

## Press Note

### HDFC securities simplifies Global Investing for Indian Investors

**September 25, 2019, Mumbai:** HDFC securities partnered with Stockal to introduce GlobalInvesting.in, exclusively for its customers. Now, they can buy/sell shares of companies like Apple, Google, JP Morgan, Tesla and more; or invest in thematic ETFs from Robotics to Pharma to Energy; or just save money safely in the US for future education needs etc. – all in just a few clicks.

One of the fundamentals of investing is diversification, used as a hedging tactic against any unforeseen scenarios. Historically, diversification meant buying properties, investing in gold and creating fixed deposits. Over the past decade, with the increasing number of demat accounts, Indian investors are moving towards creating a balanced portfolio - parking money in direct equities and mutual funds. With a considerable amount of Indian populace settled abroad, remittances in and out of the country have also increased. However, individual Indians have sent over \$35billion overseas (via RBI's LRS) since 2015 where most of this money was 'spent' rather than being invested. This behavior can be directly attributed to the fact that Indian investors are constrained to local markets as investing in global markets involves expenses and cumbersome processes, enabling only Ultra-HNIs and institutions to benefit from cross border investing.

Expanding the spectrum of investment opportunities, HDFC securities introduces global investing to its customers who can now make and manage investments in the US financial markets. This will not only be an opportunity to diversify investments internationally but also to invest in specific global growth stories or simply invest in popular US companies listed on NASDAQ. Multiple Indian bank relationships have been created on the platform to ease the process of LRS and reduce forex load on investors looking to invest outside of India.

Indians have already lost out on the last decade where they could have made a small fortune for themselves investing in FANG stocks (Facebook, Apple, Netflix and Google). They could also have 'counter-attacked' periods of domestic market gloom by making Gold and US Treasury bonds a part of their investment strategies. Hence, in an attempt to nudge customers of HDFC securities to benefit from US markets, this unique proposition has been given shape. Through investment diversification in a developed market, one can expect to be slightly insulated from India-specific shocks (political shocks, economic, rupee crisis). Being an extremely well regulated market with complete transparency and stringent disclosure protocols, US markets can easily find a sweet spot in the Indian portfolio content.

#### Here are some compelling reasons for investing in the US market

- Mature, transparent and well-governed market. Especially good for portfolio diversification.
- Great exposure to hi-tech and futuristic themes that could move the world forward over the
- next 10-20 years.
- Good USD exposure for currency hedge while INR-USD adjusted returns are comparable to
- Indian market returns with lower volatility.
- Apart from equities, there are more than 9000 mutual funds and 1700 ETFs available to invest. Also various other products available are –
  - Sector focused (biotech., Technology, commodities, Real Estate)
  - Theme focused (robotics, cryptocurrency, sustainability)
  - Offering wide range of options (frontier markets, oil exposure, 30-yr Treasury, mortgages)

Through HDFC securities GlobalInvesting.in, investing in the US markets will be almost as easy as investing in local Indian markets. An entire investing pipeline from US-brokerage, to clearing services, custodian, to ideation, execution and portfolio monitoring is put in place. On the US side, DriveWealth LLC, a modern brokerage and clearing services firm with fintech roots has been brought in as a partner. The entire process is digital.

**Process workflow**

- Log on to <https://www.hdfcsec.com/globalinvesting>
- Open a US-brokerage account online
- Upload PAN Card and Address proof (Aadhar or Utility Bills)
- Subscribe to the annual plan of choice
- Fund the account by remitting money through LRS from Indian Bank Account
- Invest

**Nandkishore Purohit, Head – Digital Strategy and Analytics, HDFC securities** sounded extremely optimistic with this new release for its customers. He added “With our partnership with Stockal & Drive Wealth, it is literally a case of ‘East meeting the West’ – where the best of both the markets can be enjoyed by Indian investors. While portfolio diversification is one of the fundamental survival trick in any market, with GlobalInvesting.in, we are looking to give our investors the extra edge through international investing opportunities. The entire process is digital and paperless, which falls in line with our philosophy of introducing the elements of STP (Straight Trough Processing) in all of our offering.”

**About HDFC securities**

HDFC securities is one of the leading stock broking companies in India and a subsidiary of HDFC Bank- a renowned private sector bank.

As a stock broking company, we have completed 18 plus years of operations. We offer a suite of products and services across various asset classes such as equity, gold, debt and real estate. Be it stocks, derivatives, mutual fund, fixed deposits, NCDs, insurance, bonds, currency derivatives or PMS, we have a product that suits each of your investment needs.

HDFC securities offers web 2.0 technology to trade and our state-of-the art technology enables seamless trading experience on both the exchanges BSE and NSE.

With a decade of experience in trading and a rating of A1+1, we have a proven pedigree in the financial services industry. We cater to the investment needs of customers through our 260 plus branches.

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