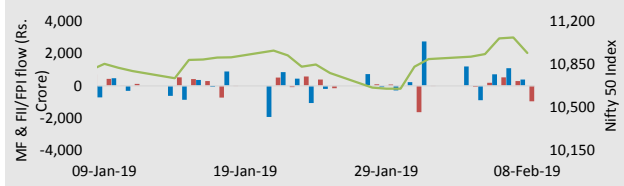


Macro Economic Release

Indicators	Actual	Consensus	Previous
CPI inflation (Dec 2018)	2.19%	2.20%	2.33%
IIP growth (Nov 2018) (%)	0.50%	4.10%	8.10%
WPI inflation (Dec 2018)	3.80%	4.42%	4.64%
Nikkei India Services PMI (Jan 2019)	52.20	NA	53.20

Source: Thomson Reuters Eikon

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Indian Equity Market Performance

Broad Indices	08-Feb-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	36,546	0.21	6.20	1.33
Nifty 50	10,944	0.46	3.47	0.75
S&P BSE 100	11,130	0.08	1.57	-0.28
Nifty 500	9,037	-0.21	-3.06	-1.45
Nifty Mid cap 50	4,569	-3.20	-11.66	-7.35
Nifty Small cap 100	5,932	-3.38	-29.95	-8.03

Sector Indices	08-Feb-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	18,944	-0.22	-25.08	-9.07
S&P BSE Bankex	30,547	0.44	3.91	0.56
S&P BSE CD	21,655	1.13	2.29	4.64
S&P BSE CG	16,847	-3.53	-13.08	-10.49
S&P BSE FMCG	11,582	-1.41	9.57	-2.09
S&P BSE HC	13,983	-0.10	-2.52	0.43
S&P BSE IT	15,624	1.23	27.95	10.89
S&P BSE METAL	10,266	-2.62	-31.16	-13.29
S&P BSE Oil & Gas	13,649	0.11	-12.81	-0.72
S&P BSE Power	1,782	-5.63	-19.88	-10.88
S&P BSE PSU	6,679	-2.45	-23.74	-7.70
S&P BSE Realty	1,769	-1.62	-28.14	-1.62
S&P BSE Teck	7,712	1.66	16.23	9.13

Source: BSE & NSE

Macro economic Update

- The Monetary Policy Committee (MPC) in its sixth bi-monthly monetary policy review for FY19 lowered the key policy repo rate by 25 basis points after keeping it unchanged in Oct 2018 and Dec 2018. This was the first rate cut since Aug 2017. Now, the key policy repo rate is 6.25% as against previous rate of 6.50%. Consequently, the reverse repo rate is now at 6.00% and the marginal standing facility rate and the Bank Rate is now 6.50%.
- After the actual inflation outcome of 2.6% in the third quarter of FY19, the Monetary Policy Committee (MPC) expects Consumer Price Index (CPI) of 2.8% in fourth quarter as against previous expectation of inflation in the range of 2.7%-3.2% in second half of FY19. Inflation for first half of FY20 has been lowered to a range of 3.2%-3.4% as against previous expectation of 3.8%-4.2%. Inflation is expected to be 3.9% in third quarter of FY20.
- MPC projected gross domestic product (GDP) growth at 7.4% for FY20. For the first half of FY20, MPC expects GDP to be in the range of 7.2% to 7.4% in the first half of FY20 and 7.5% in third quarter of FY20.
- Government data showed that India's fiscal deficit for Apr-Dec 2018 period came in at Rs. 7.01 lakh crore, or 112.4% of the budgeted target for FY19 as against 113.6% in the year-ago period. Net tax receipts were Rs. 9.36 lakh crore or 63.2% of the budget estimate for FY19 compared with 73.4% in the corresponding period of the previous year.

Domestic Equity Market Update

- Indian equity markets managed to close positively amid a volatile week. The week was stock-driven with investors focusing mainly on mixed bag of corporate earnings results. Optimism was observed ahead of the MPC decision on key rates in the sixth bi-monthly monetary policy meeting that was scheduled on Feb 7, 2019. On an actual basis, MPC lowered the key policy repo rate by 25 basis points and changed the stance to neutral from calibrated tightening. However, profit booking post announcement of the policy rate decision restricted the gains.
- Meanwhile, weak global cues about a broadening global economic slowdown and concerns over the trade fight between the U.S. and China muted buying interest. Bank of England and European Commission lowered the growth forecast for U.K. and eurozone, respectively for 2019 and 2020. On the other hand, as per media reports, U.S. President is unlikely to meet Chinese leader before Mar 2019 deadline.
- On the BSE sectoral front, indices closed on a mixed note. S&P BSE Teck was the major gainer, up 1.66% followed by S&P BSE IT that grew 1.23%. Gains in one of the IT major stocks after it posted strong quarterly results for the quarter ended Dec 2018 boosted the IT sector. S&P BSE Consumer Durables and S&P BSE Bankex grew 1.13% and 0.44%, respectively.
- S&P BSE Power was the major loser that fell 5.63%. Power sector lost after prices of an industry major plunged following decline in prices of one of the telecommunications major (former is a promoter of the latter) as it decided to opt for insolvency proceedings. S&P BSE Metal and S&P BSE Realty fell 2.62% and 1.62%, respectively.

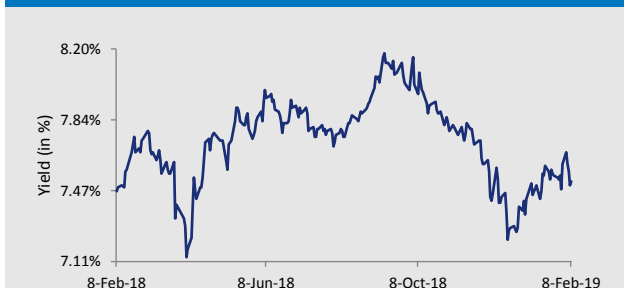
Indian Debt Market Indicators

Broad Indices	08-Feb-19	Week Ago	Month Ago	Year Ago
Call Rate	6.35%	6.43%	6.36%	5.90%
CBLO	6.34%	6.35%	6.39%	5.91%
Repo	6.25%	6.50%	6.50%	6.00%
Reverse Repo	6.00%	6.25%	6.25%	5.75%
3 Month CP	7.45%	7.60%	7.75%	7.79%
1 Year CP	8.30%	8.55%	8.45%	8.03%
3 Month CD	6.96%	7.19%	7.22%	7.24%
1 Year CD	7.96%	7.96%	7.96%	7.52%

Source: CCIL, Thomson Reuters Eikon * as on Feb 01, 2019; ** as on Jan 25, 2019; @ as on Jan 04, 2019; @@@ as on Feb 02, 2018

Broad Indices	08-Feb-19	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	8.17%	8.28%	8.48%	7.78%
3 Year AAA Corporate Bond	8.40%	8.61%	8.47%	7.87%
5 Year AAA Corporate Bond	8.42%	8.56%	8.35%	8.07%
1 Year G-Sec	6.61%	6.78%	6.83%	6.64%
3 Year G-Sec	6.85%	7.02%	7.02%	7.08%
5 Year G-Sec	7.20%	7.38%	7.29%	7.30%
10 Year G-Sec	7.52%	7.61%	7.45%	7.47%
Forex Reserve (\$ in billion)	400.24*	398.18**	396.08@	421.91@@

10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

Domestic Debt Market Update

- Bond yields initially rose on worries over the government's higher borrowing target and a higher-than-expected fiscal deficit for the current and next financial year. This coupled with a rise in oil prices dampened investors' risk appetite.
- However, trend reversed and yields started to decline on expectation that the Monetary Policy Committee in its sixth policy meeting will change its stance from calibrated tightening to neutral on Feb 7, 2019, which came as expected and subsequently boosted market sentiments.
- At the end, gains trimmed as market participants remain concerned over the borrowing plan set forth by the government. The country is preparing to borrow an additional Rs. 36,000 crore next month, which will lift the gross amount to Rs. 5.71 lakh crore for the current year.
- Yield on the 10-year benchmark paper (7.17% GS 2028) dropped 9 bps to close at 7.52% from the last week's close at 7.61%, after trading in a range of 7.46% to 7.67%.

Weekly Market Update

08 February 2019

Global Commodity Update

Commodities	08-Feb-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	52.63	-4.83	-12.76	15.21
Brent Crude Oil (\$/barrel)	62.00	-1.37	-3.41	14.52
Gold (\$/ounce)	1,313.99	-0.30	-0.37	2.44
Silver (\$/ounce)	15.82	-0.55	-3.59	2.22

Source: Thomson Reuters Eikon

Currencies Update

Currency	08-Feb-19	Week Ago	Year Ago
U.S. Dollar	71.16	71.42	64.29
GBP	92.12	93.40	89.43
Euro	80.61	81.80	78.72
100 Yen	64.84	65.22	59.12

Source: Thomson Reuters Eikon

Global Equity Market Performance

Country/Region	Indices	08-Feb-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Dow Jones	25,106	0.17	5.22	7.63
	S&P 500	2,708	0.05	4.92	8.02
U.K.	FTSE	7,071	0.73	-1.39	5.10
France	CAC 40	4,962	-1.15	-3.69	4.88
Germany	DAX	10,907	-2.45	-11.04	3.29
Japan	Nikkei 225	20,333	-2.19	-7.12	1.59
China	Shanghai Composite	Closed	NA	NA	NA
Hong Kong	Hang Seng	27,946	0.06	-8.23	8.13
Singapore	Straits Times	3,202	0.42	-6.26	4.34
Russia	RTS Index	1,200	-0.96	-0.91	12.52
Brazil	Sao Paulo Se Bovespa	95,343	-2.57	16.94	8.48

Source: Thomson Reuters Eikon

Global Bond Yield Update

Indicators	08-Feb-19	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	2.63	2.69	2.72	2.85
U.K. 10 Year Bond yield (%)	1.15	1.25	1.27	1.62
German 10 Year Bond yield (%)	0.09	0.17	0.23	0.76
Japan 10 Year Bond yield (%)	-0.03	-0.03	0.00	0.07

Source: Thomson Reuters Eikon

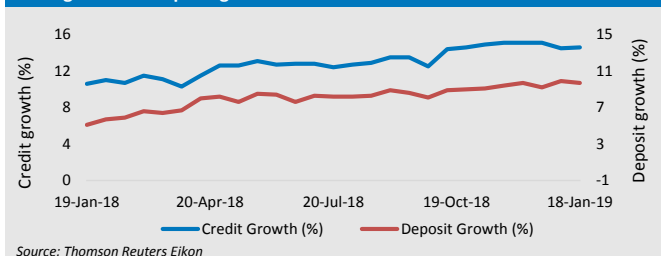
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
U.K. Markit/CIPS Construction PMI (Jan)	4-Feb	50.60	52.50	52.80
Japan Nikkei Services PMI (Jan)	5-Feb	51.60	NA	51.00
German Factory Orders (YoY) (Dec)	6-Feb	-7.00%	-6.70%	-3.40%
Bank of England Monetary Policy	7-Feb	0.75%	0.75%	0.75%

Source: FX Street; Thomson Reuters Eikon

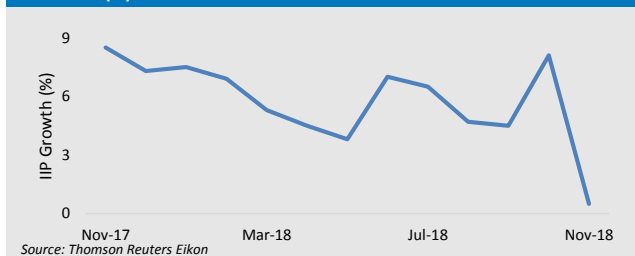
Macro Economic Performance of India

Credit growth vs Deposit growth



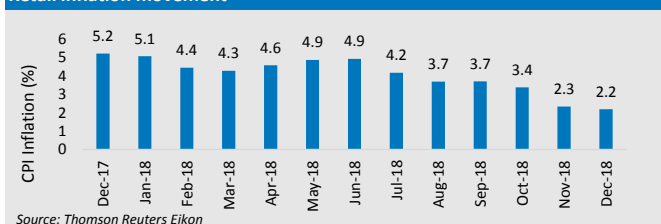
Source: Thomson Reuters Eikon

IIP Growth (%)



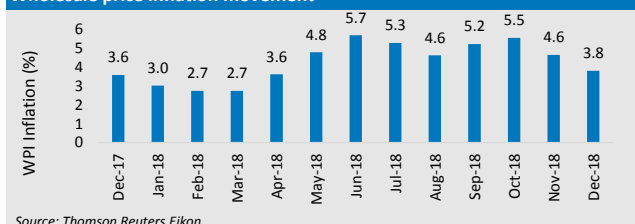
Source: Thomson Reuters Eikon

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 ICRA 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 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 makes 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 |