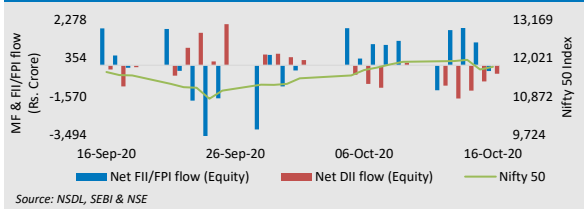


## Macro Economic Release

| Indicators                            | Actual | Consensus | Previous |
|---------------------------------------|--------|-----------|----------|
| Imports (\$ billion) (Sep 2020)       | 30.31  | NA        | 29.47    |
| Exports (\$ billion) (Sep 2020)       | 27.58  | NA        | 22.70    |
| Trade Deficit (\$ billion) (Sep 2020) | 2.72   | 3.30      | 6.77     |
| CPI Inflation (Sep 2020)              | 7.34%  | 6.88%     | 6.69     |

Source: Refinitiv

## FI and DI Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

| Broad Indices       | 16-Oct-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|---------------------|-----------|----------------|----------------|----------------|
| S&P BSE Sensex      | 39,983    | -1.30          | 3.59           | -3.08          |
| Nifty 50            | 11,762    | -1.27          | 2.60           | -3.34          |
| S&P BSE 100         | 11,815    | -1.43          | 2.38           | -3.45          |
| Nifty 500           | 9,626     | -1.27          | 3.71           | -2.49          |
| Nifty Mid cap 50    | 4,614     | -2.48          | 7.91           | -1.86          |
| Nifty Small cap 100 | 5,839     | -0.63          | 7.57           | 0.08           |

| Sector Indices    | 16-Oct-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|-------------------|-----------|----------------|----------------|----------------|
| S&P BSE AUTO      | 18,007    | -2.34          | 4.66           | -2.59          |
| S&P BSE Bankex    | 26,681    | -1.05          | -17.31         | -27.24         |
| S&P BSE CD        | 24,313    | -0.98          | -6.73          | -2.79          |
| S&P BSE CG        | 13,622    | -1.32          | -24.72         | -19.61         |
| S&P BSE FMCG      | 10,985    | -0.88          | -6.06          | -3.69          |
| S&P BSE HC        | 19,916    | -1.90          | 60.63          | 48.31          |
| S&P BSE IT        | 21,839    | -0.76          | 42.47          | 41.12          |
| S&P BSE METAL     | 8,205     | -0.24          | -7.74          | -21.32         |
| S&P BSE Oil & Gas | 11,905    | -2.20          | -21.02         | -19.26         |
| S&P BSE Power     | 1,616     | -0.83          | -15.79         | -16.13         |
| S&P BSE PSU       | 4,458     | -2.26          | -32.70         | -35.90         |
| S&P BSE Realty    | 1,696     | -0.24          | -14.02         | -25.64         |
| S&P BSE Teck      | 9,881     | -1.56          | 31.14          | 28.04          |

Source: BSE & NSE

## Macro economic Update

- According to the data released by the National Statistical Office, consumer price index based inflation accelerated to 8-month high at 7.34% YoY in Sep 2020 from 6.69% in Aug 2020 and 3.99% in Sep 2019 mainly on account of higher food prices. Consumer Food Price Index (CFPI) rose to 10.68% YoY during the reported period from 9.05% in the prior month due to spurt in vegetable prices.
- Index of Industrial production (IIP) contracted 8% YoY in Aug 2020, worse than 1.4% in Aug 2019 mainly due to plunge in manufacturing. Manufacturing, Mining and power generation sectors fell 27.9%, 18.2% and 10.4%, respectively during the reported period. Industrial production during Apr-Aug 2020 stood contracted 25% compared to a growth of 2.4% in the same period of the previous year.
- India's trade deficit plunged to \$2.72 billion in in Sep 2020 from \$11.67 billion in the year-ago period due to fall in imports and also rise in exports. Exports increased 5.99% YoY to \$27.58 billion while imports fell 19.60% to \$30.31 billion in Sep 2020. Oil and non-oil imports plummeted 35.88% YoY and 14.43% to \$5.83 billion and \$24.48 billion, respectively.
- Wholesale price index-based inflation rate accelerated for the second consecutive month and stood at 1.32% YoY in Sep 2020 from 0.16% in the prior month due to surge in food inflation.

## Domestic Equity Market Update

- Indian equity markets settled for the week with modest losses. Initial positive vibes were generated after government announced a host of stimulus measures to boost consumer demand. The government announced to shore up investment by spending extra Rs. 25,000 crore (\$3.41 billion) on roads, ports and defence projects, and offering Rs. 12,000 crore in interest-free 50-year loans to state governments for spending on infrastructure before Mar 31, 2021.
- Nonetheless, gains were largely erased as official data showed consumer inflation increased to 7.34% in Sep, the highest level recorded since Jan, as food prices surged ahead of the festival season. The data remained well above the upper end of the RBI's target range, supporting markets' expectation that the central bank may keep key policy rates on hold for the time being. Meanwhile, investors awaited more corporate earnings report from large cap companies for cues.
- Weak global cues also forced domestic bourses to give up gains after a record number of new coronavirus infections in parts of Europe led investors to shift away from risky assets to traditional safe havens such as gold and the Japanese yen. Fading hope of U.S. stimulus prior to Presidential election in Nov too contributed to the weakness.
- On the BSE sectoral front, all the major sectors closed in the red. S&P BSE Auto was the major loser, down 2.34%, followed by S&P BSE Oil & Gas and S&P BSE Healthcare, which slipped 2.20% and 1.90%, respectively.

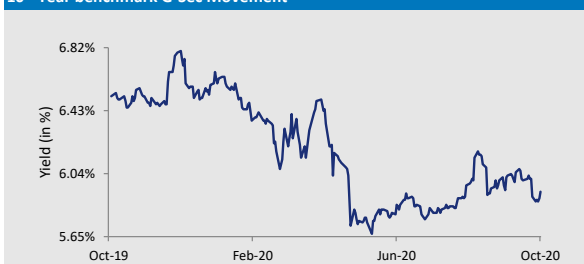
## Indian Debt Market Indicators

| Broad Indices | 16-Oct-20 | Week Ago | Month Ago | 6 Months Ago | Year Ago |
|---------------|-----------|----------|-----------|--------------|----------|
| Call Rate     | 3.36%     | 3.39%    | 3.43%     | 4.24%        | 5.05%    |
| T-Repo        | 3.05%     | 3.21%    | 3.22%     | 3.54%        | 4.73%    |
| Repo          | 4.00%     | 4.00%    | 4.00%     | 4.40%        | 5.15%    |
| Reverse Repo  | 3.35%     | 3.35%    | 3.35%     | 4.00%        | 4.90%    |
| 3 Month CP    | 3.40%     | 3.50%    | 3.55%     | 6.45%        | 5.80%    |
| 1 Year CP     | 4.35%     | 4.45%    | 4.50%     | 6.80%        | 6.95%    |
| 3 Month CD    | 3.25%     | 3.36%    | 3.29%     | 4.65%        | 5.57%    |
| 1 Year CD     | 3.77%     | 3.74%    | 3.95%     | 5.29%        | 5.97%    |

Source: CCL, Refinitiv \* As on Oct 09, 2020; \*\* As on Oct 02, 2020; @ As on Sep 11, 2020; @@ As on Apr 10, 2020; @@@ As on Oct 11, 2019

| Broad Indices                 | 16-Oct-20 | Week Ago | Month Ago | 6 Months Ago | Year Ago  |
|-------------------------------|-----------|----------|-----------|--------------|-----------|
| 1 Year AAA Corporate Bond     | 5.33%     | 5.48%    | 5.27%     | 5.99%        | 6.69%     |
| 3 Year AAA Corporate Bond     | 5.57%     | 5.60%    | 5.82%     | 6.59%        | 7.25%     |
| 5 Year AAA Corporate Bond     | 6.62%     | 6.68%    | 6.70%     | 7.25%        | 7.50%     |
| 1 Year G-Sec                  | 3.53%     | 3.57%    | 3.69%     | 4.36%        | 5.57%     |
| 3 Year G-Sec                  | 4.79%     | 4.76%    | 4.97%     | 5.20%        | 5.94%     |
| 5 Year G-Sec                  | 5.27%     | 5.20%    | 5.36%     | 5.74%        | 6.32%     |
| 10 Year G-Sec                 | 5.94%     | 5.94%    | 5.99%     | 6.44%        | 6.66%     |
| Forex Reserve (\$ in billion) | 551.51*   | 545.64** | 541.66@   | 476.48@@     | 439.71@@@ |

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Initially, bond yields fall after slew of measures announced by the Reserve Bank of India (RBI) last week on Oct 9 continued to support buying for duration papers. However, at the end, gains reversed as market sentiment remained cautious after the government increased its borrowing by Rs. 1.10 lakh crore for current fiscal year.
- Yield on the 10-year benchmark paper (5.77% GS 2030) remained unchanged at 5.94% compared to the previous week's close after moving in a range of 5.89% to 5.95%.
- Data from RBI showed that reserve money increased at an annualised rate of 13.9% in the week to Oct 09, 2020, compared with an increase of 13.5% a year earlier. The currency in circulation rose 21.3% during the week compared with an increase of 13.8% a year earlier.

## Global Commodity Update

| Commodities                 | 16-Oct-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|-----------------------------|-----------|----------------|----------------|----------------|
| NYMEX Crude Oil (\$/barrel) | 40.34     | -0.27          | -23.76         | -34.06         |
| Brent Crude Oil (\$/barrel) | 42.79     | 0.16           | -27.54         | -35.19         |
| Gold (\$/ounce)             | 1,898.97  | -1.58          | 27.50          | 25.18          |
| Silver (\$/ounce)           | 24.17     | -3.78          | 38.99          | 35.56          |

Source: Refinitiv

## Currencies Update

| Currency    | 16-Oct-20 | Week Ago | Month ago | 6 Months Ago | Year Ago |
|-------------|-----------|----------|-----------|--------------|----------|
| U.S. Dollar | 73.44     | 73.01    | 73.53     | 76.79        | 71.35    |
| GBP         | 94.82     | 95.25    | 95.33     | 95.64        | 91.54    |
| Euro        | 86.05     | 86.33    | 86.87     | 83.20        | 78.99    |
| 100 Yen     | 69.64     | 69.13    | 70.06     | 71.12        | 65.59    |

Source: Refinitiv

## Global Equity Market Performance

| Country/Region | Indices              | 16-Oct-20 | % Change (WoW) | % Change (YoY) | % Change (YTD) |
|----------------|----------------------|-----------|----------------|----------------|----------------|
| U.S.           | Russell 1000         | 1,947.02  | 0.21           | 17.98          | 9.13           |
| U.K.           | FTSE                 | 5,920     | -1.61          | -17.42         | -21.52         |
| France         | CAC 40               | 4,936     | -0.22          | -13.36         | -17.43         |
| Germany        | DAX                  | 12,909    | -1.09          | 1.89           | -2.57          |
| Japan          | Nikkei 225           | 23,411    | -0.89          | 4.17           | -1.04          |
| China          | Shanghai Composite   | 3,336     | 1.96           | 12.01          | 9.38           |
| Hong Kong      | Hang Seng            | 24,387    | 1.11           | -8.54          | -13.49         |
| Singapore      | Straits Times        | 2,533     | 0.00           | -19.19         | -21.40         |
| Russia         | RTS Index            | 1,133     | -2.71          | -15.93         | -26.87         |
| Brazil         | Sao Paulo Se Bovespa | 98,309    | 0.85           | -6.75          | -14.99         |

Source: Refinitiv

## Global Bond Yield Update

| Indicators                    | 16-Oct-20 | Week ago | Month ago | 6 Months Ago | Year ago |
|-------------------------------|-----------|----------|-----------|--------------|----------|
| U.S. 10 Year Bond yield (%)   | 0.74      | 0.78     | 0.69      | 0.61         | 1.75     |
| U.K. 10 Year Bond yield (%)   | 0.19      | 0.28     | 0.21      | 0.30         | 0.72     |
| German 10 Year Bond yield (%) | -0.62     | -0.53    | -0.48     | -0.48        | -0.39    |
| Japan 10 Year Bond yield (%)  | 0.02      | 0.03     | 0.01      | 0.00         | -0.16    |

Source: Refinitiv

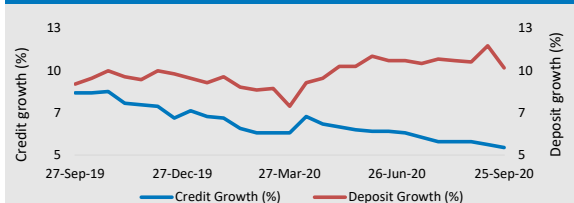
## Global Economic Calendar

| Economic Events                           | Release date | Actual  | Consensus | Previous |
|---|--------------|---------|-----------|----------|
| Japan Machine Tool Orders (YoY)(Sep) PREL | 12-Oct       | -14.98% | --        | -23.3%   |
| U.S. CPI MM, SA Sep 2020                  | 13-Oct       | 0.20%   | 0.20%     | 0.40%    |
| U.S. PPI Final Demand YY Sep 2020         | 14-Oct       | 0.40%   | 0.20%     | -0.20%   |
| U.S. Initial Jobless Claims W 10 Oct      | 15-Oct       | 898 K   | 825K      | 845K     |

Source: FX Street; Refinitiv

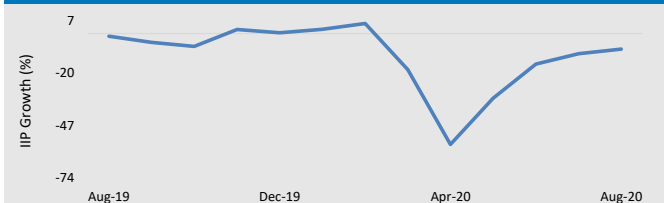
## Macro Economic Performance of India

### Credit growth vs Deposit growth



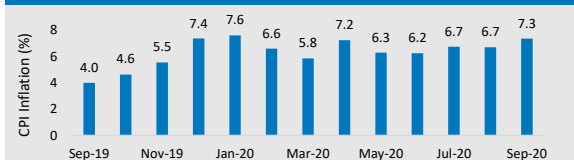
Source: Refinitiv

### IIP Growth (%)



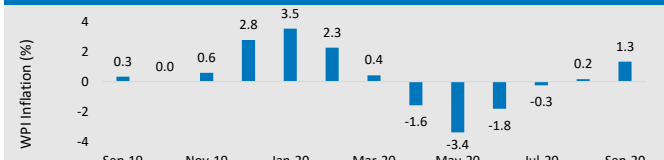
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

**ICRA Analytics Disclaimer:** All information contained herein is obtained by ICRA Analytics Ltd 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. ICRA Analytics Ltd adopts all necessary measures so that the information it uses is of sufficient quality and from sources ICRA Analytics Ltd considers to be reliable including, when appropriate, independent third-party sources. However, ICRA Analytics Ltd 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 Analytics Ltd 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 Analytics Ltd 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 Analytics Ltd 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](mailto:customercare@bajajallianz.co.in) | Call on : Toll free no. 1800 209 7272 | Fax No: 02060626789