

## Today's View

### Artsy Investments

Fancy owning art classics like Mona Lisa or Picasso paintings? Thanks to technology, you are a step closer to making that reality. With the emergence of an alternative investment vehicle called Art Investment Funds, you can now own a stake in fine arts and even earn significant returns from a beautiful piece of art.

As per **Art Funds Association**, there are currently around 200 art investment funds in the world with approximately \$3 billion in aggregate art investments. Since returns from art investments are not directly linked to external events, investing in such funds can provide decent returns even during recession. **Mei/Moses All Art Index**, which tracks the long-term performance of fine art, has shown that the art space outperformed stock markets during the 2001 recession. The compounded average returns generated from art funds has been around 33%, according to **Bloomberg**.

Multiple Fintechs are leveraging emerging technologies like Big Data to provide handsome returns to art fund investors. For example, American Fintech **Arthena** uses a data-driven approach to analyze innumerable attributes of art work like artist, art style, medium, size, etc. It also packs in ability to predict future price trends based on indicators like prices at public auctions, the number of gallery or museum exhibits, and frequency of an artist's name coming up in databases or on social media. On the other hand, **Magnus** is digitizing the catalogue of every artwork to make the digital copies of fine art publicly available. Similarly, **Artsy** lists inventory from a global network of galleries and also live-streams auctions on smartphones and tablets.

### NEWS HIGHLIGHTS

**Non-declaration of Bitcoin gains could attract 50% penalty and interest**

**Digital payments revolution to transform credit disbursal**

**For Google, cashback is a Tez way to add users**

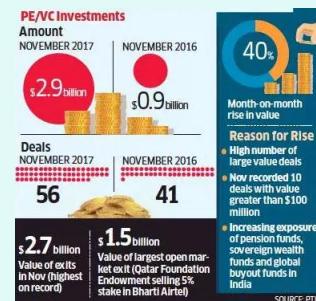
**Paytm to push e-payment in offline retail**

**India ranks 109th in mobile net speed, 76th in Broadband**

### INTERESTING NEWS

**PE/VC investments touch nearly \$3 bn in November**

Private equity and venture capital (PE/VC) investments touched \$2.9 billion across 56 deals in November, driven by big ticket transactions and the momentum is likely to continue further, according to an EY report.



Source – *The Economic Times*

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Date – 12<sup>th</sup> Dec 17

Even various dedicated exchanges have been set up to enable investments in art works. French company **A&F Markets** has set up the **Art Exchange**, the first stock exchange dedicated to art, where buyers can buy shares of art work for as low as €10. It works in a similar fashion as stock exchanges where orders are executed daily for matching orders, within a price limit fixed by the client. Similarly, **Liquid Rarity Exchange** has launched Liquid Rarity Funds that enable investors to securitize individual art works or groups of art works and buy or sell through shares, ETFs, mutual funds or indices.

With the advancement in technology, art investing is now more accessible to the general public. However, considering lack of regulatory authority, opaque price discovery mechanisms, and subjective value and illiquid nature of fine art, it could be a while before art investments become mainstream.

## Today's News

### Non-declaration of Bitcoin gains could attract 50% penalty and interest

The bitcoin surge in the current fiscal year (FY18) in the absence of regulation has rattled the government, prompting it to take a look at the policy and taxability of earnings from cryptocurrency trading. The government will soon form a committee to look into all issues related to bitcoin trading and issue suitable clarification. This committee may be led by a senior finance ministry official and will include representatives of the Reserve Bank of India, IT ministry, and other central government departments.

This would be a second panel on the subject of cryptocurrencies. A committee was set up in April, and was headed by the special secretary in the department of economic affairs, to examine the international framework on virtual currencies and suggest measures on consumer protection and prevent money laundering.

Source – Business Standard

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### Digital payments revolution to transform credit disbursal

The digital payments revolution is likely to trigger a sea change in the way credit is disbursed in India. "Data from the GST Network, eNAM and direct benefits transfer will provide a wealth of information for data analytics," said Amitabh Kant, CEO, NITI Aayog. "This information can be used by institutions to help drive credit (to the poor), which will help uplift them from poverty."

He said: "In value terms, we have seen huge growth in digital transactions. A lot of innovation is taking place." On the subject, Rajiv Lall, MD, IDFC Bank, said: "Currently, credit is skewed towards large corporates. But data is the new currency. It will usher in a change in the credit underwriting culture in India."

Source – Business Standard

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This News Letter has been prepared with the assistance of Sadhika A. and Manish Kulkarni



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### Tech lobbyists now crowd New Delhi's power corridors

The has been an increased presence of tech lobbyists as the government drafts regulations around net neutrality, privacy, data ownership, cryptocurrency and digital payments.

Lobbying has fetched some huge wins for tech and internet companies in India, such as 100% FDI in online retail as well as in fintech startups, through the automatic route.

Source – The Economic Times

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### Simility raises Rs 113 cr in Accel-led Series B round

Simility, a provider of ML-powered adaptive fraud prevention solution, has secured \$17.5 mn in Accel-led series-B to fuel expansion. PayPal also participated. The funds are to be used for expansion of partner network, sales, partnerships, and customer success and data science teams.

Source – The Economic Times

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### Bitcoin futures steal spotlight

The debut of bitcoin futures attracted investors to bet on the price in 1, 2 or 3 months. The most traded 1-month contract opened at \$15,850 - a gain of 21%. It was last quoted at \$18,600, while bitcoin itself hovered at \$16,432.

Source – Livemint

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## For Google, cashback is a Tez way to add users

Google's Tez, a digital payment app, has got 12 million users in 10 weeks. Thanks to massive cashbacks to users on every transaction. Google recently said its mobile wallet had processed over 140 million transactions. The company has tied up with as many as 70 utility providers, including BSES and Dish TV. Taking on current market leaders such as Paytm and MobiKwik, Google plans to add services for merchants and sellers to widen use of Tez.

Diana Layfield, VP, Product Management at Google, said giving referral cashbacks is a much more cost-effective method of gaining customers.

Source – Business Standard

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## Paytm to push e-payment in offline retail via '12/12 Festival'

Paytm will hold the second edition of its '12/12 Festival' on December 12 to promote use of digital payments across its 5 million merchant partners. The "offline shopping festival" is aimed at driving greater sales for offline merchant partners accepting Paytm.

Customers will be offered a variety of deals and cashback of up to 50% on payments made through Paytm. These 5 million offline merchants include large organized stores, supermarkets, restaurants, pharmacy stores, petrol pumps and milk-booths, among others.

Source – Business Standard

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## India ranks 109th in mobile net speed, 76th in Broadband: Ookla

India is ranked 109th in the mobile internet speed while its neighbouring countries - Pakistan, Nepal and Sri Lanka - have registered better speed, says a recent report by broadband speed measuring firm Ookla. "India is ranked 109th in the mobile Internet speed and 76th for fixed broadband speed, globally," the Speedtest Global Index report published by Ookla said.

"At the start of 2017, the average mobile download speed in India was 7.7 Mbps. At end of the year, average mobile download speed is 8.8 Mbps. That's a 15% increase," report said.

Source – Moneycontrol

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## YES Bank initiative to make MSMEs sustainable paying off

In its bid to make MSMEs sustainable and globally competitive, YES Bank has seen its CSR project — 'Say Yes to Sustainable MSMEs in India' — making headway. The project has, since inception 4 years ago, impacted over 3,252 MSMEs across 14 States and 17 sectors, benefiting more than 23,100 workers. The bank is targeting one lakh MSMEs through this project by 2020. The company is looking at partnering with organizations such as the foundation of MSME clusters, Entrepreneurship Development Institute of India, Amazon, and SIDBI's India SME Technology Services and Quality Council of India.

Source – BusinessLine

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## Viacom18, Reliance Jio set for synergies in big data, content and tech

Viacom18 has identified 3 clear areas of synergy with Jio — big data, content and technology. Viacom18 Group CEO Sudhanshu Vats said: "As we go forward with Voot (the over-the-top digital channel), the big data available with us and the data available with Jio about its consumers can be synergized, so that we can use it to curate and create relevant and better content for customers."

It is the data about the consumer's preferences — what programmes they want to see, which genre is popular, and the pattern of viewing, among others — that can help Viacom18 to sharpen its content strategy.

Source – Business Standard

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## Norway's Green Contact to launch app for EV users in India

As India looks to speed up adoption of green transport, Norwegian firm Green Contact plans to enter the market by building an ecosystem for EVs. Green Contact is weighing the potential of dhabas, grocery stores, restaurants and other outlets to host charging stations. It is also in talks with domestic carmakers and app builders for partnerships.

The company's plan for an 'ecosystem for EV enthusiasts' includes building an app that helps users locate charging stations, and rate their quality as well.

Source – BusinessLine

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