



## Financial Market & Economy Update

- Maharashtra chief minister Devendra Fadnavis at Magnetic Maharashtra summit said the state is targeting investments of around Rs 12 trillion in a host of sectors like defence, aerospace, infrastructure, and gems & jewellery among other from the ongoing investor summit.
- Prime Minister Narendra Modi on Monday launched Nasscom's platform—Future Skills—for skill development in eight varied technologies.
- India's cabinet on Tuesday approved a plan to allow private companies to bid for coal mines for commercial production, a move that would help the country cut imports and boost local production.
- India will have the right over 65% of 6 million barrels of crude oil that ADNOC will store at the country's maiden strategic storage at Mangalore.
- The Union Cabinet approved a Rs 1,384cr tunnel project in Uttarakhand as part of "Char Dham" project to connect Kedarnath, Badrinath, Yamunotri and Gangotri.
- E.P.F.O. lowered P.F. interest rates to 8.55% for FY18.
- The first tranche of electoral bonds, aimed at improving transparency in the poll-related funding system, will be available at four branches of State Bank of India (SBI) from March 1, the finance ministry said.
- Trump administration makes H-1B visa approval tougher, Indian IT firms to be hit.
- Japan's core consumer prices rose 0.9% in January from a year earlier, government data showed on Friday.
- Britain's economy was weaker than previously thought in 2017, as official data showed on Thursday that Gross domestic product growth slowed to a quarterly 0.4 % from a previous estimate of 0.5 %.
- Japan's exports grew in January for a 14th straight month led by brisk shipments of China-bound hybrid cars and electronics parts. Ministry of Finance (MOF) data showed on Monday that exports grew 12.2 % in January from a year earlier, following a 9.3 % year-on-year gain in the previous month.
- Economic activity in Brazil expanded at a faster-than-expected pace in December, capping the first annual increase in four years following the deepest recession in decades. The central bank's economic activity index rose 1.41 % from November on a seasonally adjusted basis, the bank said on Monday
- Euro zone business growth lost some steam in Feb but still robust. IHS Markit's composite flash PMI for the euro zone, seen as a guide to economic health, fell to 57.5 this month.
- Euro zone consumer confidence falls in February from 17-year high. The Commission said that consumer sentiment fell to 0.1 points from a revised 1.4 points in Jan.



## Equity Market Update

- The market managed to end with gains for the week in a volatile trading activity, the BSE Sensex rose 131.39 points to close 34,142.15, while the Broader Nifty gained 38.75 points to conclude at 10,491.05.
- The Sensex started the week higher at 34,053.95 and hovered between 34,167.60 and 33,554.37, it closed the week at 34,142.15, showing a gain of 131.39 or 0.39 %.
- The Nifty also resumed the week up at 10,488.90 and traded between 10,499.10 and 10,302.75 before ending the week at 10,491.05, showing a gain of 38.75 points, or 0.37 %.
- The BSE Mid-Cap index fell 40.32 points or 0.24 % to settle at 16,562.03. The BSE Small-Cap index dropped 39.53 points or 0.22 % to settle at 17,996.22. Both these indices underperformed the Sensex.
- Among sectoral and industry indices, IT rose by 3.35 % followed by teck 2.95 %, IPO 1.37 %, metal 1.35 %, bankex 0.49 %, FMCG 0.24 % and consumer durables 0.04 %, while auto fell by 1.80 %, capital goods 1.61 %, realty 1.18 %, oil&gas 1.06 %, power 0.69 % and healthcare 0.30 %.
- Meanwhile, Foreign portfolio investors (FPIs) and foreign institutional investors (FIIs) sold shares worth Rs 3,541.26cr during the week, as per Sebi's record including the provisional figure of February 23, 2018.



## Debt Market Update

- Indian sovereign bonds fell for a second straight week, as banks remained sour on debt while hawkish Monetary Policy Committee meeting minutes spurred bets of interest rate increases going ahead.
- India's retail inflation - the central bank's gauge for price gains - fell to a 5.07% in January from 5.21% in December. The policy decision was made before the release of the January data. The law mandates the central bank to keep inflation at 4% with a band of two % points on either side.
- U.S. yields also remain elevated after minutes of the latest Federal Reserve meeting reaffirmed that the central bank is on course to increasing rates in 2018. The 10-year Treasury yield was last trading at 2.90%.
- Indian benchmark bond yield has risen by 34 basis points this quarter, amid weak demand from state-run banks and tight liquidity conditions. State-run banks have

## Domestic Markets



Index	23-Feb-2018	16-Feb-2018	% Change
BSE Sensex	34142.15	34010.76	0.39
S&P CNX Nifty	10491.05	10452.3	0.37
CNX Midcap	19708.4	19701.3	0.04
CNX 500	9251.35	9235.6	0.17
BSE Smallcap	17996.22	18035.75	-0.22

## Global Markets



Index	23-Feb-2018	16-Feb-2018	% Change
Dow Jones	25309.99	25219.38	0.36
Nasdaq	7337.39	7239.47	1.35
S&P 500	2747.3	2732.22	0.55
FTSE 100	7244.4	7294.7	-0.69
Shanghai Composite	3289.02	3199.16	2.81
Hang Sang	31267.17	31115.43	0.49

## Institutional Flows (Equity)



Description (INR Cr)	Purchases	Sales	Net
FII Flows*	26729	29784	-3055
MF Flows*	10668	7884	2784

## F&O FII Trends (Rs. Crs)



Date	Index	Stocks
19-Feb-2018	-3313.38	415.75
20-Feb-2018	-3372.24	1244.1
21-Feb-2018	-787.06	1290.08
22-Feb-2018	338.6	1967.26
23-Feb-2018	3956.4	1359.65

## Policy Rates



Key Rates (%)	23-Feb-2018	1 Week Ago	1 Month Ago
Reverse Repo	5.75	5.75	5.75
Repo	6	6	6
CRR	4	4	4
SLR	20	20	20

## Key Rates





## Commodity Market Update

### Oil Update:

- In the international energy front, extreme bullish sentiment returned to the energy market as global crude prices rose across the board after the EIA reported a surprise drawdown in crude oil stocks and also supported by a dramatic fall in Venezuelas oil output despite production restraint led by the Organization of the Petroleum Exporting Countries (OPEC) and Russia.
- Brent crude futures settled at a fresh two-week high of USD 66.31 a barrel during the week.

### Gold Update:

- Tracking a weak trend overseas and muted demand from local jewellers, gold lost its sheen, slip by Rs 345 per 10 grams during the week at the bullion market. Silver followed suit and ended lower by Rs 320 on reduced offtake by industrial units.
- In worldwide trade, Gold settled lower, logging its worst weekly decline so far this year as the US dollar bounced back from its earlier weakness. Although gold finished out the week in negative territory, the metal managed to post a mild recovery in the wake of a Fed minutes release on Wednesday.
- April gold fell to settle at USD 1,330.30 an ounce, falling 1.7 % for the week. March silver slid 10 cents, or 0.6 %, to USD 16.48 an ounce for a weekly drop of 0.8 %.
- In the New York Comex trade, gold for April delivery dropped to settle at USD 1,330.30 an ounce compared to last weekend's close of USD 1,356.30, while March silver contract fell to finish at USD 16.48 an ounce from USD 16.712 earlier.
- On the domestic front, standard gold (99.5 purity) resumed lower at Rs 30,715 per 10 grams from last Friday's closing level of Rs 30,765 and drifted further Rs 30,405 before settling at Rs 30,420, revealing a loss of Rs 345, or 1.12 %.
- Pure gold (99.9 purity) also commenced lower at Rs 30,865 per 10 grams compared to preceding weekend level of Rs 30,915 later declined further to Rs 30,555 before finishing at Rs 30,570, revealing a fall of Rs 345 per 10 grams, or 1.12 %.
- Silver ready (.999 fineness) opened lower at Rs 38,510 per kilo gram from last Friday's closing level of Rs 38,710, and later fell further to Rs 38,135 before ending at Rs 38,390, showing a loss of Rs 320 per kilo, or 0.83 %.



## Currency Market Update

- The rupee took a severe beating against the US dollar to end at a fresh three-month low of 64.73 as importers rushed to cover unhedged positions on the back of concerns that an imminent Federal Reserve interest-rate increase will accelerate capital outflows.
- Stamping its largest weekly decline this year, the Indian currency depreciated by a staggering 52 paise amid a short-term recovery in the USD.
- The rupee had briefly breached the significant 65-mark to hit a new three-month low of 65.11 during the mid-week trade amid chaos in currency and financial markets caused by volatility.
- The rupee opened the week with a gap down at 64.50 from weekend close of 64.21 and witnessed a precipitous tumble to mark its worst daily fall this year at the Interbank Foreign Exchange (forex) market due to sustained dollar pressure.
- It later collapsed below the key 65-mark to hit a low of 65.11 before regaining some lost ground to end at 64.73, revealing a sharp loss of 52 paise, or 0.81 %. The RBI, meanwhile fixed the reference rate for the dollar at 64.8227 and for the euro at 79.7643.
- Meanwhile, country's forex kitty rose by USD 1.960 billion to USD 421.720 billion in the week to January 16, due to increase in foreign currency assets.
- The dollar index, which measures the greenback's value against a basket of six major currencies, was higher at 89.99.

Key Rates (%)	23-Feb-2018	16-Feb-2018	% Change
Mibor Overnight	6.05	6.05	0
CALL (O/N)	5.9	5.95	-0.84
CBLO	5.89	4.96	18.75
T Bills Index (12M)	6.62	6.57	0.76
10 Year GSEC	7.67	7.58	1.19

## Commodity Market



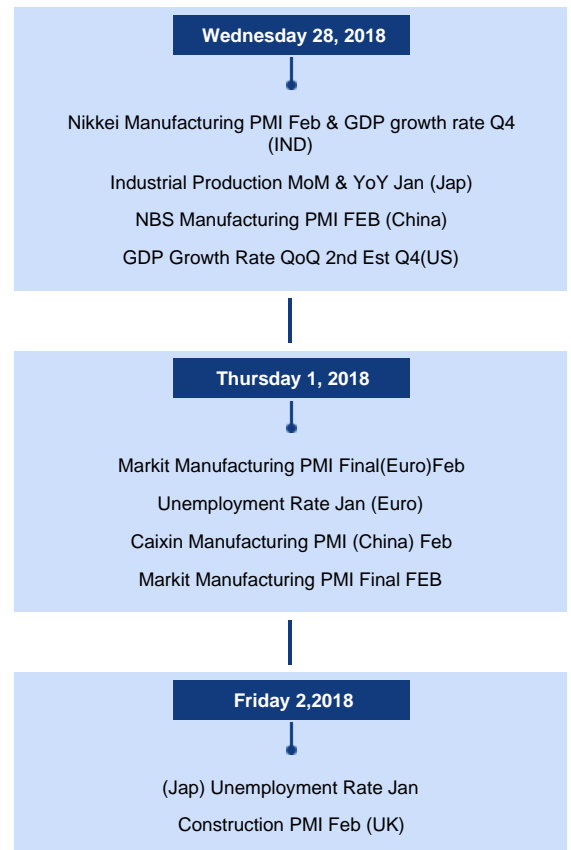
Commodity (INR)	23-Feb-2018	Gain+/Loss-	% Change
Gold (10 gm)	30390	-152	-0.5
Silver (1 kg)	38343	-366	-0.95
Crude Oil (\$/barrel)	67.31	2.87	4.45

## Currency Market



Currency	23-Feb-2018	Gain+/Loss-	% Change
USD/INR	64.82	0.91	1.42
EURO/INR	79.76	-0.41	-0.51
GBP/INR	90.4	0.09	0.1
JPY/INR	60.59	0.13	0.22

## Upcoming Events



## Week Gone By



Events	Actual %	Previous %	1 Year ago %
Balance of Trade Jan (Japan)	¥-943B	¥359B	-

All Industry Activity Index MoM Dec (Japan)	0.005	0.01	-
Unemployment Rate Dec (UK)	0.044	0.043	-
GDP Growth Rate YoY (UK)	0.014	0.018	-
Inflation Rate YoY Jan (Japan)	0.014	0.01	-
Inflation rate (Euro)Jan	0.013	0.014	-
Core inflation rate(Euro)Jan	0.01	0.009	-
China house price index YoY Jan	0.05	0.053	-

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### ***Risk Factors***

Mutual fund investments are subject to market risks, read all scheme related documents carefully.