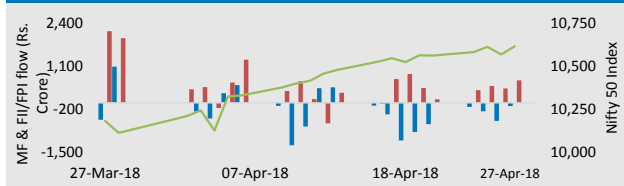


## Macro Economic Release

Indicators	Actual	Consensus	Previous
WPI inflation (Mar 2018)	2.47%	2.58%	2.48%
CPI inflation (Mar 2018)	4.28%	4.20%	4.44%
IIP growth (Feb 2018) (%)	7.10%	7.10%	7.40%
Nikkei India Manufacturing PMI (Mar 2018)	51.00	52.80	52.10

Source: Thomson Reuters Eikon

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	27-Apr-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	34,970	1.61	14.35	3.42
Nifty 50	10,692	1.21	12.78	2.46
S&P BSE 100	11,097	1.07	12.78	1.25
Nifty 500	9,444	1.03	13.07	0.10
Nifty Mid cap 50	5,425	0.96	15.21	-1.95
Nifty Small cap 100	8,279	-0.51	10.52	-9.80

Sector Indices	27-Apr-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	25,734	1.17	12.19	-3.05
S&P BSE Bankex	28,530	2.42	11.77	-0.38
S&P BSE CD	22,409	-0.71	30.43	-1.42
S&P BSE CG	19,259	0.35	6.96	0.25
S&P BSE FMCG	11,155	0.78	14.70	4.60
S&P BSE HC	14,036	1.54	-6.97	-5.23
S&P BSE IT	13,375	0.30	27.67	19.25
S&P BSE METAL	14,232	-3.40	21.01	-4.24
S&P BSE Oil & Gas	14,587	1.76	0.77	-10.00
S&P BSE Power	2,218	-0.56	-4.88	-7.58
S&P BSE PSU	7,829	-0.10	-13.79	-14.53
S&P BSE Realty	2,394	1.73	18.52	-8.54
S&P BSE Teck	7,020	-0.07	21.78	10.27

Source: BSE & NSE

## Macro economic Update

- The government of India has entered into a loan agreement with the World Bank for \$125 million to fund a project called 'Innovate in India for Inclusiveness'. The objective of the project is to boost indigenous innovation, foster local product development and accelerate commercialisation process. It will connect critical skill and infrastructure gaps to promote affordable and innovative healthcare product generation for inclusive development and increasing competitiveness in India.
- A major credit rating agency retained its sovereign rating at 'BBB-' for India. 'BBB-' is the lowest investment grade with a stable outlook. The agency has not upgraded India's credit rating in the last 12 years, stating that weak fiscal balances continue to constrain its ratings.
- According to Reserve Bank of India (RBI) governor, the performance of the Indian economy was resilient in FY18 and it is expected to go up further in the current fiscal. He cited several factors including sound activity in the manufacturing and services sectors, increase in sales, rise in capacity utilization and a record high harvest in the agriculture sector. Normal monsoons and effective food supply management may moderate food prices and keep inflation under control.
- According to the World Bank, prices of energy commodities like coal, oil and natural gas are expected to grow by a significant 20% in 2018. Increase in prices of energy commodities may adversely affect the growth prospects of the Indian economy as the country is heavily dependent on imports of such energy commodities.

## Domestic Equity Market Update

- Indian equity markets ended the week on a positive note. Encouraging quarterly earnings of major companies, including a big private sector lender, buoyed sentiment. In fact, S&P BSE Sensex regained its 35,000-mark in the intra-day trade on the last trading session of the week.
- Market participants remained optimistic over the Indo-China Summit, which is perceived as an endeavour to strengthen ties and build trust between India and China. Fears over rising 10-year U.S. Treasury yields were overcome towards the end as the same eased on the last day of the week.
- North Korean leader and South Korean President deciding to end their seven decades fiery relationships acted as catalysts, too.
- According to data from the National Securities Depository Ltd, foreign portfolio investors were net seller of domestic stocks worth Rs. 1,371.09 crore in the week to Apr 27 as against net sale of Rs. 3,096.62 crore recorded in the preceding week. Domestic mutual funds remained net buyers in the equity segment to the tune of Rs. 3,607.25 crore in the week to Apr 25.
- On the BSE sectoral front, most of the indices closed in a positive note. S&P BSE Bankex (2.42%) stood as the major gainer followed by S&P BSE Oil & Gas (1.76%) and S&P BSE Realty (1.73%).
- Meanwhile, S&P BSE Metal (-3.40%) stood as the major loser followed by S&P BSE Consumer Durables (-0.71%) and S&P BSE Power (-0.56%). Decline in aluminium prices hurt metal sector.
- Meanwhile, a major IT company touched the \$100 billion market capitalisation mark during one of the trading sessions.

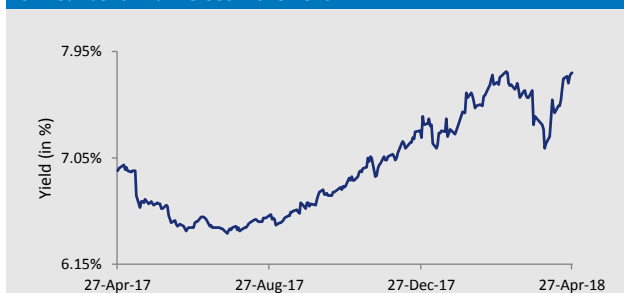
## Indian Debt Market Indicators

Broad Indices	27-Apr-18	Week Ago	Month Ago	Year Ago
Call Rate	6.02%	5.97%	6.00%	5.98%
CBLO	5.53%	6.01%	5.91%	6.10%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
3 Month CP	7.40%	7.05%	7.39%	6.75%
1 Year CP	8.00%	7.60%	7.83%	7.24%
3 Month CD	7.07%	6.79%	6.89%	6.35%
1 Year CD	7.71%	7.43%	7.45%	6.69%

Source: CCIL \* as on Apr 20; \*\* as on Apr 13; @ as on Mar 30; @@ as on Apr 28, 2017

Broad Indices	27-Apr-18	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	8.02%	7.84%	7.67%	7.43%
3 Year AAA Corporate Bond	8.29%	8.25%	7.87%	7.47%
5 Year AAA Corporate Bond	8.44%	8.42%	8.08%	7.84%
1 Year G-Sec	6.79%	6.65%	6.53%	6.53%
3 Year G-Sec	7.57%	7.36%	7.11%	6.77%
5 Year G-Sec	7.78%	7.64%	7.28%	7.03%
10 Year G-Sec	7.77%	7.72%	7.33%	6.94%
Forex Reserve (\$ in billion)	423.58*	426.08**	424.36@	372.73@@

## 10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

## Domestic Debt Market Update

- Bond yields rose following surge in U.S. Treasury yields and global crude oil prices. Losses in the domestic currency against the greenback weighed on market sentiment.
- Yields rose further following lack of demand in the weekly auction for the second consecutive week leading to devolvement of short-tenure bonds. However, value buying by investors restricted some of the losses.
- RBI conducted auction of four government securities namely 7.37% GS 2023, 6.68% GS 2031, 7.40% GS 2035 and 6.62% GS 2051 for a notified amount of Rs. 12,000 crore for which Rs. 9,043.12 crore was accepted. The cut-off price for 7.37% GS 2023, 6.68% GS 2031, 7.40% GS 2035 and 6.62% GS 2051 stood at Rs. 98.58 (7.72%), Rs. 89.41 (7.98%), Rs. 94.59 (7.98%) and Rs. 84.18 (7.98%), respectively. 7.73% GS 2023 was almost fully devolved on primary dealers who underwrite the bond auctions.
- The central bank conducted auction of state development loans of ten state governments for a notified amount of Rs. 11,600 crore for which Rs. 6,100 crore was accepted. The cut-off yield stood in the range of 8.15% to 8.32%. Andhra Pradesh, Maharashtra, Odisha and Rajasthan rejected the entire amount in the auction.

## Global Commodity Update

Commodities	27-Apr-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	68.06	-0.22	39.15	12.83
Brent Crude Oil (\$/barrel)	76.07	0.94	54.61	13.55
Gold (\$/ounce)	1321.89	-0.96	4.60	0.29
Silver (\$/ounce)	16.496	-3.59	-4.20	-4.00

Source: Thomson Reuters Eikon

## Currencies Update

Currency	27-Apr-18	Week Ago	Year Ago
U.S. Dollar	66.78	66.02	64.11
GBP	92.89	92.73	82.59
Euro	80.74	81.46	69.89
100 Yen	61.08	61.40	57.60

Source: RBI

## Global Equity Market Performance

Country/Region	Indices	27-Apr-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Dow Jones	24,311	-0.62	15.87	-2.07
	S&P 500	2,670	-0.01	11.77	-0.96
U.K.	FTSE	7,502	1.82	3.66	-1.91
France	CAC 40	5,483	1.30	4.01	3.68
Germany	DAX	12,581	0.32	1.10	-2.26
Japan	Nikkei 225	22,468	1.38	16.70	-4.42
China	Shanghai Composite	3,082	0.35	-2.22	-7.95
Hong Kong	Hang Seng	30,281	-0.45	22.60	-0.77
Singapore	Straits Times	3,577	0.11	12.80	5.12
Russia	RTS Index	1,167	1.86	5.44	-1.35
Brazil	Sao Paulo Se Bovespa	86,445	1.05	33.66	10.98

Source: Thomson Reuters Eikon

## Global Bond Yield Update

Indicators	27-Apr-18	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	2.96	2.95	2.79	2.30
U.K. 10 Year Bond yield (%)	1.45	1.48	1.42	1.17
German 10 Year Bond yield (%)	0.57	0.59	0.50	0.30
Japan 10 Year Bond yield (%)	0.06	0.06	0.03	0.02

Source: Thomson Reuters Eikon

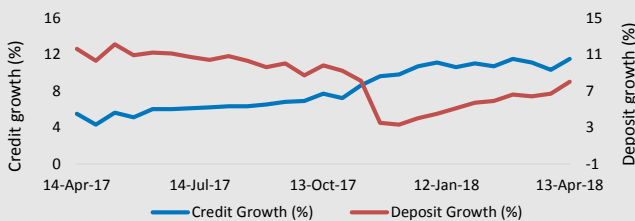
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Japan Nikkei Japan PMI Mfg (Apr P)	23-Apr	53.30	52.60	53.10
U.S. New Home Sales (Mar)	24-Apr	694k	630K	667k
U.S. Durable Goods Orders (Mar P)	26-Apr	2.60%	1.60%	3.50%
U.S. Gross Domestic Product Annualized (QoQ) (1Q A)	27-Apr	2.30%	2.00%	2.90%

Source: FX Street

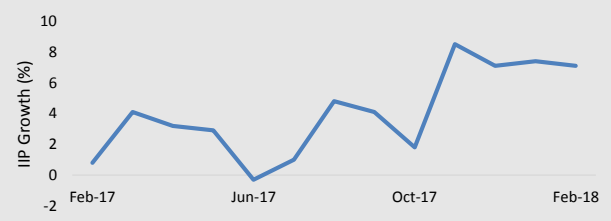
## Macro Economic Performance of India

### Credit growth vs Deposit growth



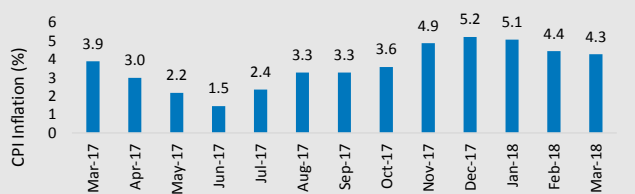
Source: Thomson Reuters Eikon

### IIP Growth (%)



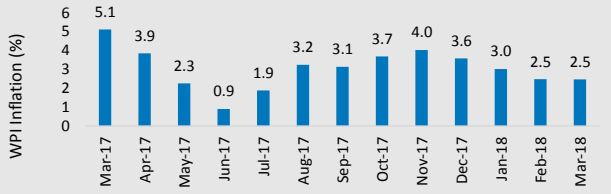
Source: Thomson Reuters Eikon

### Retail inflation movement



Source: Thomson Reuters Eikon

### Wholesale price inflation movement



Source: Thomson Reuters Eikon

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