

April 17, 2018

## Equity Market Update

Indian Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
S&P BSE Sensex	34305	0.33	3.40	36444	29241	23.62
Nifty 50	10528	0.46	3.27	11172	9075	26.13
S&P BSE Midcap	16734	0.34	3.18	18321	13995	38.70
S&P BSE 100	10933	0.43	3.34	11595	9414	23.47
S&P BSE 200	4628	0.50	3.56	4894	3973	24.67
Nifty Midcap 100	19834	0.80	4.09	28895	17039	53.26
Nifty 500	9311	0.47	3.41	10208	7983	31.05

Sector Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
S&P BSE Auto	25537	0.33	5.49	27031	21760	24.86
S&P BSE Metal	14096	0.00	1.27	16121	10736	24.08
S&P BSE Oil	14645	-0.14	-2.34	16727	13097	12.10
S&P BSE Healthcare	13831	1.11	2.41	15544	12513	35.86
S&P BSE IT	12682	-0.78	2.96	13126	9571	18.47
S&P BSE CD	22798	-0.21	4.67	24238	15123	47.74
S&P BSE PSU	7946	-0.06	-0.56	9657	7607	19.66
S&P BSE FMCG	10734	0.96	4.23	11047	9175	41.25
S&P BSE CG	19220	0.44	4.64	20883	16719	31.21
Nifty Bank	25321	NA	3.39	27652	21386	31.10
S&P BSE Realty	2323	1.82	-2.57	2828	1720	25.83

Global Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
Dow Jones	24573	0.87	-1.50	26617	20380	21.05
S&P 500	2678	0.81	-2.70	2873	2333	22.13
Nasdaq	7156	0.70	-4.35	7637	5818	21.60
FTSE 100	7198	-0.91	0.48	7793	6867	12.82
CAC 40	5313	-0.04	0.57	5567	4980	15.19
DAX	12391	-0.41	0.01	13597	11727	13.46
Nikkei	21836	0.26	0.73	24129	18225	15.73
Hang Seng	30316	-1.60	-3.77	33484	23724	12.43
Shanghai Comp.	3111	-1.53	-4.87	3587	3017	13.68

F&O Trends	Px Last	Previous	Change %
Near Futures	10,542.90	10,490.40	0.50
Near Basis	14.55	9.80	48.47
Mid Futures	10,571.00	10,519.20	0.49
Mid Basis	42.65	38.55	10.64
Near Open Interest (Cr.)	2.57	2.55	0.91
Mid Open Interest (Cr.)	0.17	0.16	4.48
Rollover (%)	6.82	6.58	3.60

Volatility	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
CBOE VIX	16.56	-4.88	4.81	50.30	8.56
Nifty VIX	14.26	-2.06	-6.31	24.04	8.76

Fund Flow				
Amount in Rs. Crore				
Nature	Gross Pur.	Gross Sale	Net	YTD
<b>FIs</b>				
Equity	4629.83	4713.75	-83.92	13230.23
Debt	2106.10	1141.09	965.01	4125.54
<b>MF<sup>1</sup></b>				
Equity	2841.74	2242.87	598.87	38743.92
Debt	6933.21	5567.75	1365.46	132975.81

<sup>1</sup> As on 13th April 2018

## Indian Equity Market

- Indian equity markets closed higher as investors' sentiment got a boost after India's wholesale inflation eased to an eight-month low in Mar 2018. Also, the continued optimism over the last week's five-month low retail inflation data for Mar 2018 added to the gains. However, decline in information technology stocks amid fall in stock of an Information technology major capped the gains. Forecast of operating margins for FY19 by the IT major came in below market expectations. Additionally, soft Asian markets due to tensions between the U.S. and Russia over Syria weighed on market sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.33% and 0.46%, respectively to close at 34,305.43 and 10,528.35. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 0.34% and 0.56%, respectively.

## Indian Economy

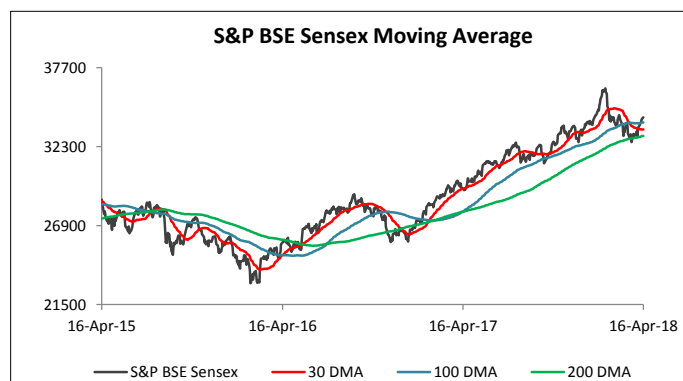
- Government data showed that India's Wholesale Price Index-based inflation (WPI) slowed to an eight-month low of 2.47% in Mar 2018 from a provisional 2.48% in the previous month and 5.11% YoY. Wholesale inflation grew at a slower pace due to decline in prices of pulses and fibre. Significant slowdown in fuel & power prices also helped ease inflation. The WPI Food Index also decreased to -0.07% in Mar 2018 to 0.07% in Feb 2018.
- According to the new guidelines issued by the Personnel Ministry, government employees shall be allowed to go abroad during the child care leave. Also, during this period, the employees they would be allowed to take the advantage of Leave Travel Concession (LTC).

## Global Equity Market

- As per the last close, U.S markets ended higher amid optimism over strong corporate results from a couple of the U.S majors and strong retail sales growth for Mar 2018.
- As per the last close, European markets ended lower as investors remained cautious after coalition airstrikes in Syria. Also, reports that U.S. has revealed that it will be imposing new economic sanctions on Russia weighed on the market sentiment.
- Asian markets largely remained weak amid geopolitical tension following U.S.-led airstrikes on Syria over the last weekend. Chinese markets fell on concerns that growing risks in financial system could weigh on economic growth outlook of the nation. Today (As of Apr 17), Asian markets opened lower as investors remained cautious ahead of release of China's industrial production and other key economic data.

## Indian Derivative Market

- Nifty Apr 2018 Futures were at 10,542.90 points, a premium of 14.55 points, over the spot closing of 10,528.35. The turnover on NSE's Futures and Options segment went down from Rs. 5,78,452.57 crore on Apr 13 to Rs. 5,16,837.82 crore on Apr 16.
- The Put-Call ratio stood at 1.05 against previous session's close of 1.00.
- The Nifty Put-Call ratio stood at 1.66 against the previous session's close of 1.63.
- India VIX moved up 0.51% to 14.2125 from 14.1400 in the previous trading session.
- Open interest on Nifty Futures stood at 27.57 million as against the previous session's close of 27.25 million.



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## Debt Market Update

Policy Rates (%)	16-Apr-18	Wk Ago	Mth Ago	Yr Ago
Reverse Repo	5.75	5.75	5.75	6.00
Repo	6.00	6.00	6.00	6.25
CRR	4.00	4.00	4.00	4.00
SLR	19.50	19.50	19.50	20.50
Bank Rate	6.25	6.25	6.25	6.50

Daily Rates (%)	16-Apr-18	Wk Ago	Mth Ago	Yr Ago
FBIL MIBOR	6.00	6.00	5.99	6.10
CALL	5.93	5.91	5.97	5.96
CBLO	5.91	5.87	5.29	4.86
OIS- 1 Yr	6.46	6.37	6.45	6.43
OIS- 5 Yr	6.80	6.70	6.80	6.68

Liquidity Indicators (in Rs. Cr.)	16-Apr-18	Wk Ago	Mth Ago	Yr Ago
Govt Securities	32,900	45,982	40,873	47,042
Call Money	17,084	21,297	27,304	15,676
CBLO	107,244	115,882	73,980	63,557
LAF	8,610	-18,932	-9,424	-24,892
Treasury Bills	744	1,170	2,160	2,073

Top 5 Traded G-Sec	Maturity	Yield %		Change %
		Closing	Previous	
07.17 GS 2028	08-Jan-28	7.49	7.43	0.75
06.68 GS 2031	17-Sep-31	7.72	7.66	0.78
06.79 GS 2027	15-May-27	7.66	7.60	0.68
08.20 GS 2022	15-Feb-22	7.33	7.31	0.21
07.16 GS 2023	20-May-23	7.45	7.40	0.60

Certificate of Deposit (%)	16-Apr-18	Wk Ago	Mth Ago	Yr Ago
3-Month	6.63	6.70	6.69	6.35
6-Month	6.89	6.84	7.08	6.53
9-Month	7.22	7.17	7.17	6.61
12-Month	7.28	7.05	7.26	6.70

Commercial Paper (%)	16-Apr-18	Wk Ago	Mth Ago	Yr Ago
3-Month	6.90	6.85	7.31	6.73
6-Month	7.35	7.30	7.64	6.98
9-Month	NA	NA	7.73	7.09
12-Month	7.55	7.50	7.83	7.21

Govt. Borrowing Program	Scheduled (Amt in Rs. Cr.)	Completed	Cut-off YTM
7.37% GS 2023	3,000	3,000	7.37%
6.68% GS 2031	4,000	4,000	7.75%
7.73% GS 2034	2,000	2,000	7.72%
7.06% GS 2046	3,000	3,000	7.72%

Key Indicators	
GDP (Q3 FY'18)	7.20%
Manufacturing PMI (Feb'18)	52.10
Current Account Deficit (Q3 of FY18, in \$ Billion)	13.50
Fiscal Deficit (FY 2017, as a % of GDP)	3.50%
Credit Growth (Mar 30 2018)	10.32%
Deposit Growth (Mar 30 2018)	6.67%

## Indian Debt Market

- Bond yields rose as higher U.S. Treasury yields and geopolitical tensions weighed on the domestic debt market.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 6 bps to close at 7.49% from the previous close of 7.43%. During the session, bond yields traded in the range of 7.40% and 7.49%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 8,610 crore (gross) on Apr 16 compared with Rs. 4,585 crore on Apr 13. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 32,599 crore on Apr 13.
- Banks borrowed Rs. 1,380 crore under the central bank's Marginal Standing Facility on Apr 13 compared with no borrowing on Apr 12.
- RBI conducted a 7-day variable rate reverse repo auction for a notified amount of Rs. 35,000 crore for which Rs. 1,333 crore was allotted at a cut-off rate of 5.99%.
- The auction to be held on Apr 17 has been revised by the RBI and will be of eight state government securities for a notified amount of Rs. 8,850 crore. Gujarat will have an option to retain additional Rs. 300 crore under green shoe.

## Spread Analysis

- Yields on gilt securities increased across maturities by up to 23 bps, barring 7- and 19-year papers that remained flat. Highest rise was seen on 12-year paper.
- Corporate bond yields rose across curve in the range of 2 to 8 bps. Yield rose the most on 3- and 4-year papers and the least on 15-year paper.
- Spread between AAA corporate bond and gilt expanded on 1 to 5 years' papers and 7-year paper by up to 7 bps, while it remained flat on 8- and 9-year papers. Spread on remaining securities contracted in the range of 8 to 18 bps.

## Govt. Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
	(Amt in Rs. Cr.)		
Week: Apr 09 - 13	12,000	12,000	100.00%
Month: Apr 2018	48,000	12,000	25.00%
H1: Apr'18-Sep'18	288,000	12,000	4.17%

## Maturity Bucket Wise Govt. Borrowing

Description	Scheduled Q1'19	Completed Q1'19
5 to 9 Yrs	33.33%	6.25%
10 to 14 Yrs	29.17%	8.33%
Long Dated (above 14 Yrs)	37.50%	8.33%

## Upcoming Issuances

Name	Tenure	Amt in Rs. Cr.
Treasury Bills	91-Days	7,000
Treasury Bills	182-Days	4,000
Treasury Bills	364-Days	4,000

## Corporate Bond Spread Matrix (in bps)\*

Period	AAA	AA+	AA
1 Yr	77.30	71.30	90.30
3 Yr	45.30	78.30	96.30
5 Yr	31.20	47.20	70.20
10 Yr	27.90	49.90	68.90

\* As on 28 Mar 2018

Key Indicators	Current	Previous
WPI (Mar'18)	2.47%	2.48%
CPI (Mar'18)	4.28%	4.44%
IIP (Feb'18)	7.10%	7.40%
Trade Deficit (In \$ billion-Mar18)	-13.69	-12.00

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## Commodity Market Update

International Commodities	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
Gold (\$/oz)	1346	0.04	2.48	1358	1213
Silver (\$/oz)	17	-0.10	1.85	18	16
NYMEX Crude(\$/bbl)	66	-1.66	6.26	67	42
Brent Crude(\$/bbl)	72	-1.53	12.70	74	43
Baltic Dry Index	1025	1.08	-10.32	1743	818
RJ/CRB Index	200	-0.08	2.62	201	167

Indian Commodities	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
Gold (10 gm)	31,049	0.57	2.48	31,121	27,719
Silver (1 kg)	38,736	0.65	1.99	42,454	35,660
Crude Oil (1 bbl)	4,395	0.27	10.62	4,395	2,748
Natural Gas (1 mmbtu)	178	1.65	2.47	223	164
Aluminium (1 kg)	154	1.78	15.01	154	120
Copper (1 kg)	442	0.06	-1.37	468	134
Nickel (1 kg)	926	1.37	3.91	926	561
Lead (1 kg)	153	0.92	-2.20	172	131
Zinc (1 kg)	204	0.17	-4.32	232	157
Mentha Oil (1 kg)	1,545	0.77	10.10	2,158	993
Cotton (1 bales)	20,060	0.60	1.57	20,880	18,060

### MF Schemes Category-wise Performance (%)

Category-Equity	1 Week	1 Month	6 Month	1 Year	3 Year	5 Year
Large Cap	0.85	3.32	2.16	12.20	7.50	15.61
Small/Mid Cap	0.68	3.93	5.80	16.93	14.12	27.28
Diversified	0.77	3.26	3.15	14.08	9.13	17.76
Balanced	0.44	2.50	2.91	11.60	8.55	16.30
Banking	0.65	4.45	1.00	12.86	12.03	16.90
FMCG	0.68	4.55	11.31	24.51	13.66	17.88
Pharma	1.94	2.16	0.82	-5.06	-3.92	14.28
Technology	3.50	0.85	22.65	35.53	7.74	19.86
Infrastructure	0.16	2.65	3.83	14.13	10.13	18.88
Gold Funds	1.82	2.60	3.63	4.04	3.92	2.61
Nifty 50	1.44	3.27	2.91	14.92	6.53	13.09
S&P BSE Sensex	1.53	3.40	5.12	16.30	6.16	12.84
S&P BSE 500	1.17	3.32	3.73	15.91	9.04	15.73
S&P BSE Midcap	0.67	3.18	4.26	16.46	15.02	22.11
CRISIL Hybrid 35+65 - Aggressive	0.53	2.77	2.82	12.78	9.43	13.97

Less than 1 yr return are absolute and greater than 1 yr returns are CAGR

Category-Debt	1 Week	1 Month	6 Month	1 Year	SI
Liquid	6.43	7.29	6.51	6.52	7.31
Ultrashort Bond	1.84	7.97	6.06	6.68	7.61
Short-T Bond	-7.99	8.81	4.22	6.01	7.97
Long-T Bond	-18.92	10.79	2.79	5.37	8.04
Long T Govt Sec	-52.35	15.57	-1.74	2.91	7.96
Crisil Liquid	6.41	7.28	6.89	6.86	6.80
Crisil ST Bond	-6.88	9.38	4.61	6.17	7.23
Crisil Composite	-47.07	12.61	0.77	4.90	7.00
NSE G-Sec Comp	--	--	--	--	--

Less than 1 yr return are simple annualised and greater than 1 yr returns are CAGR

## Commodity Market

- Gold prices traded higher, backed by strong safe haven appeal, amid ongoing geopolitical tension between the U.S. and Russia. Meanwhile, investors remained watchful as U.S. could announce a fresh round of economic sanctions on Russia owing to its involvement in Syria's use of chemical weapons. Gold prices were last seen trading at \$1,348.30 per ounce, compared with the previous close of \$1,345.01 per ounce.
- Brent crude prices fell 1.53% following growing concerns over U.S. shale production. Data from Baker Hughes showed that U.S. drillers added seven oil rigs in the week to Apr 13, bringing the total count to 815, the highest number since Mar 2015. Oil prices were last seen trading at \$72.49 per barrel, compared with the previous close of \$73.62 per barrel.

## International Market Update

- According to preliminary report from the University of Michigan, U.S. consumer sentiment index fell more than expected to 97.8 for Apr 2018 compared to the final reading of 101.4 in Mar 2018. The decline was partly due to a notable drop of the current economic conditions index to 115.0 in Apr from 121.2 in Mar and fall in index of consumer expectations to 86.8 in Apr from 88.8 in the previous month.
- According to data from Destatis, Germany's manufacturing employment rose 2.7% MoM to 5.6 million at the end of Feb 2018. The number of hours worked rose 1.4% annually to EUR 703 million and earnings rose 4.2% to EUR 22.1 billion.
- According to report from Destatis, Germany's wholesale prices grew 1.2% YoY in Mar 2018, the same rate of increase seen in Feb 2018. On a monthly basis, wholesale prices stood steady following 0.3% fall in Feb.

## Mutual Fund & Insurance Update

- According to media reports, a survey by the Chartered Financial Analyst (CFA) Institute showed that Independent Financial Advisors (IFAs) are the most trusted source of information for retail investors. A total of 3,127 retail investors and 829 institutional investors worldwide, including 100 retail investors and 84 institutional investors from India participated in the survey. Out of the seven sources of information for retail investors, 65% of the participants considered their personal financial advisor as the most trusted source, followed by friends and family (10%), online research (8%), academic experts and books (4%) and investment newsletters (4%). The survey result can be attributed to accessibility and transparency in advisory practices.
- Pursuant to Securities and Exchange Board of India's (SEBI) circular dated Oct 6, 2017, and Dec 4, 2017, on categorization and rationalization of mutual fund schemes, Aditya Birla Sun Life Trustee Private Limited (Trustee to Aditya Birla Sun Life Mutual Fund) has approved to modify certain features of the schemes with effect from May 21, 2018.
- Pursuant to SEBI circular dated Oct 6, 2017, and Dec 4, 2017, on categorization and rationalization of mutual fund schemes, SBI Mutual Fund has announced modification of certain features of the schemes with effect from May 21, 2018.

## Dividend Update

- HDFC Mutual Fund has announced Apr 19 as the record date for declaration of dividend under the normal and monthly dividend options of HDFC Arbitrage Fund - Wholesale Plan. The rate of dividend is Re. 0.05 per unit.
- Aditya Birla Sun Life Mutual Fund has announced Apr 20 as the record date for declaration of dividend under the dividend option of Aditya Birla Sun Life Enhanced Arbitrage Fund. The rate of dividend is Re. 0.055 per unit.

## NFO Update

- SBI Mutual Fund has announced to launch SBI Long Term Advantage Fund – Series VI, a 10 year closed ended ELSS fund. The NFO has open on Apr 11, 2018 and will close on July 10, 2018. The minimum investment amount is Rs. 500 and will have two plans - Regular and Direct.

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## Currency Market Update

### Currency Spot

Currency	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
USD/INR	65.49	1.70	0.86	65.89	63.24
EUR/INR	81.03	0.72	1.48	81.12	68.25
YEN(100)/INR	61.10	0.54	-0.33	62.23	55.87
SGD/INR	49.95	0.49	1.31	43206.00	1.07
EUR/USD	1.24	0.40	0.74	43206.00	1.26
GBP/USD	1.43	0.67	2.84	43206.00	1.31
JPY/USD	0.01	0.21	-1.03	0.01	0.01
SGD/USD	0.76	0.14	0.56	0.00	0.01

### Currency Futures (MCX-SX)

Currency	Closing	Chg % 1 Day	Open Interest	Chg % 1 Day
USD/INR	65.55	0.40	65,538	18.18
EUR/INR	81.03	0.71	1,119	0.45
GBP/INR	93.78	0.71	1,345	5.66
JPY/INR	61.14	0.78	24	4.35

RBI Reference rate	Current	Previous	Chg % 1 Day
USD	65.45	65.22	0.34
GBP	93.28	92.77	0.54
EURO	80.74	80.34	0.49
100 Yen	61.02	60.64	0.63

## Currency Update

- The Indian rupee weakened and touched more than 6-month low against the U.S. dollar as risk appetite dampened, pulled by uncertainty around U.S. trade policies. Greenback demand from importers increased losses. The rupee fell 0.44% to close at 65.49 per dollar from the previous close of 65.20.
- Euro rose against the U.S dollar on growing signs of relief that a U.S.-led strike on Syria would not escalate further at a time when concerns over a trade war has upset global markets. Euro was trading at \$1.2386 compared with the previous close of \$1.2329.

## Global Economy

- According to Rightmove, U.K.'s house prices rose 0.4% MoM in Apr 2018 following 1.5% rise in Mar 2018. On YoY basis, house prices rose 1.6% in Apr following 2.1% rise in the previous month.
- A major credit rating company raised its sovereign outlook for Japan to 'positive' from 'stable' amid stronger economy that sets the stage for fiscal improvement. The positive outlook reflects healthier growth prospects in both real and nominal terms. However, the rating was affirmed at 'A+'.
- The Japanese Government said that the economy is recovering at a moderate pace as both private consumption and exports are picking up business investment and industrial production is increasing moderately. However, the government warned against the uncertainty in overseas economies and the effects of fluctuations in the financial and capital markets.

## Events Calendar

Event	Date	Event	Date
Index of Eight Core Industries (Feb 18)	02-Apr-18	Forex Reserves	06-Apr-18
Nikkei India Manufacturing PMI (Mar 18)	03-Apr-18	Consumer Price Index (Mar 18)	12-Apr-18
First Bi-monthly Monetary Policy Statement for 2018-19	05-Apr-18	Index of Industrial Production (Feb 18)	12-Apr-18
Nikkei India Services PMI (Mar 18)	05-Apr-18	Wholesale Price Index (Mar 18)	16-Apr-18

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