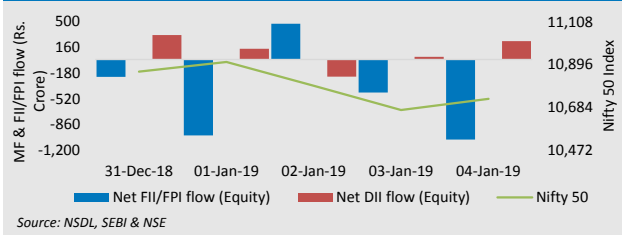


Macro Economic Release

Indicators	Actual	Consensus	Previous
CPI inflation (Nov 2018)	2.33%	2.80%	3.38%
India Infrastructure (Nov 2018)	3.50%	--	4.80%
Nikkei India Services PMI (Dec 2018)	53.2	52.5	53.7
Nikkei India Manufacturing PMI (Dec 2018)	53.2	51.5	54.0

Source: Thomson Reuters Eikon

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Indian Equity Market Performance

Broad Indices	04-Jan-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	35,695	-1.06	5.08	-1.03
Nifty 50	10,727	-1.22	2.12	-1.24
S&P BSE 100	11,016	-1.23	-0.07	-1.30
Nifty 500	9,055	-1.07	-4.74	-1.26
Nifty Mid cap 50	4,848	-1.31	-12.83	-1.69
Nifty Small cap 100	6,382	-0.28	-31.45	-1.05

Sector Indices	04-Jan-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	19,894	-4.48	-24.62	-4.51
S&P BSE Bankex	30,438	0.36	5.77	0.20
S&P BSE CD	20,569	0.08	-12.30	-0.61
S&P BSE CG	18,384	-2.16	-7.18	-2.32
S&P BSE FMCG	11,711	-1.06	10.11	-1.00
S&P BSE HC	13,823	-0.05	-6.72	-0.72
S&P BSE IT	13,895	-1.12	24.54	-1.38
S&P BSE METAL	11,240	-3.70	-27.85	-5.06
S&P BSE Oil & Gas	13,511	-1.96	-16.72	-1.73
S&P BSE Power	1,966	-1.27	-18.78	-1.65
S&P BSE PSU	7,170	-0.62	-22.65	-0.92
S&P BSE Realty	1,825	1.23	-29.80	1.52
S&P BSE Teck	7,007	-0.67	10.51	-0.83

Source: BSE & NSE

Macro economic Update

- The growth of index of eight core industries came in at 3.5% in Nov 2018 as against growth of 4.8% in Oct 2018. Cement industry witnessed the maximum growth of 8.8% (though it declined as against the previous month), followed by steel and electricity industries that surged 6.0% and 5.4%, respectively.
- The Nikkei India Manufacturing Purchasing Managers' Index (PMI) came in at 53.2 in Dec 2018 as against 54.0 in Nov 2018. Though the score eased as against Nov 2018, the rise in production was among the quickest witnessed in 2018. The decline reflects moderated growth in new orders and output.
- The Nikkei India Services PMI fell to 53.2 in Dec 2018 from 53.7 in Nov 2018. The downside reflects moderated pace of new work orders and business activity compared with Nov 2018, though job creation saw a significant uptick. Seasonally adjusted Nikkei India Composite PMI Output Index fell to 53.6 in Dec 2018 as against 54.5 in Nov 2018 because of weaker rise in private sector output. This happened because slowdown in growth of services activity was accompanied by a softer increase in manufacturing production.
- The government injected Rs. 10,882 crore in four public sector banks. This is part of the Rs. 28,615 crore capital infusion the government will do in about half a dozen public sector lenders. The government had announced an infusion of Rs. 65,000 crore in 2018-19, of this Rs. 23,000 crore has already been disbursed.

Domestic Equity Market Update

- Indian equity markets ended the first week of 2019 in the negative terrain with investors worried over ongoing U.S. government shutdown and concerns over global growth outlook. Uncertainty ahead of 2019 general elections in India along with upcoming corporate earnings, scheduled to be release from the second week of Jan 2019, kept investors on the sidelines.
- Weak economic data added to the woes as core sector numbers were lower than the previous month. The growth of index of eight core industries was at 3.5% in Nov 2018 as against growth of 4.8% in Oct 2018. Also, the Nikkei India Manufacturing and Service Purchasing Managers' Index (PMI) fell in Dec 2018 as against the previous month.
- Some respite was seen as the government injected Rs. 10,882 crore in four public sector banks. This is part of the Rs. 28,615 crore capital infusion the government announced in the beginning of Dec 2018. Further, U.S. and China decided to hold vice-ministerial level trade talks in Beijing on Jan 7-8.
- On the BSE sectoral front, all the indices closed in the red barring S&P BSE Realty (1.23%), S&P BSE Bankex (0.36%) and S&P BSE CD (0.08%). S&P BSE Auto (-4.48%) was the major loser followed by S&P BSE Metal (-3.70%) and S&P BSE CG (-2.16%).
- Metal stocks declined over disappointing Chinese manufacturing data. Also, decline in one of the major metal stocks following reports that Tamil Nadu government has moved the Supreme Court for closure of the company's copper plant in Thoothukudi weighed on the sector.

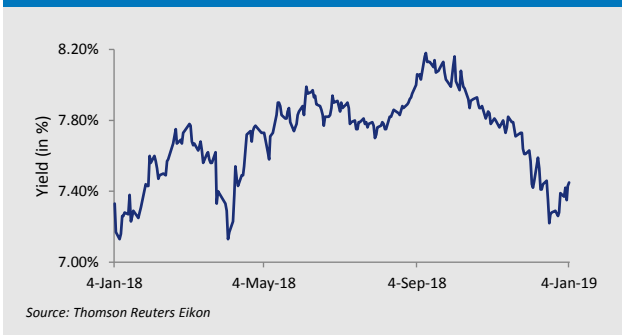
Indian Debt Market Indicators

Broad Indices	04-Jan-19	Week Ago	Month Ago	Year Ago
Call Rate	6.31%	6.57%	6.35%	5.81%
CBLO	6.23%	6.52%	6.30%	5.75%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
3 Month CP	7.85%	7.25%	7.55%	7.19%
1 Year CP	8.60%	8.60%	9.00%	7.56%
3 Month CD	7.49%	7.01%	7.37%	6.75%
1 Year CD	8.16%	8.05%	8.27%	7.12%

Source: CCIL, Thomson Reuters Eikon * as on Dec 28, 2018; ** as on Dec 21, 2018; @ as on Dec 7, 2018; @@ as on Jan 5, 2018

Broad Indices	04-Jan-19	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	8.49%	8.45%	8.59%	7.56%
3 Year AAA Corporate Bond	8.52%	8.51%	8.59%	7.74%
5 Year AAA Corporate Bond	8.38%	8.26%	8.48%	8.02%
1 Year G-Sec	6.84%	6.83%	7.20%	6.60%
3 Year G-Sec	7.11%	7.09%	7.32%	7.02%
5 Year G-Sec	7.32%	7.22%	7.56%	7.20%
10 Year G-Sec	7.45%	7.39%	7.57%	7.33%
Forex Reserve (\$ in billion)	393.4*	393.29**	393.73@	411.12@@

10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

Domestic Debt Market Update

- Bond yields rose for the second consecutive week as market participants were worried that the government might miss its fiscal deficit target of 3.3% of Gross Domestic Product (GDP) for this fiscal. Concerns of a possible fiscal slippage have come to the forefront on speculation that the government might announce a relief package to support farm and rural sectors.
- Surge in global crude oil prices over the week and higher than anticipated borrowing plan by state governments for the period from Jan to Mar of 2019 added to the pain. However, bargain hunting restricted further losses.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 6 bps to close at 7.45% from the last week's close at 7.39%, after trading in a range of 7.34% to 7.48%.
- RBI on Jan 2, 2019 conducted auction of 91-, 182- and 364-Day Treasury Bills for notified amount of Rs. 4,000 crore, Rs. 4,000 crore and Rs. 2,000 crore, respectively. The cut-off prices stood at Rs. 98.37 (6.64%), Rs. 96.72 (6.80%) and Rs. 93.55 (6.91%), respectively.
- Data from RBI showed that India's foreign exchange reserves country's foreign exchange reserves increased by \$116.4 million to \$393.404 billion in the week ended Dec 28 from \$393.287 billion in the previous week.

Global Commodity Update

Commodities	04-Jan-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	48.28	7.15	-21.98	5.69
Brent Crude Oil (\$/barrel)	57.32	9.77	-15.73	5.87
Gold (\$/ounce)	1284.83	0.32	-2.88	0.16
Silver (\$/ounce)	15.691	2.29	-8.92	1.36

Source: Thomson Reuters Eikon

Currencies Update

Currency	04-Jan-19	Week Ago	Year Ago
U.S. Dollar	69.54	69.92	63.40
GBP	88.50	88.83	85.91
Euro	79.23	80.00	76.50
100 Yen	64.07	63.39	56.22

Source: Thomson Reuters Eikon

Global Equity Market Performance

Country/Region	Indices	04-Jan-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Dow Jones	23,433	1.61	-6.55	0.45
	S&P 500	2,532	1.86	-7.05	1.00
U.K.	FTSE	6,837	1.54	-11.15	1.62
France	CAC 40	4,737	1.25	73.90	0.14
Germany	DAX	10,768	1.98	-18.23	1.98
Japan	Nikkei 225	19,562	-2.26	-16.78	-2.26
China	Shanghai Composite	2,515	0.84	-25.72	0.84
Hong Kong	Hang Seng	25,626	0.48	-16.63	-0.85
Singapore	Straits Times	3,059	0.19	-12.62	-0.31
Russia	RTS Index	1,118	4.87	-7.92	4.87
Brazil	Sao Paulo Se Bovespa	91,841	4.50	16.78	4.50

Source: Thomson Reuters Eikon

Global Bond Yield Update

Indicators	04-Jan-19	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	2.66	2.74	2.92	2.45
U.K. 10 Year Bond yield (%)	1.28	1.27	1.28	1.24
German 10 Year Bond yield (%)	0.21	0.24	0.26	0.43
Japan 10 Year Bond yield (%)	-0.03	0.00	0.07	0.05

Source: Thomson Reuters Eikon

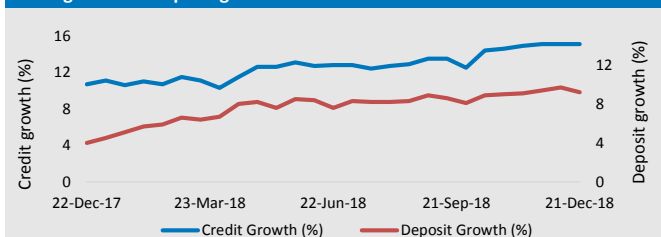
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China Non-manufacturing PMI (Dec)	31-Dec	53.80	53.20	53.40
Markit US Manufacturing PMI (Dec)	2-Jan	53.80	53.90	53.90
U.S. ADP Employment Chg (Dec)	3-Jan	271k	180k	157k
U.S. Change in Non-farm Payrolls (Dec)	4-Jan	312 K	180k	155k

Source: FX Street; Thomson Reuters Eikon

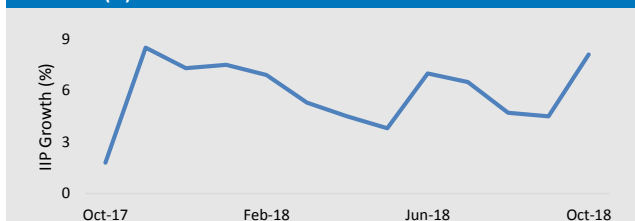
Macro Economic Performance of India

Credit growth vs Deposit growth



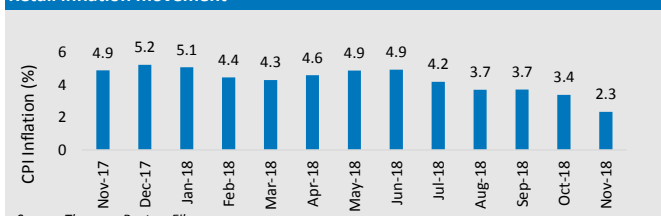
Source: Thomson Reuters Eikon

IIP Growth (%)



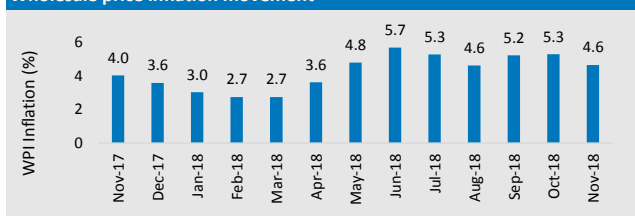
Source: Thomson Reuters Eikon

Retail inflation movement



Source: Thomson Reuters Eikon

Wholesale price inflation movement



Source: Thomson Reuters Eikon

ICRA Online Disclaimer: All information contained herein is obtained by ICRA Online Limited ("ICRON") from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. ICRON adopts all necessary measures so that the information it uses is of sufficient quality and from sources ICRON considers to be reliable including, when appropriate, independent third-party sources. However, ICRON is not an auditor and cannot in every instance independently verify or validate information received in preparing this document.

All information contained herein must be construed solely as statements of opinion, and ICRA Online Limited or its affiliates or group companies and its respective and any of its officers, directors, personnel and employees, disclaim liability to any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this document or its contents in any manner or for any contingency within or beyond the control of, ICRON or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information. Opinions expressed in the document are not the opinions of our holding company, ICRA Limited (ICRA), and should not be construed as any indication of credit rating or grading of ICRA for any instruments that have been issued or are to be issued by any entity. The recipient alone shall be fully responsible and/or are liable for any decision taken on the basis of this document and/or the information contained herein.

Bajaj Allianz Life Insurance Co. Ltd. Disclaimer: The information and data analysis ("Information") contained in this document is facilitated and arranged by ICRA Online Ltd ("ICRON") and Bajaj Allianz Life Insurance Co. Ltd. ("BALIC") has subscribed to it for general information purposes only and does neither purport to be comprehensive or complete nor does it constitute financial, tax, legal or other professional advice on any aspect including Life Insurance, financial issues related to life insurance. The contents of this document do not in any way constitute investment advice and should not be construed as an offer to sell, a solicitation to buy, or an endorsement or recommendation of any company or security or fund. BALIC disclaims all responsibilities for investment decisions based on the content of this document or the dissemination or distribution of this report/communication/analysis to a third party. BALIC make no express or implied warranties or representations on the comments, opinions, reports, views given in this document and BALIC disclaims all warranties, whether express, implied, or statutory, including but not limited to warranties as to accuracy, reliability, usefulness, completeness, merchantability, or fitness of information for any particular purpose, non-infringement and any damages ensuing thereby. In no event shall BALIC (including its group company, affiliates, promoters) or its founders, directors, officers, agents, employees or content providers be liable for any direct, indirect, special, incidental, exemplary, punitive or consequential damages, whether or not advised of the possibility of such damages including without limitation, those pertaining to lost profits to any BALIC subscriber, participant, customer, or other person or entity for furnishing of information or arising from the contents/use of this Document. This Document is protected by intellectual property rights. Any material that it contains, including, but not limited to, texts, data, graphics, pictures, logos, icons, news, or html code is protected under intellectual property law and remains the BALIC's or third party's property. Unauthorized use of the materials appearing on this document may violate copyright, trademark and other applicable laws, and could result in criminal or civil penalties.

The Logo of Bajaj Allianz Life Insurance Co. Ltd. is provided on the basis of license given by Bajaj Finserv Ltd. to use its "Bajaj" Logo and Allianz SE to use its "Allianz" logo. Past performance is not indicative of future performance.

Regd. Office Address: Bajaj Allianz House, Airport Road, Yerawada, Pune - 411006, Reg.No.: 116 | CIN : U66010PN2001PLC015959 | Mail us : customercare@bajajallianz.co.in | Call on : Toll free no. 1800 209 7272 | Fax No: 02066026789 |