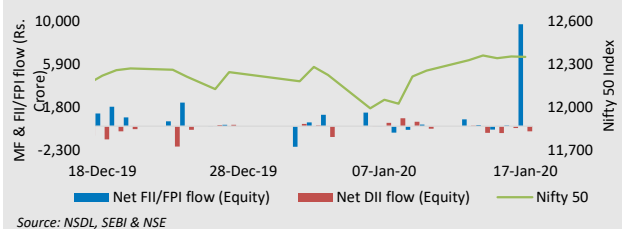


Macro Economic Release

| Indicators | Actual | Consensus | Previous |
|---------------------------------------|--------|-----------|----------|
| WPI inflation (Dec 2019) | 2.59% | 2.15% | 0.58% |
| CPI inflation (Dec 2019) | 7.35% | 6.20% | 5.54% |
| IIP growth (Nov 2019) (%) | 1.80% | -0.60% | -4.00% |
| Trade Deficit (\$ billion) (Dec 2019) | 11.25 | 11.80 | 12.12 |

Source: Thomson Reuters Eikon

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Indian Equity Market Performance

| Broad Indices | 17-Jan-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|---------------------|-----------|----------------|----------------|----------------|
| S&P BSE Sensex | 41,945 | 0.83 | 15.32 | 1.68 |
| Nifty 50 | 12,352 | 0.78 | 13.27 | 1.51 |
| S&P BSE 100 | 12,456 | 0.98 | 11.41 | 1.79 |
| Nifty 500 | 10,119 | 1.41 | 10.45 | 2.49 |
| Nifty Mid cap 50 | 4,987 | 4.15 | 2.28 | 6.07 |
| Nifty Small cap 100 | 6,288 | 3.82 | -2.36 | 7.77 |

| Sector Indices | 17-Jan-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|-------------------|-----------|----------------|----------------|----------------|
| S&P BSE AUTO | 18,901 | 2.49 | -5.45 | 2.25 |
| S&P BSE Bankex | 36,036 | -1.54 | 16.95 | -1.73 |
| S&P BSE CD | 25,834 | 3.92 | 22.87 | 3.29 |
| S&P BSE CG | 17,344 | 0.52 | -3.42 | 2.36 |
| S&P BSE FMCG | 11,922 | 3.54 | -0.17 | 4.52 |
| S&P BSE HC | 14,051 | 3.48 | -0.23 | 4.63 |
| S&P BSE IT | 16,117 | 2.26 | 10.02 | 4.15 |
| S&P BSE METAL | 10,622 | 0.68 | -4.32 | 1.86 |
| S&P BSE Oil & Gas | 14,749 | 0.88 | 9.01 | 0.03 |
| S&P BSE Power | 2,004 | 2.64 | 2.07 | 4.04 |
| S&P BSE PSU | 6,912 | -0.12 | -2.92 | -0.63 |
| S&P BSE Realty | 2,479 | 4.42 | 32.54 | 8.69 |
| S&P BSE Teck | 8,013 | 2.52 | 9.28 | 3.83 |

Source: BSE & NSE

Macro economic Update

- Consumer price index-based inflation rate increased to 7.35% in Dec 2019 from 5.54% in Nov 2019 and 2.11% in Dec 2018. The increase came on account of rising food prices and the figure is well above the Reserve Bank of India's medium target of 4%. Consumer Food Price Index increased to 14.12% in Dec 2019 from 10.01% in Nov 2019 and a decline of 2.65% in the same period of the previous year.
- India's Wholesale Price Index (WPI) based inflation increased to 2.59% in Dec 2019 from 0.58% in Nov 2019 and 3.46% during the same month of the previous year. The WPI Food Index grew from 9.02% in Nov to 11.05% in Dec. Food inflation increased to 13.24% in Dec from 11.08% in Nov.
- Government data showed that India's trade deficit narrowed to \$11.25 billion in Dec 2019 from \$14.49 billion in the same period of the previous year. India's trade deficit narrowed as exports came down for the fifth consecutive month and fell 1.80% to \$27.36 billion in Dec 2019 while imports came down at a comparative higher rate of 8.83% to \$38.61 billion in the same month.
- According to United Nations World Economic Situation and Prospects (WESP) 2020 report, global growth rate of 2.5% is expected in 2020. However, as per the report, trade tensions and geopolitical uncertainty might adversely impact the growth prospects. It expects GDP for India to be 5.7% and 6.6% as against previous expectation of 7.6% and 7.4% for FY20 and FY21, respectively.

Domestic Equity Market Update

- Indian equity markets gained in the week ended Jan 17, 2020. Encouraging industrial output data and the U.S. and China signing a phase one trade deal buoyed sentiment.
- Markets started the week with record highs on upbeat economic data and good start to the earnings season. India's industrial output grew after three months of contraction. The country's leading IT company beat expectations in its third quarter numbers.
- Investors looked forward to the Union Budget 2020-21. Some weakness was seen on news that the U.S. will maintain tariffs until the phase two deal is completed. However, the signing of the phase one deal on Jan 15, 2020, lifted sentiment.
- S&P BSE Realty was the major gainer, up 4.42%, followed by S&P BSE Consumer Durables, up 3.92% and S&P BSE FMCG, up 3.54%. S&P BSE Healthcare gained 3.48%. S&P BSE Bankex was the only loser, down 1.54%.
- The realty sector gained on hopes that the stimulus announced by the government in Nov 2019 for the sector will boost growth. The banking sector lost as the third quarter earnings season had a lukewarm start with a leading private sector bank reporting higher provisioning against bad loans.

Indian Debt Market Indicators

| Broad Indices | 17-Jan-20 | Week Ago | Month Ago | Year Ago |
|---------------|-----------|----------|-----------|----------|
| Call Rate | 5.02% | 4.99% | 5.06% | 6.39% |
| T-Repo | 4.88% | 3.35% | 4.91% | 6.48% |
| Repo | 5.15% | 5.15% | 5.15% | 6.50% |
| Reverse Repo | 4.90% | 4.90% | 4.90% | 6.25% |
| 3 Month CP | 5.80% | 5.80% | 5.40% | 7.65% |
| 1 Year CP | 6.80% | 6.80% | 6.65% | 8.70% |
| 3 Month CD | 5.62% | 5.09% | 5.09% | 7.21% |
| 1 Year CD | 6.12% | 6.09% | 5.82% | 7.91% |

Source: CCIL, Thomson Reuters Eikon * as on Jan 10, 2020; ** as on Jan 03, 2020; @ as on Dec 13, 2019; @ as on Jan 11, 2020

| Broad Indices | 17-Jan-20 | Week Ago | Month Ago | Year Ago |
|-------------------------------|-----------|----------|-----------|----------|
| 1 Year AAA Corporate Bond | 6.71% | 6.70% | 6.96% | 8.38% |
| 3 Year AAA Corporate Bond | 7.24% | 7.27% | 7.47% | 8.44% |
| 5 Year AAA Corporate Bond | 7.47% | 7.48% | 7.86% | 8.42% |
| 1 Year G-Sec | 5.48% | 5.43% | 5.57% | 6.83% |
| 3 Year G-Sec | 6.28% | 6.30% | 6.37% | 7.00% |
| 5 Year G-Sec | 6.40% | 6.40% | 6.57% | 7.34% |
| 10 Year G-Sec | 6.62% | 6.59% | 6.74% | 7.55% |
| Forex Reserve (\$ in billion) | 461.21* | 461.16** | 454.49@ | 397.35@@ |

10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

Domestic Debt Market Update

- Bond yields surged following higher-than-expected spike in retail inflation. The country's CPI came in at 7.35%, which is more than 5-year high and way beyond the RBI's tolerance limit of 4%. This further raised concerns over future policy rate cuts. In addition, fiscal worries and the quantum of government borrowings kept the market under pressure.
- However, losses were restricted on speculations of a fourth round of special open market operation by the RBI ahead of the federal budget.
- Yield on the 10-year benchmark paper (6.45% GS 2029) rose 3 bps to close at 6.62% compared with the previous week's close of 6.59% after trading in a range of 6.58% to 6.69%.
- RBI conducted auction of 6.17% GS 2021, 7.27% GS 2026, 6.45% GS 2029, 7.62% GS 2039 and 7.63% GS 2059 for notified amount of Rs. 16,000 crore. The entire amount was accepted at cut-off price of Rs. 100.58/5.7564%, Rs. 103.07/6.6560%, Rs. 98.67/6.6361%, Rs. 104.93/7.1478% and Rs. 106.31/7.1480%, respectively.
- RBI conducted auction of 91-day, 182-day and 364-day T-Bill for notified amount of Rs. 4,000 crore, Rs. 6,000 crore and Rs. 3,000 crore. The full amount was accepted at cut-off price of Rs. 98.7352 (YTM: 5.1381%), Rs. 97.4600 (YTM: 5.2267%) and Rs. 94.9800 (YTM: 5.2998%), respectively.

Weekly Market Update

17 January 2020

Global Commodity Update

| Commodities | 17-Jan-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|-----------------------------|-----------|----------------|----------------|----------------|
| NYMEX Crude Oil (\$/barrel) | 58.48 | -0.95 | 12.14 | -4.41 |
| Brent Crude Oil (\$/barrel) | 65.25 | 0.26 | 6.74 | -1.17 |
| Gold (\$/ounce) | 1556.22 | -0.37 | 20.51 | 2.58 |
| Silver (\$/ounce) | 17.9982 | -0.52 | 15.97 | 0.94 |

Source: Thomson Reuters Eikon

Currencies Update

| Currency | 17-Jan-20 | Week Ago | Year Ago |
|-------------|-----------|----------|----------|
| U.S. Dollar | 71.06 | 70.95 | 71.05 |
| GBP | 92.46 | 92.65 | 92.25 |
| Euro | 78.81 | 78.90 | 80.94 |
| 100 Yen | 64.33 | 64.60 | 65.03 |

Source: Thomson Reuters Eikon

Global Equity Market Performance

| Country/Region | Indices | 17-Jan-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|----------------|----------------------|-----------|----------------|----------------|----------------|
| U.S. | Russell 1000 | 1840.01 | 1.98 | 26.10 | 3.13 |
| U.K. | FTSE | 7,675 | 1.14 | 12.28 | 1.75 |
| France | CAC 40 | 6,101 | 1.05 | 27.25 | 2.05 |
| Germany | DAX | 13,526 | 0.32 | 23.88 | 2.09 |
| Japan | Nikkei 225 | 24,041 | 0.80 | 17.84 | 1.63 |
| China | Shanghai Composite | 3,075 | -0.54 | 20.15 | 0.83 |
| Hong Kong | Hang Seng | 29,056 | 1.46 | 8.60 | 3.07 |
| Singapore | Straits Times | 3,281 | 0.77 | 2.07 | 1.81 |
| Russia | RTS Index | 1,638 | 1.43 | 41.54 | 5.73 |
| Brazil | Sao Paulo Se Bovespa | 118,478 | 2.58 | 24.25 | 2.45 |

Source: Thomson Reuters Eikon

Global Bond Yield Update

| Indicators | 17-Jan-20 | Week ago | Month ago | Year ago |
|-------------------------------|-----------|----------|-----------|----------|
| U.S. 10 Year Bond yield (%) | 1.84 | 1.87 | 1.89 | 2.75 |
| U.K. 10 Year Bond yield (%) | 0.63 | 0.77 | 0.76 | 1.31 |
| German 10 Year Bond yield (%) | -0.21 | -0.23 | -0.29 | 0.24 |
| Japan 10 Year Bond yield (%) | 0.00 | 0.00 | -0.01 | 0.01 |

Source: Thomson Reuters Eikon

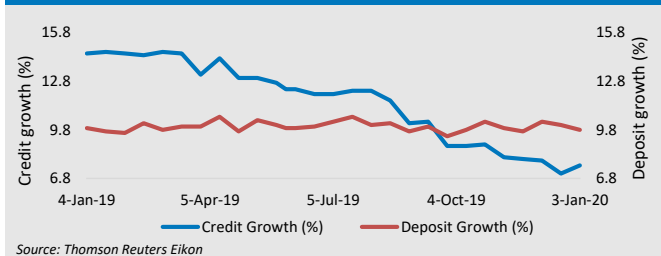
Global Economic Calendar

| Economic Events | Release date | Actual | Consensus | Previous |
|---|--------------|-----------|-----------|-----------|
| U.K. Industrial Prod. (MoM) (Nov) | 13-Jan | -1.20% | -0.10% | 0.40% |
| China Trade Balance USD (Dec) | 14-Jan | \$46.79 B | \$48 B | \$37.93 B |
| Eurozone Ind. Prod. (MoM) (Nov) | 15-Jan | 0.20% | 0.30% | -0.90% |
| China Gross Domestic Product (YoY) (Q4) | 17-Jan | 6.00% | 6.00% | 6.00% |

Source: FX Street; Thomson Reuters Eikon

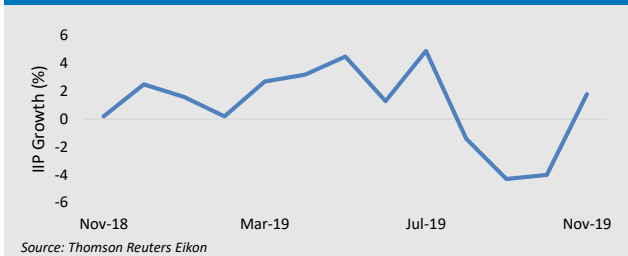
Macro Economic Performance of India

Credit growth vs Deposit growth



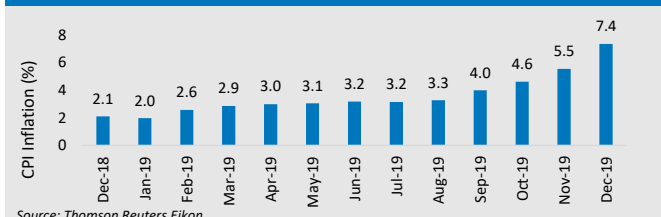
Source: Thomson Reuters Eikon

IIP Growth (%)



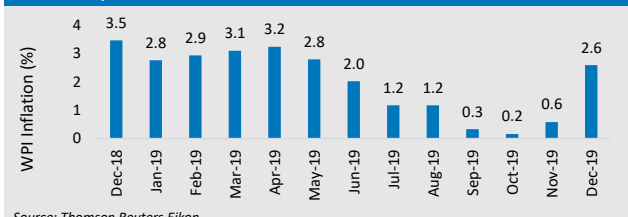
Source: Thomson Reuters Eikon

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 |