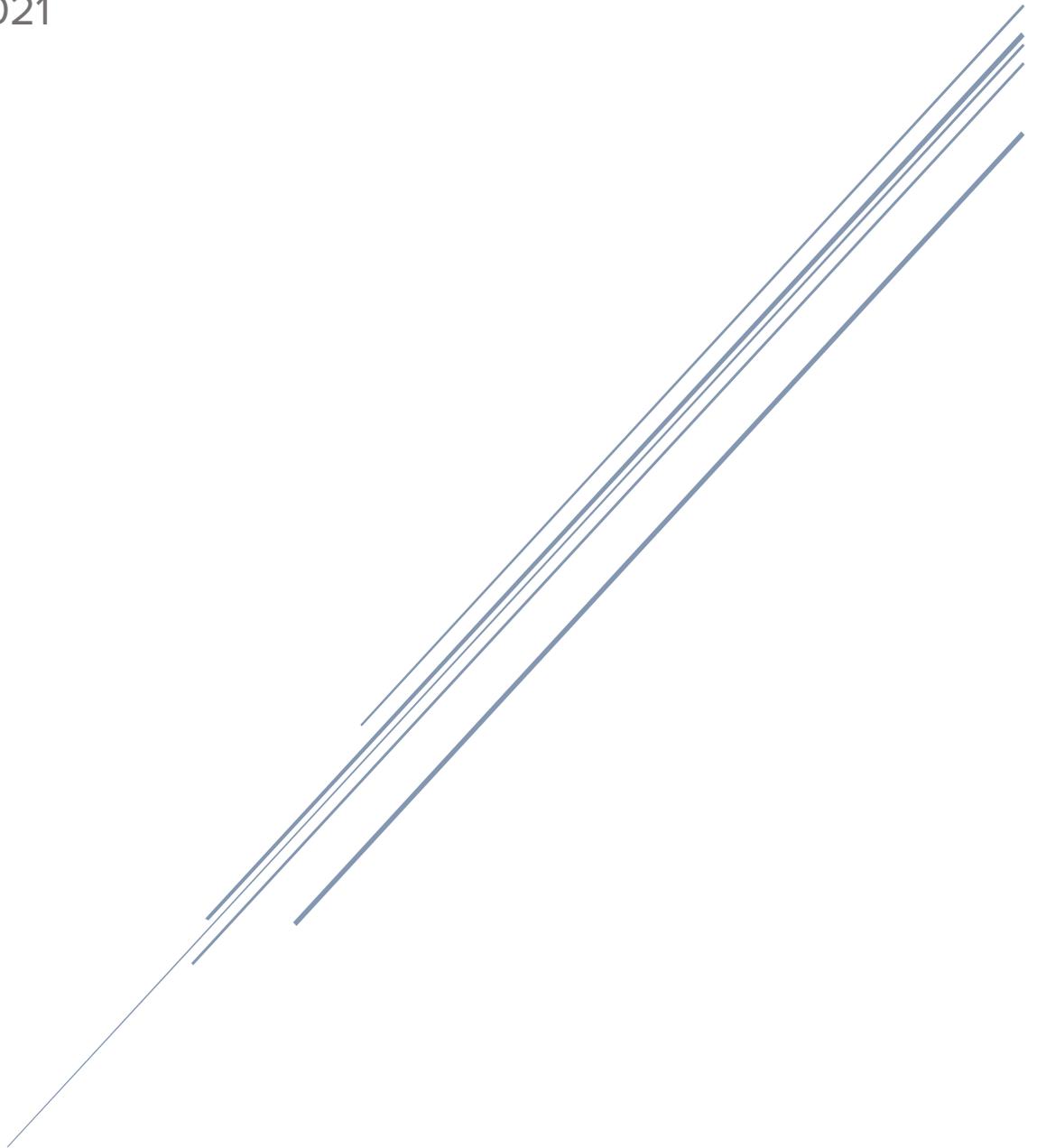


Winvesta

WINVESTA INVESTOR PULSE REPORT

Jun 2021



Summary

This report is based on aggregated data from retail investors across India who invest in fractional shares of US equities on the Winvesta platform.

Indians are prolific consumers of global brands. Some of the most recognized brands in India are not listed on Indian bourses. Till recently, Indian investors were left out of the growth stories of the brands they love and admire. Less than 0.1% of India's financial wealth is invested overseas, which is a stark contrast to developed countries where 10-20% of the wealth is diversified internationally.

This is changing swiftly. Technological, regulatory, and compliance advances have made it feasible for investors from India to access the US equities market, and invest as little as \$1 in any security. And investors are taking advantage of that.

We witnessed tremendous growth in interest in overseas investments in the last year. With the **recent addition of Winvesta international multi-currency accounts**, Indian investors are now able to access alternate investment platforms to invest in managed funds, startups, and fractional real-estate.

The appetite for international investments continues to increase. Themes that aren't available in India remain popular. US markets continue to outperform. As the US economy opens up, sectors that were hit the hardest during the pandemic are posting a strong recovery.

This report is an objective look at where India invests beyond India.

Where are Indians investing overseas

US Stock Market

A majority of investors chose single stocks over ETFs as the instrument for exposure to US markets. ETFs hold about 13 percent share in overall asset under management (AUM) on Winvesta today. This is a substantial increase from the 9 percent share ETFs had six months ago.

The AUM in ETFs at Winvesta grew 325 percent in the last six months, while the AUM in stocks has grown by over 185 percent in the same period. This is despite the sharp rise in interest from traders and younger investors due to meme stock phenomenon in the US.

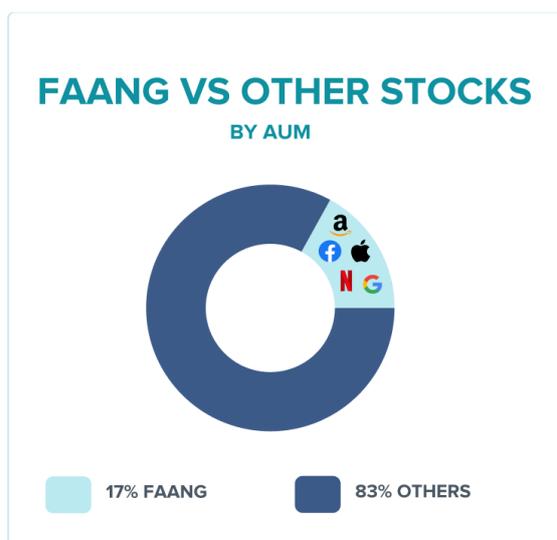
ETF investing remains more popular among matured investors, but younger investors are also increasing participation. 65 percent of the ETF AUM on our platform is held by investors in the 35+ age group. Younger investors are more comfortable picking single stocks, likely because they are closely connected to many brands and hold a deep interest in certain sectors.

Popular US Stocks and ETFs on Winvesta

Although for many Indian investors, US investing is synonymous with the popular FAANG stocks, today FAANGs make up only 17% of the total stock investments on our platform. This ratio trended downwards since the beginning of last year, but has remain constant in Q2.

New stocks catching investors interest in Q2 were AMC, PLTR, and COIN. GME was third most traded stock on the platform by transaction volume, and the most popular by AUM transacted.

Technology, EV, and blockchain sectors are the most popular sectors by transaction volume.



The **most popular ETF** on Winvesta by AUM is TQQQ (ProShares UltraPro QQQ) ETF, followed by ARKK (ARK Innovation), ARKG (ARK Genomic Revolution), FNGU (Bank of Montreal MicroSectors FANG Index 3X Leveraged), and VTI (Vanguard Total Stock Market Index).

Actively managed ARK fund ETFs were the flavour of the quarter, seeing the highest amount of transaction volumes go through. The S&P 500 ETFs (VOO, SPY) ranked much lower in popularity.

The global semiconductor shortage also attracted investments in the iShares Semiconductor ETF (SOXX) which is now the 7th most popular on the platform by AUM. SOXX ETF has given returns of 20.3% year-to-date, and is up almost 70% in the last one year.

Clean energy ETFs also maintained their popularity. QCLN (First Trust NASDAQ Clean Edge Green Energy ETF), and LIT (Global X Lithium & Battery Tech ETF) are both in the top 10 ETFs by AUM.

Beyond the US

The introduction of Multi-Currency Accounts has opened up new avenues for Indians to invest. Platforms that were very difficult to access in the absence of a foreign bank account, are now only a few clicks away. In the few days that the multi-currency account has been live, we have already seen clients fund alternate investment platforms in Europe like EstateGuru, Peerberry, Crowdestor, and Seedrs.

How much are Indians investing overseas

Winvesta offers fractional investing in US stocks. This enables investors to buy and sell a fraction of any stock in US market. You can buy 1% of Amazon stock for around \$35 and don't need \$3000+ to participate in Amazon's growth (AMZN stock price around \$3400 at the time of writing). Investors get capital gains, dividends, and voting rights proportionate to their holding.

Fractional trading has truly democratized overseas investing for Indians. Investors on our platform are starting with **as little as \$100** and diversifying it across 10-15 securities.

The average account size on Winvesta has grown from just about \$2000 in the middle of last year, to around \$4700 today. The average transaction size on the platform is \$850, while the median size is far lower at \$120.

\$4700

AVERAGE AUM

\$850

AVERAGE TRANSACTION SIZE

Due to a modest fixed fee involved in the remittance process, most investors prefer making lump-sum transfers and then invest it over time. However, many clients are remitting repeatedly as systematic or opportunistic investments.

Demography of the Indian Overseas Investors

Winvesta clients are spread across the country, with adults from every age group participating. The bulk of the investors are 25-40 years old, making up 60% of the clients on the platform. We have recently also seen an increase in investors in 18-25 age group who now make up 10% of all our clients.

Residents of metros have shown a keen inclination towards overseas investments. Bengaluru, Mumbai, and Delhi make up almost 40% of the investor base. However, Tier 2 cities are not far behind. With Winvesta's digital onboarding and KYC, an Indian living anywhere in India can create an account and invest in US stocks.



In Q2 we saw a heartening increase in female clients. The ratio of female investors, which was just 6% at the end of Q1, has risen sharply to over 10% now. This is still well below where we would like it to be. However, women are investing more. The starting capital for women in the investment account is 60% higher than their male counterparts', on an average.



Investor awareness

The penetration of US stock news in Indian media is still limited. International media is cluttered with information which is often not contextual for the Indian investor.

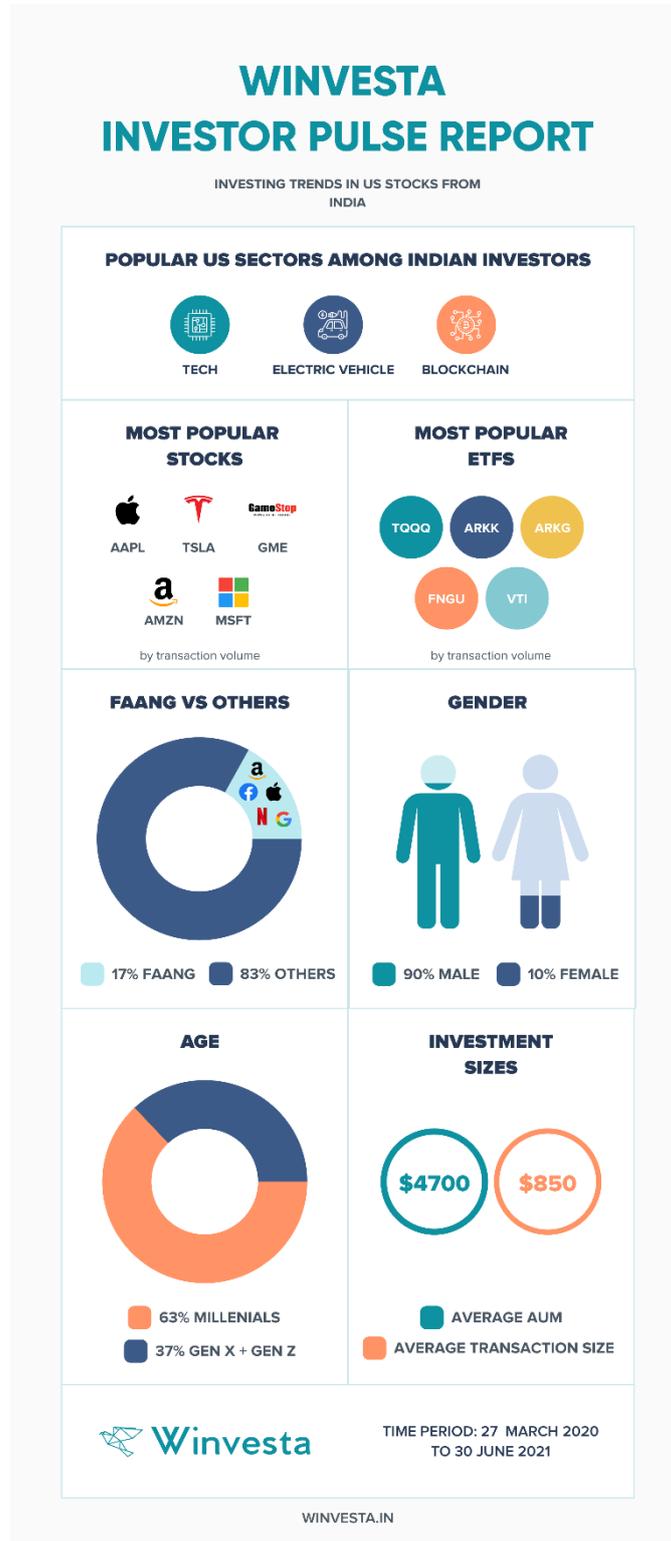
Winvesta started a financial educational initiative - *Winvesta Crisps* – last year. It is a daily newsletter that summarizes what happened in the US markets on the previous trading day. A 2-3 minute read, circulated just before the US markets open. It is free for everyone, and not exclusive to our clients.

The interest in *Winvesta Crisps* continued to ramp up this quarter, with subscribers growing by 75%. You can subscribe to [Winvesta Crisps](#) and read more about international investing on the [Winvesta blog](#).

It is not straightforward to find an opportunity in the 4500+ US stocks and ETFs that *Winvesta* offers. We thus arm our clients with investment tools like stock screener, stock analyser for technical and financial analysis, analyst ratings, and thematic categorisation. All these tools are available for free to *Winvesta* clients.



Appendix





Winvesta

Winvesta offers global investments and multi-currency accounts to Indian residents. We provide access to 4500+ US Stocks and ETFs through a US brokerage account, and ability to hold and transact in 30+ currencies through a multi-currency account. We also partner with other financial services and advisors to provide overseas investing solution to their clients.

Reach out today to talk about bringing overseas investing to your clients.

Learn more at: winvesta.in



Contact: hello@winvesta.in / sales@winvesta.in



Barclays Entrepreneur
Fintech of the year 2020 –
Asia Pacific



NatWest Fintech Accelerator
2019-20

Winvesta Ltd is an Appointed Representative of RiskSave Technologies Ltd which is authorised and regulated by the Financial Conduct Authority with FRN 775330.

This report is not an offer or solicitation to purchase or sell securities. Any company stocks and ticker symbols that appear in this communication are for illustrative purposes only and do not constitute a recommendation for a particular security. Remember capital is at risk. Winvesta does not provide any financial advice. If you have any doubts about investing, please speak to a financial adviser.