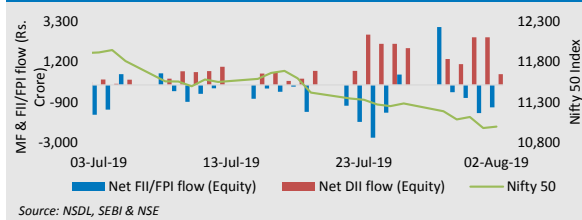


Macro Economic Release

Indicators	Actual	Consensus	Previous
WPI inflation (Jun 2019)	2.02%	2.35%	2.45%
CPI inflation (Jun 2019)	3.18%	3.20%	3.05%
IIP growth (May 2019) (%)	3.10%	3.20%	4.30%
Nikkei India Manufacturing PMI (Jul 2019)	52.5	52.2	52.1

Source: Thomson Reuters Eikon

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Indian Equity Market Performance

Broad Indices	02-Aug-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	37,118	-2.02	-0.13	2.91
Nifty 50	10,997	-2.54	-2.20	1.24
S&P BSE 100	11,095	-2.52	-3.76	-0.59
Nifty 500	8,944	-2.70	-6.73	-2.47
Nifty Mid cap 50	4,294	-2.87	-14.08	-12.91
Nifty Small cap 100	5,438	-4.74	-27.26	-15.69

Sector Indices	02-Aug-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	15,635	-3.40	-34.86	-24.95
S&P BSE Bankex	31,903	-3.67	4.34	5.02
S&P BSE CD	22,567	-1.64	7.20	9.05
S&P BSE CG	17,274	-2.84	-4.98	-8.22
S&P BSE FMCG	10,983	-1.20	-8.94	-7.16
S&P BSE HC	12,555	-3.12	-13.48	-9.82
S&P BSE IT	15,531	0.58	7.13	10.23
S&P BSE METAL	9,177	-8.94	-27.25	-22.49
S&P BSE Oil & Gas	13,062	-3.44	-13.81	-5.00
S&P BSE Power	1,938	-2.79	-2.16	-3.04
S&P BSE PSU	6,733	-5.55	-13.25	-6.96
S&P BSE Realty	2,030	-4.04	-1.90	12.89
S&P BSE T&A	7,596	-0.27	3.28	7.50

Source: BSE & NSE

Macro economic Update

- After falling on MoM basis in Jun 2019, Nikkei India Manufacturing Purchasing Managers' Index (PMI) grew to 52.5 in Jul 2019 from 52.1 in Jun 2019 driven mainly by improved output and new orders. New export orders continued to rise, however, there was slowdown in growth. Consumer goods producers led the upturn for the third consecutive month. Meanwhile, intermediate goods producers also witnessed stronger improvement in business conditions.
- Government data showed that the growth in the index of eight core industries grew 0.2% in Jun 2019 against a revised growth of 4.3% in May 2019 (5.1% growth originally reported), and 7.8% in the same period of the previous year. Refinery products growth fell 9.3% followed by crude oil that went down 6.8%. The electricity sector witnessed the maximum growth of 7.3% followed by steel and coal, which grew 6.9% and 3.2%, respectively.
- Government data showed that India's fiscal deficit for the period from Apr 2019 to Jun 2019 stood at Rs. 4.32 lakh crore or 61.4% of the budget estimate compared with 68.7% of the budget estimate in the corresponding period of the previous year. The revenue deficit in the same period stood at Rs. 3.74 lakh crore or 79.4% of the budget estimate compared with 84.7% of the budget estimate in the corresponding period of the previous year. Total expenditure for the period from Apr 2019 to Jun 2019 stood at Rs. 7.22 lakh crore or 25.9% of the budget estimate compared with 29.0% of the budget estimate in the corresponding period of the previous year.

Domestic Equity Market Update

- Indian equity markets closed on weak note for fourth week in a row. Investors became cautious ahead of the U.S. Federal Reserve's meeting that was held on Jul 30-31, 2019. The U.S. Fed cut interest rates in its monetary policy meeting but stated that the move was not the beginning of a long-running rate-cut cycle. This was taken by investors as a hint that rates won't be cut anymore in 2019, thereby weighing on the indices.
- Additionally, weak global cues on escalating U.S. and China trade war concerns added to the losses. U.S. President has reportedly stated that 10% tariff would be levied on the remaining \$300 billion of Chinese imports beginning from Sep 1, 2019.
- Back home, losses were extended on concerns over foreign fund outflows. After the government announced levy of surcharge on super rich in the Union Budget announced on Jul 5, 2019. However, reports at the end of the week that the Prime Minister's Office is looking into the budget proposal of tax surcharge of foreign portfolio investors and its impact on markets came as a sigh of relief for the investors. Further, tepid earnings results by a slew of corporates and worries over ongoing credit crunch muted buying interest. Weak auto sales from some of the auto majors has also taken a toll over the market sentiments.
- S&P BSE Metal was the major loser that fell 8.94% followed by S&P BSE Realty that fell 4.04%. S&P BSE Bankex and S&P BSE Oil & Gas that fell 3.67% and 3.44%, respectively. Metal sector came under pressure as risks to global economy increased after U.S. President announced imposition of fresh tariffs on Chinese imports. S&P BSE Auto and S&P BSE Healthcare fell 3.40% and 3.12%, respectively. Weak auto sales along with weak earnings numbers by some of the auto majors for the quarter ended Jun 2019 led to losses for the auto sector. However, S&P BSE IT was the only gainer and grew 0.58% amid weakness in rupee that helped the export-oriented sector to gain.

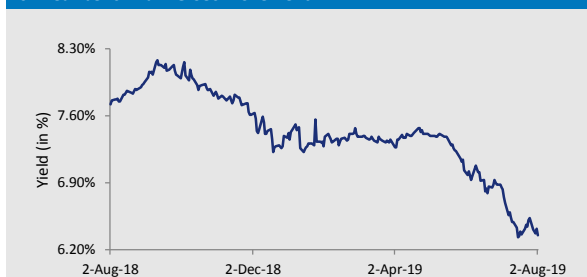
Indian Debt Market Indicators

Broad Indices	02-Aug-19	Week Ago	Month Ago	Year Ago
Call Rate	5.60%	5.56%	5.71%	6.34%
T-Repo	5.58%	5.58%	5.49%	6.38%
Repo	5.75%	5.75%	5.75%	6.50%
Reverse Repo	5.50%	5.50%	5.50%	6.25%
3 Month CP	6.10%	6.25%	6.90%	7.65%
1 Year CP	7.20%	7.60%	7.80%	8.65%
3 Month CD	6.09%	6.30%	6.38%	7.18%
1 Year CD	6.79%	6.95%	7.50%	7.95%

Source: CCL, Thomson Reuters Eikon * as on Jul 26, 2019; ** as on Jul 19, 2019; @ as on June 28, 2019; @@ as on Jul 27, 2018

Broad Indices	02-Aug-19	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	7.49%	7.74%	7.92%	8.25%
3 Year AAA Corporate Bond	7.62%	7.70%	7.88%	8.51%
5 Year AAA Corporate Bond	7.77%	7.81%	8.02%	8.61%
1 Year G-Sec	5.95%	5.92%	6.13%	7.24%
3 Year G-Sec	6.12%	6.32%	6.57%	7.64%
5 Year G-Sec	6.32%	6.46%	6.74%	7.82%
10 Year G-Sec	6.35%	6.53%	6.85%	7.72%
Forex Reserve (\$ in billion)	429.65*	430.38**	427.68@	404.19@@

10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

Domestic Debt Market Update

- Bond yields plunged and witnessed the biggest weekly fall since Jul 12 on hopes that the Monetary Policy Committee might cut interest rates by 25 bps in its upcoming monetary policy review which is scheduled on Aug 7, 2019. Expectations surrounding the sovereign bond issuance plan as proposed by the government in the Union Budget also boosted market sentiments even though lack of clarity regarding the same capped the gains to some extent. Renewed concerns over the ongoing trade tensions between U.S. and China also contributed to the upside as it fuelled expectations of more monetary easing by the U.S. Federal Reserve.
- Yields on the 10-year benchmark paper (7.26% GS 2029) plummeted 18 bps to close at 6.35% compared with the previous close of 6.53% after trading in the range of 6.32% to 6.46%.
- The Reserve Bank of India (RBI) on Aug 2, 2019 conducted auction of 7.32% GS 2024, 7.26% GS 2029, 7.69% GS 2043 and 7.72% GS 2049 for notified amount of Rs. 17,000 crore. The entire amount was accepted at cut-off price of Rs. 104.10 (6.26%), Rs. 106.40 (6.35%), Rs. 109.47 (6.88%), and Rs. 111.13 (6.84%).
- Data from RBI showed that reserve money increased at an annualised rate of 12.9% in the week to Jul 26, compared with an increase of 20.6% a year earlier. The currency in circulation rose 13.2% during the week compared with an increase of 24.7% a year earlier.

Global Commodity Update

Commodities	02-Aug-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	55.15	-1.69	-19.99	20.73
Brent Crude Oil (\$/barrel)	61.15	-3.40	-16.68	12.95
Gold (\$/ounce)	1440.455	1.56	19.29	12.30
Silver (\$/ounce)	16.21	-1.08	5.94	4.72

Source: Thomson Reuters Eikon

Currencies Update

Currency	02-Aug-19	Week Ago	Year Ago
U.S. Dollar	69.58	68.87	68.62
GBP	84.45	85.26	89.32
Euro	77.23	76.62	79.48
100 Yen	65.20	63.36	61.45

Source: Thomson Reuters Eikon

Global Equity Market Performance

Country/Region	Indices	02-Aug-19	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	1623.84	-3.18	3.57	17.31
U.K.	FTSE	7,407	-1.88	-2.23	10.09
France	CAC 40	5,359	-4.48	-1.87	13.28
Germany	DAX	11,872	-4.41	-5.37	12.44
Japan	Nikkei 225	21,087	-2.64	-6.33	5.36
China	Shanghai Composite	2,868	-2.60	3.61	14.99
Hong Kong	Hang Seng	26,919	-5.21	-2.87	4.15
Singapore	Straits Times	3,261	-3.05	-0.77	6.27
Russia	RTS Index	1,293	-4.09	13.34	21.30
Brazil	Sao Paulo Se Bovespa	102,674	-0.14	28.93	16.82

Source: Thomson Reuters Eikon

Global Bond Yield Update

Indicators	02-Aug-19	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	1.86	2.08	1.98	2.99
U.K. 10 Year Bond yield (%)	0.55	0.69	0.72	1.38
German 10 Year Bond yield (%)	-0.49	-0.38	-0.37	0.46
Japan 10 Year Bond yield (%)	-0.16	-0.15	-0.13	0.12

Source: Thomson Reuters Eikon

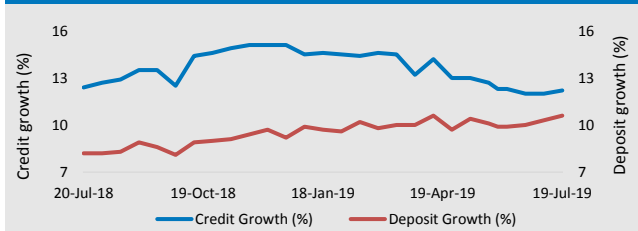
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Japan Industrial Production (YoY) (Jun)	29-Jul	-4.10%	-2.00%	-2.10%
China Manufacturing PMI (Jul)	31-Jul	49.70	49.60	49.40
Eurozone Gross Domestic Product (Yo')	31-Jul	1.10%	1.00%	1.20%
U.S. Change in Non-farm Payrolls (Jul)	2-Aug	164K	165K	193K

Source: FX Street; Thomson Reuters Eikon

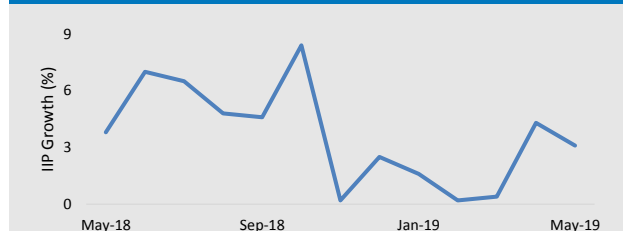
Macro Economic Performance of India

Credit growth vs Deposit growth



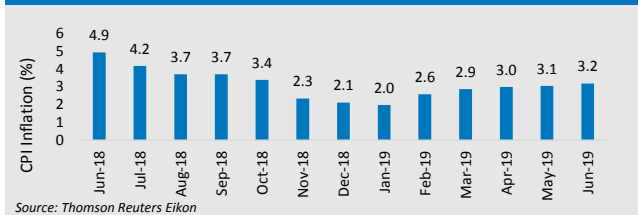
Source: Thomson Reuters Eikon

IIP Growth (%)



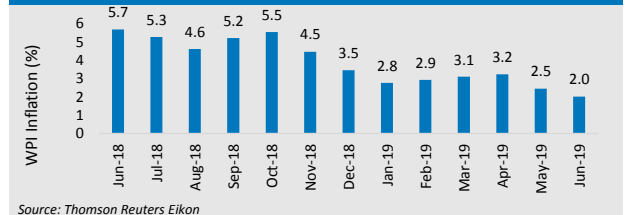
Source: Thomson Reuters Eikon

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: 0206026789 |