

## **Emerging Market Index picks up 26% while World Index drops 4.2%**

Emerging Market Index has risen by 26% while in glaring contrast, World Index has dropped by 4.2% since Oct. 27, 2008, the date where the lowest point of current bear market was reached.

This is very consistent with my views in several previous articles where I have talked about a Strategic Shift underway where Emerging Markets because of their economies being in much better shape will outperform significantly the developed markets.

I am attaching a Bloomberg article titled '**Bull market has begun**' where Mark Mobius advises investors not to miss out on the developing opportunity in Emerging Markets. He cautions that it is easy to miss out since investors naturally have a tendency to hold back because of much negative news lately.

He talks about exciting prospects being available in every Emerging Market because of markets being beaten down severely. He also sees a base developing in these markets from where a bull rally would get initiated.

My views are similar - In my article on [2009 outlook for India](#), I wrote about good long-term fundamentals still intact in the second fastest economy in the world. I continue to recommend strongly the allocation of medium term money to Indian equities even if 2009 turns out to be range bound. For Non Resident Indians, the current currency level is another attractive reason for increasing their allocation to India.

You can access the Bloomberg article by clicking on the following link:

[http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a8m3CV\\_oaPE8](http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a8m3CV_oaPE8)

Best regards,

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