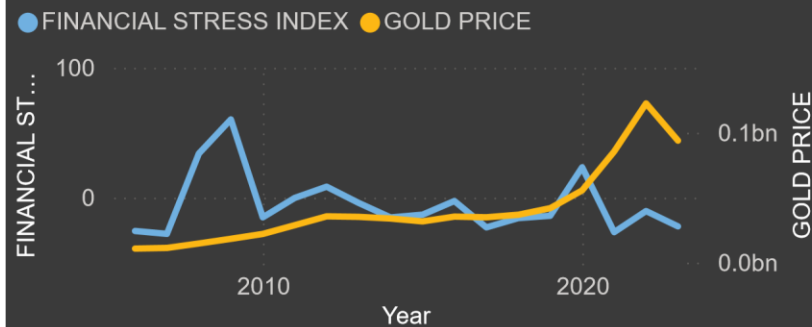




Indian Financial Stress Index & Global Commodity Prices

FINANCIAL STRESS INDEX and GOLD PRICE by Year



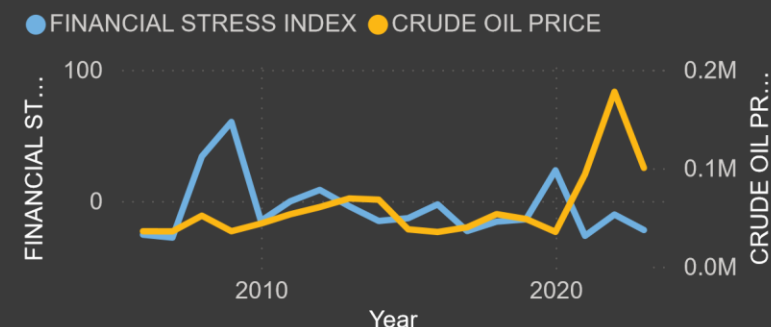
FINANCIAL STRESS INDEX and SILVER PRICE by Year



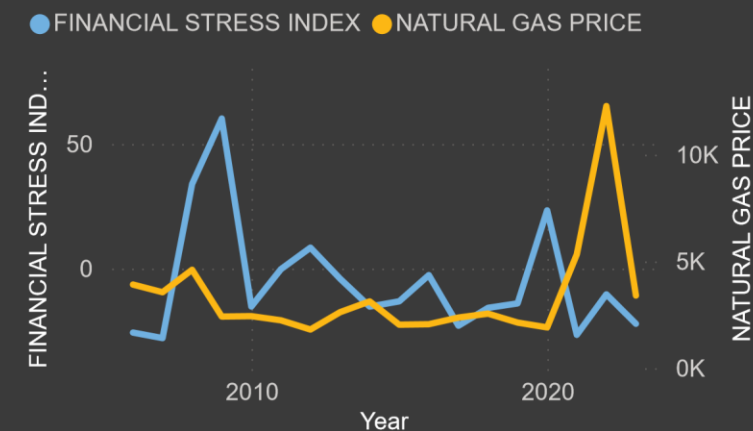
FINANCIAL STRESS INDEX by Year



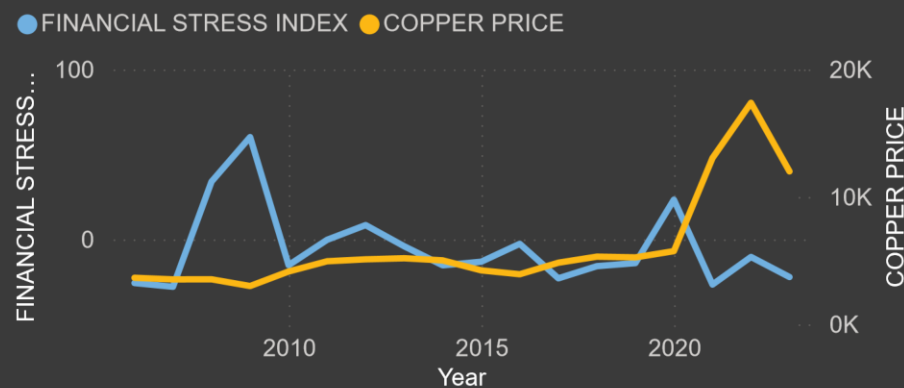
FINANCIAL STRESS INDEX and CRUDE OIL PRICE by Year



FINANCIAL STRESS INDEX and NATURAL GAS PRICE by Year



FINANCIAL STRESS INDEX and COPPER PRICE by Year



INTERPRETATION OF ABOVE DASHBOARD

1) Financial Stress Index by year

The visualization highlights periods of elevated financial stress (indicated in green), with a significant peak during 2008–2009 due to the Global Financial Crisis. A moderate increase is observed in 2013, associated with the Taper Tantrum and resulting rupee depreciation. Another notable rise occurred during 2020–2021, driven by the economic impact of the COVID-19 pandemic.

2) Financial Stress Index and Gold price by year

It is observed that periods of high Financial Stress Index (FSI) values correspond with elevated gold prices, whereas lower FSI values align with relatively lower gold prices. This suggests that during times of financial stress, investors tend to shift towards gold as a safe-haven asset, driving its price upward.

3) Financial Stress Index and Silver price by year

Silver prices show mixed behaviour in response to changes in the Financial Stress Index. At times, prices rise during periods of high financial stress due to increased investment demand, as investors consider silver a safe-haven asset. However, silver is also an industrial metal, and during the same periods, reduced industrial demand caused by economic uncertainty and a reluctance to invest can lead to a decline in its price. This dual nature of silver as both an investment asset and an industrial commodity explains the observed fluctuations.

4) Financial Stress Index and Copper price by year, Crude Oil price by year, Natural gas price by year

The prices of copper, crude oil, and natural gas tend to decline during periods of elevated financial stress. As all three are primarily industrial commodities, high financial stress often leads to reduced investment and industrial activity due to fears of inflation, economic slowdown, and market uncertainty. This decline in demand results in a corresponding drop in their prices.