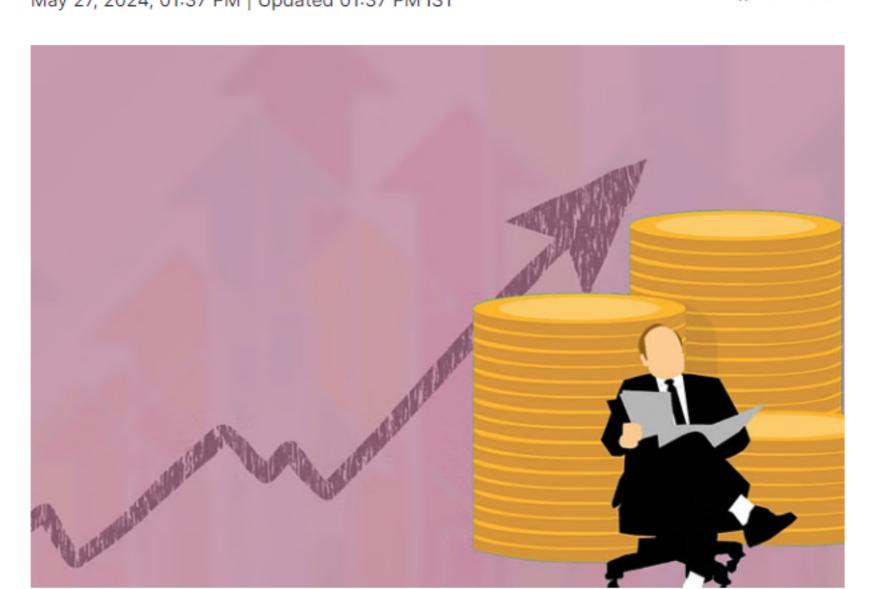
## **ECONOMICS**

## Working-Age Population, Infrastructure Development: Why India Is Attractive For Investors, Report Reveals

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Growth (Representative image)

Fidelity International and the BlackRock Investment Institute foresee promising opportunities in emerging markets like India and Indonesia, driven by their growing populations.

These nations are attracting investor attention due to anticipated infrastructure developments, signalling their ascent as major economic players.

Both India and Indonesia recently held elections, underscoring their ambitions to become significant economic hubs. Their youthful demographics contrast starkly with the ageing populations of neighbouring countries like China. India's recent surpassing of China as the world's most populous nation has intensified interest in its stock market.

BlackRock's analysis reveals a positive correlation between working-age population growth and share-price valuations, while Fidelity highlights the financial sector's potential growth as credit demands escalate for businesses and individuals.

lan Samson, a Fidelity fund manager in Singapore, emphasises the youthfulness of India and Indonesia's labour forces, which surpasses that of many larger economies in the region. He notes the crucial role of financing for companies of all sizes, underscoring the correlation between bank stocks and gross domestic product growth in emerging markets.

Projections from the World Bank suggest that India and Indonesia will experience population growth of at least 10 per cent by 2040,

while China faces a potential decrease of nearly 4 per cent.

Of particular significance is the trend in the working-age population, where India's youthful cohort stands out among major economies. This demographic advantage is expected to translate

into robust future earnings growth, as highlighted by BlackRock Investment Institute strategists.