

1st Annual IAIP Forecast Survey FY 2010 Event Update – Results of National Elections 2009

The 2009 general elections outcome has been a big positive surprise, with the Congress-led UPA coalition getting a clear mandate. With its position of forming a government without the support of smaller parties, it can now focus on taking India forward. The sound bites from PM Manmohan Singh and Rahul Gandhi clearly indicate that the government's focus will be on economic development, infrastructure and inclusive growth. The equity markets have also given their resounding approval, with the markets surging to a record 20% gain in a single day.

Foreign investor's interest in investing in India is surely going to increase as the government pursues its development initiatives. In such an environment, it becomes all the more important to keep abreast of what our investment professionals are thinking and their forecasts become all the more relevant.

Just to refresh your memories, IAIP had conducted a forecast event on April 1, 2009. Nearly 550 investment professionals gave their one year forecasts on a wide range of asset classes, their expectations on the general elections and several macro indicators. This was followed by a panel discussion comprising of renowned experts in various asset classes in India.

One of the survey questions was on the outcome of the Indian elections

Survey question 11: ["What do you forecast as the outcome from National Election 2009?"](#)

Despite a lot of conflicting forecasts by political observers on the election outcome at the time of the survey, our respondents overwhelmingly (73%) indicated that it would be "A coalition government led by Congress"

In fact, now when we review the survey results again, it clearly comes out that our respondents were spot on in their forecasts to several of the survey questions.