companies declared results, we noticed that practically across all sectors, analysts upgraded their earnings.

Which sectors do you think will perform best in the next year?
We believe the better performing sectors will be those that are more focused on capitalising on the domestic market. The economic scale they can achieve can spill over into exports. The sectors, in my opinion, which will do well are automobile and auto components. You'll find commodities like and steel are also doing extremely well. The pharmaceutical industry is quite competitive and doing well. Other sectors coming up are banking, fuelled by retail financing, power, and utilities because as the economy grows there will be huge demand from these sectors. And, finally oil and oil refining.

What are the risks?
There are some risks. There is geopolitical risk because of India's proximity to Pakistan, and China, with which India shares a turbulent past. This risk has come down considerably as India's relations with China and Pakistan have improved.
The other risk I see is political risk because we are going for an election next year and whenever an election takes place reform definitely slows.
Finally the appreciating rupee.

Because of the amount of inflow we are witnessing into the country there has to be a balance between rupee appreciation and interest rates. Too much inflow will obviously put pressure on higher appreciation export-oriented companies.
The economy is quite well placed. So though I've mentioned three

points for risk, the likelihood of them emerging to create problems is quite low.

TOP 5 HOLDINGS
五大持有資產

(AS AT JULY 31, 2003 截至二零零三年七月三十一日止)

Hughes Software	7.28%
Infosys Technologies	6.74%
State Bank of India	8.8%
TELCO	4.71%
Reliance Industries	8.2%

What advantages does India have over China as an investment target?
I've not invested in China so I can't do a comparison but I can give you the benefits of being in India. First, corporates here are very transparent so access to information is quite high.
Second, India as an economy has all the sectors to invest in.
Third, the restructuring part is over and we are now in the growth phase. All one needs to do is identify the better performing stocks.
The downside risks are reasonably limited in this particular period. The quality of the companies is excellent and we have a proactive regulator taking care of the market.

已變得成熟茁壯，例如汽車及零件生產業、製藥和化工業等。
出現重大轉變的行業之一是銀行業。不久前，銀行業曾為金融零售業務的需求不足而苦惱，今天則已雨過天晴。
由於以上種種因素，印度今年的經濟增長應有7%以上。市場開期在今年逆轉過後，前景已變得截然不同，企業盈利存在很大的增長空間。上一季公司宣布業績時，分析師幾乎把所有行業的盈利都作出上調。

你認為明年哪個行業的表現會最好？
我們相信，專注於本地市場的行業會表現較佳。這些行業滿足了本地市場的需求後，還可將剩餘的生產力轉向出口。我認為這些行業包括了汽車和汽車零件製造業，其他如鋼鐵業的表現也非常好。還有頗具競爭力的製藥業，表現也很不錯。其他正在趕上來的行業包括：受惠於金融零售業務需求增加的銀行業、能源。還有公用事業，因經濟出現增長，這些行業的需求勢將大增。最後，還有石油和煉油業。

有甚麼風險？
確實有一些風險。首先是地理政治方面的風險，因印度與巴基斯坦和中區為鄰，而且過去曾與兩國出現糾紛。但印度與中、巴的關係已有改善，令有關風險減輕了不少。
另一方面是政治風險。明年是競選年，每途競選，改革便會減速。
最後則是盧比匯價上升的問題。因大量資金流入印度，盧比升值和利率之間便要取得平衡。流入資金過多，明顯地會加重盧比升值的壓力，對出口為主的公司帶來影響。
印度經濟形勢不錯，可說是其中一個我們經歷過最好的時期。儘管我曾提及三方面的風險，出現問題的機會其實並不太大。

作為投資對象，印度有甚麼比中國優勝的地方？
我不善投資中國，因此不能作出比較，但我可以告訴你投資印度的好處。首先，這兒的企業有很高的透明度，資訊也很公開。
第二，印度作為一個經濟體系，已包含了所有可供投資的行業。
第三，經濟重整已經完成，我們已踏入增長期。投資者需要做的，只是找出表現較佳的股票而已。
在這時期，下跌空間理論上頗為有限。公司的素質極佳，市場的監管當局也非常積極。