

## Person of the year 2016

What a year. The U.S. voted for change, and Indians were looking for 'change'.

Superman, Batman, Ironman can wait, Donald Trump is "Captain America". Clintons should have read the e(thical)-mail, those who serve public can't have private servers.

Going by the rhetoric, this is Trumpnomics - climate change is a hoax by China, Janet Yellen is a puppet, companies offshoring production are anti-American and all trade treaties are unfair. Don't forget, he is an astute businessman, not an idealist. President chosen by the poor has a power centre open only to hard-liners and soft-billionaires. Trump towers are not for ordinary mortals. He knows, billionaires in his cabinet have thrived upon globalization and immigration. Hopefully, real Trumpnomics would be about Tax reforms, deregulation and infrastructure spending.

Barrack Obama was a strong contender. He took the reins in 2008 after the worst economic crisis and is leaving when U.S. is near full employment, household and corporate balance sheets are in good shape, Fed is unwinding accommodation and dollar and equity markets are at a record high. Nobel peace prize was thrust upon Obama in 2009. He obliged them by visiting places like Hiroshima, Vietnam, Cuba and by signing a deal with Iran. He moved out of Iraq and Afghanistan and binned Bin Laden.

I thought of US Dollar. It's not only Mexican Peso that got Trumped on the wall but Dollar rose against almost all major currencies. Weaker currencies and cheaper money haven't helped Europe, UK and Japan so far. It may change. Weaker yen can revive growth and inflation in Japan, bringing Cherry blossom early for Abe-San. Despite the heightened geopolitical risks, European equities can witness sunny weather next year.

London's bridge with the rest of Europe is creaking. May Theresa keep the Kingdom United.

Oil producers hit melting point in January. The existential crisis has re-united them for a production cut. Traders, watch the politics in Saudi Arabia and Iran and the response from US Shale. Industrial metals, coal and iron-ore turned precious while Gold lost its glitter.

Commodity boom sent Russian equities to top of the charts and turned on Russia's economy. The size of Putin's might is disproportionately larger than the size of the economy. A confused West is wondering how to deal with him. The collateral damage was Syria, which witnessed the worst mass slaughter after Darfur. Christ, the redeemer, at Rio was kind to Russian athletes suspected for doping. Will Trump, the newcomer, renew relations with Russia, the hacker, despite West's distrust?

Who says the world is in a secular stagnation, China's GDP has quadrupled in a decade. Yes, the debt levels are ballooning faster. Renminbi Bears will test the Dragon's might again as China has lost almost a trillion dollar of forex reserves.

Taiwan's first woman President broke the tradition and spoke to President-elect Trump. Unsurprisingly, China retaliated by capturing a US drone. Geopolitical experts have spent a career eyeing the Persian Gulf, the new entrants should shift their perch to South China Sea.

I thought of Cuba. An invisibly small country produced a leader with such global influence. You either loved him or criticized him but could never ignore Fidel Castro.

Narendra Modi deserves it. This popular leader of an aspirational middle-class is transforming into a messiah of the poor. He is ambitious, courageous and an incomparable risk-taker. However, India is such a complex country. Real change and last mile delivery will take longer and much larger bandwidth.

I wish peace has a chance and Kashmir again becomes the "paradise on earth". A crazy cyclone and loss of its dear *Amma* derailed the Chennai express. Post demonetization, '*Dangal*' in UP will be interesting.

It was the 25th anniversary of economic reforms unleashed by Narsimha Rao. A country that had to pledge its gold has now the distinction of owning one of the largest foreign exchange chests. 25 years later, 2016 may be remembered for reforms like Bankruptcy code, GST, Monetary Policy Committee, *Aadhar* bill and demonetization.

The (Raghu)Ram Rajya at RBI got over but this Chicago cub left a deep footprint. Rajan conquered the minds of intellectuals and stole the hearts of ordinary citizens. He was well ahead of time in reminding fellow central bankers that they are not the "only game in town" to prop up animal spirits.

CDR, SDR, [5:25](#), S4A...That's the alpha-numeral soup to deal with the cold of bad loans. Catching defaulters has been tougher than finding Pikachu on Pokemon Go. Hope the Bank Board Bureau is empowered and we get a Swachh Bank Balance Book. Demonetization was a herculean task and bankers were Standing By India. Those bad apples who connived for personal gains will pay a heavy price.

The Wells Fargo lesson is- better to Forgo your bonus than sell something not Well-suited for customers. A bank is built on deposits of trust and goodwill, not by milking clients through any means.

Elon Musk's SpaceX had a safe landing while Amazon delivered its first parcel using an unmanned drone. The LIGO team of physicists detecting gravitational waves and bio-technologists at CRISPR inventing a method for editing genes deserve an ovation. I thought of innovators at John Hopkins for inventing a robotic hand for the disabled which is wired into the brain and feels like a normal hand. 2016 was the hottest year in recorded history. We need more Musks and more such scientists.

T for Tata is the first alphabet to learn about trust. Steely resolve in upholding values while running the Motor of value creation. The recent boardroom Power battle has made this Jaguar look like a Nano. T for transparency can ensure that this Titan institution regains its Taj like glory. *Jaago Re* - yes, that's the consultancy Tata's sons need.

The 'Greatest' Ali will be remembered for his punches, both inside and outside the ring. Messi played balls with tax authorities while Ronaldo goaled the Golden Ball. Phelps, Bolt or Murray - its tough choosing the biggest star. I hope Sakshi's strength, Sindhu's agility and Dipa's Produnova in Olympics kindle a fire in our (pot) bellies. DJ Bravo rocked as West Indians were the real 'champions' of 2016. Dhoni's untold story on celluloid and Virat Kohli's fearless fury on ground captivated cricket fans.

Music doves are crying and singing Hallelujah with tears in eyes for Prince, Leonard Cohen and George Michael.

It was a year of humiliation for powerful leaders tainted of scandals in South Korea, Brazil, Malaysia and South Africa. True leadership is not about power, position or privilege, but about purity, service and responsibility.

Enthused by Brexit, Trump's victory and the Italian referendum, all nationalist, right wing leaders in Europe are rejoicing. Look around, it's the same story everywhere. Pakistan or black money - Indians cheer 'surgical strikes' by Modi. Both Shinzo Abe and Xi Jinping have struck deep nationalist chords. People supported strong leaders like Jokowi and Duterte, who are executing drug traffickers without paying heed to human rights activists. Turks hailed Erdogan for his heavy hand. Iran might see a hard-liner next year. Putin's influence is mounting. If you think deeply, these popular leaders belong to neither right nor left. They understand the emotions of people who want to be heard and are desperate for change, whatever that means.

Facebook is now a nation of a billion users while Snapchat and WhatsApp made their way into millions of millennials' conversations. Humanity is getting hyper-connected. This hyper-united network is dispersing thoughts and emotions at the speed of light. This world has new scales - truth is measured by the number of instant likes and retweets. Online debates are uncensored bantering by masked pseudonyms. Is this not reflecting in choice of leaders and ideas? Promises of instant gratification hold sway over rational arguments. Untested leaders and radical ideas are cheered everywhere. No wonder, Intelligentsia, elites, experts and establishment are getting Trumped.

This hyper-united world has hyper-polarised opinions. The caustic and close fight between Trump and Hillary, between "Leave" and "Remain" are examples of the increased polarity. Clamour for higher economic and social walls seems to have increased. Make no mistake about it, this is neither the end of globalization nor the beginning of nativism. We are just witnessing a high tide of envy, fear and anger - the deepest of human emotions.

The sentiment of the day and motion of the debate will keep changing but the plurality and pace of the new, hyper-united world will not. "Hyper-United, Hyper-Divided World" is my person of the year.

**Wish you a happy 2017**

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