

Bajaj Allianz Life Insurance

Macro-Economic Heatmap

LIFE GOALS. DONE.



	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Banking														
Non-food credit Growth (YoY%)	9.5%	11.6%	12.1%	10.1%	11.7%	13.5%	11.9%	13.9%	15.2%	13.0%	13.9%	14.0%	12.8%	12.4%
Bank deposit Growth (YoY%)	6.2%	7.7%	8.1%	6.8%	8.7%	9.9%	8.1%	9.0%	10.8%	8.9%	9.6%	10.0%	10.0%	9.7%
10 year G-Sec Yield	7.33%	7.76%	7.83%	7.89%	7.78%	7.95%	8.03%	7.87%	7.61%	7.36%	7.51%	7.64%	7.46%	7.52%
Foreign Exchange Reserves (\$bn)	424.5	420.5	412.4	405.7	403.7	400.1	400.5	392.1	393.7	395.6	400.2	402.4	412.9	418.7
Median MCLR	7.9%	7.9%	7.9%	7.9%	8.0%	8.0%	8.1%	8.2%	8.3%	8.4%	8.4%	8.4%	8.3%	8.3%

Bank credit growth remains healthy, while deposit growth lags credit growth. Bond yields have softened from their Sep/Oct 2018 highs. Forex reserves pick-up.

Industry														
Cement Production (YoY%)	13.5%	21.9%	13.0%	14.2%	11.2%	14.6%	11.8%	18.4%	8.8%	11.6%	11.0%	8.0%	15.7%	
Steel Production (YoY%)	4.7%	3.0%	-0.1%	4.2%	6.9%	4.0%	3.2%	2.4%	5.3%	10.1%	5.5%	4.9%	6.7%	
Index of Industrial Production (IIP, YoY %)	5.3%	4.5%	3.8%	7.0%	6.5%	4.8%	4.6%	8.4%	0.2%	2.5%	1.4%	0.1%	-0.1%	
Manufacturing (YoY%)	5.7%	4.9%	3.6%	6.9%	7.0%	5.2%	4.8%	8.2%	-0.7%	2.9%	1.0%	-0.4%	-0.4%	
Mining (YoY%)	3.1%	3.8%	5.8%	6.5%	3.4%	-0.6%	0.1%	7.3%	2.7%	-1.0%	3.9%	2.2%	0.8%	
Electricity (YoY%)	5.9%	2.1%	4.2%	8.5%	6.6%	7.6%	8.2%	10.8%	5.1%	4.5%	0.9%	1.3%	2.2%	
PMI Manufacturing Index	51	52	51	53	52	52	52	53	54	53	54	54	53	52
PMI Services Index	50	51	50	53	54	52	51	52	54	53	52	53	52	51
Rail Freight Traffic (YoY%)	15%	9%	12%	12%	22%	15%	12%	10%	3%	8%	8%	5%	5%	5%
Port Traffic (YoY%)	5%	2%	2%	4%	4%	5%	5%	5%	5%	4%	3%	3%	3%	6%

IIP growth has slowed down considerably. Manufacturing & Services PMI also sees some slowdown. Cement production was healthy, while steel production remained moderate.

Consumer														
Passenger Car Growth (YoY %)	0%	5%	20%	34%	0%	-1%	-6%	0%	-1%	-2%	-3%	-4%	-7%	-20%
Two- Wheeler Growth (YoY%)	18%	17%	9%	22%	8%	3%	4%	17%	7%	-2%	-5%	-4%	-17%	-16%
Light Commercial Vehicle Growth (YoY%)	31%	44%	26%	41%	33%	30%	23%	29%	17%	4%	3%	6%	4%	-1%
Medium & Heavy Commercial Vehicle Growth (YoY%)	16%	170%	80%	43%	25%	29%	26%	18%	-11%	-21%	1%	-9%	-5%	-14%
Air Traffic (YoY %)	28%	26%	17%	18%	22%	17%	19%	13%	11%	13%	9%	6%	0.1%	

Auto sector in the doldrums, as all segments see a significant slowdown, contributed to some extent by the credit & liquidity squeeze. Air passenger traffic growth also sees some slowdown due to some disruption in the sector.

Foreign Trade														
Export Growth (YoY %)	0%	5%	21%	18%	16%	19%	-3%	16%	-1%	0%	4%	3%	11%	1%
Import Growth (YoY %)	7%	2%	15%	21%	30%	27%	13%	19%	6%	1%	1%	-4%	1%	4%
Trade Deficit (USD in million)	(13,507)	(13,720)	(15,051)	(17,662)	(18,590)	(17,940)	(15,003)	(18,052)	(17,584)	(14,393)	(14,756)	(9,577)	(10,892)	(15,330)
Trade Deficit (YoY %)	27%	-4%	5%	26%	56%	41%	60%	24%	16%	1%	-4%	-19%	-19%	12%

Trade deficit widened in April 2019, primarily due to slowdown in exports.

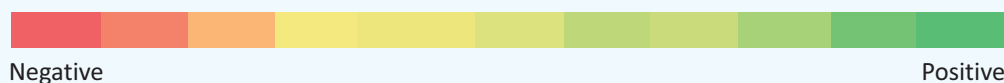
Inflation														
CPI Headline Inflation (YoY%)	4.3%	4.6%	4.9%	4.9%	4.2%	3.7%	3.7%	3.4%	2.3%	2.1%	2.0%	2.6%	2.9%	2.9%
Food Inflation (YoY%)	3.1%	3.0%	3.3%	3.1%	1.7%	0.8%	1.0%	-0.1%	-1.7%	-1.6%	-1.3%	-0.1%	0.7%	1.4%
Fuel Inflation (YoY%)	5.7%	5.2%	5.8%	7.2%	8.0%	8.6%	8.6%	8.5%	7.2%	4.5%	2.1%	1.2%	2.3%	2.6%
Core CPI (ex food & fuel) - YoY %	5.4%	5.9%	6.2%	6.4%	6.3%	5.9%	5.8%	6.2%	5.7%	5.7%	5.4%	5.3%	5.0%	4.5%

Consumer Price Index (CPI) headline inflation remains well below target, but rises a bit, due to some rise in food prices (as expected). Core inflation continues to moderate.

Fiscal														
Central Govt Expenditure (YoY%)	-37%	-8%	15%	22%	15%	28%	17%	6%	-16%	-1%	20%	18%		
Fiscal Balance FYTD (as % of BE)	100%	24%	54%	68%	85%	93%	94%	102%	113%	111%	122%	134%		
GST Collection (Rs. bn)	1,035	940	956	965	939	944	1,035	1,007	976	947	1,025	947	1,066	1,139

India was able to achieve its revised fiscal deficit target of 3.4% of GDP for FY19. GST collections touched a record high in the month of April (indicating activity in March).

Source: Spark Capital, Bloomberg, Bajaj Allianz Life Insurance



DISCLAIMERS: The contents of this document is confidential, may contain proprietary or privileged information and is intended for reserved recipient(s) for information Purpose only. Unintended recipients are prohibited from taking action on the basis of information in this document and must delete all copies. The information provided is on "as is" basis and Bajaj Allianz disclaims any warranty, responsibility or liability for the accuracy or completeness of, or the presence of any virus or disabling code in, this document and assumes no responsibility or liability for errors or omissions in the contents of the document. Bajaj Allianz reserves the right to make additions, deletions, or modification to the contents of the document at any time without prior notice. In no event shall Bajaj Allianz be liable to any entity or individual for any direct, indirect, special, consequential, or incidental claims or damages or any claims/damages whatsoever, whether in an action of contract, negligence or other tort, arising out of or in connection with the use of this document or the contents of this document. Any reference to the terms of executed transactions should be treated as preliminary only and subject to formal written confirmation by Bajaj Allianz. Bajaj Allianz reserves the right to monitor its communications through its networks (in accordance with applicable laws). No confidentiality or privilege is waived or lost by Bajaj Allianz by any mis-transmission of this document. Any reference to "Bajaj Allianz" is a reference to Bajaj Allianz Life Insurance Company Limited. The document is not intended to be construed as any advisory from Bajaj Allianz for any investment or any other purpose. Any reliance of the same by the individual for any purpose, is on the sole independent understanding and requirement of the individual. The Public is advised to consult their advisor in regards to their investment.

Bajaj Allianz Life Insurance Co. Ltd., 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, 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. © Bajaj Allianz Life Insurance Co. Ltd. 2019.