



Financial Market & Economy Update

- Inflation based on wholesale prices eased marginally to 2.47% in March on cheaper food articles, especially pulses and vegetables.
- Monsoon 2018: The India Meteorological Department (IMD) forecast says that there will be 97% normal monsoon for the year 2018-19, which could be a good news for the rural economy that suffered due to the twin impact of drought years and demonetisation.
- India has initiated probe into alleged dumping of a chemical used in paint and leather industry from Brazil, Indonesia and Thailand following a complaint from a domestic player.
- The World Bank noted that the Indian economy has recovered from the effects of demonetisation and the Goods and Services Tax (GST) and predicted a growth rate of 7.3% for the country in 2018.
- India's sugar production has touched an all-time high of 29.98 million tonnes till April 15 in the current season on higher cane output, leading to a surge in arrears to farmers at over Rs 20,000 crore, according to industry body ISMA.
- India and Sweden signed a joint innovation partnership and agreed on a joint action plan with a seed money of \$ 6 million from here to push PM Narendra Modi's Make in India initiative besides agreeing to work on a security agreement that would enable intelligence sharing.
- India will invest more than 1 billion pounds in the UK that will create or safeguard 5,750 British jobs, as part of a new partnership forged during Prime Minister Narendra Modi's visit as the two sides signed a wide range of MoUs, agreements and initiatives across technology, trade and investment.
- India will again emerge as the world's fastest-growing major economy at least for the next two years, the IMF said. India's growth will rise steadily to 7.4 % for 2018-19 and 7.8 % for 2019-20, against 6.7 % in 2017-18, the multilateral body said.
- Amid concerns over cash crunch in ATMs (Automated Teller Machines) in different parts of the country, the government on Tuesday said that it has taken steps to ramp up the minting of Rs 500 currency notes by five times.
- Japan and China agree that a trade war will have serious consequences for the world economy, Japanese Foreign Minister Taro Kono said on Monday after a high-level economic dialogue.
- US retail trade rose by 0.6 % month-over-month in March 2018, recovering from a 0.1 drop in February and beating market expectations of a 0.4 % gain.
- China's economic growth held steady in the quarter ending in March. The world's second-largest economy expanded by 6.8% over a year earlier, in line with the quarter ending in December and down slightly from 2017's full-year expansion of 6.9%.
- UK wage growth lags inflation even as jobless rate hits new low. Sterling weakened as the data showed wages in the three months to February rose by 2.8%, unchanged from the growth rate in the three months to January and below a median forecast of 3.0% in a Reuters poll of economists.
- China March industrial output up 6%, misses expectations, Jan-March investment growth slows.
- Japan's trade surplus widened 32.1 percent to JPY 797.3 billion in March of 2018 from JPY 603.5 billion in the same month a year earlier. In March, exports grew by 2.1 percent year on-year to JPY 7,382 billion, while imports declined by 0.6 percent to JPY 6,585 billion.
- The rate of inflation in the UK fell to 2.5 percent in March 2018 from 2.7 percent in the previous month.
- Inflation rate in Japan rose by 1.1 percent year-on-year in March of 2018. On a monthly basis, consumer prices declined by 0.4 percent, following a 0.1 percent increase in the preceding month.
- UK retail sales slide in first quarter after March snow. Unusually cold and snowy weather caused retail sales volumes to drop by 1.2 percent compared with the month before, the Office for National Statistics said, a bigger fall than most economists polled by Reuters had expected.



Equity Market Update

- Maintaining its uptrend for the fourth straight week, the benchmark Sensex garnered another 222.93 points to finish at 34,415.58, while the broader Nifty reclaimed to settle above the key 10,500-level at 10,564.05.
- Once again market resilience came to the fore as largely volatile range-bound week trade saw the bulls remained intact heartened by Met department forecast of normal monsoon and stellar quarterly results led the bulls to remain intact while enduring the hawkish policy statements from RBIs minutes.
- The BSE Sensex started the week lower at 33,944.73 and hovered between high of 34,591.81 and low of 33,899.34 before closing the week at 34,415.58, showing a gain of 222.93 or 0.65 %.
- The Nifty resumed the week at 10,398.30 and traded between 10,594.20 and 10,396.35, the index finally closed at 10,564.05, up 83.45 points, or 0.80 %.
- In the broader market both midcap and smallcap shares continued to gain slightly. The BSE Mid-Cap index rose 121.18 points or 0.73 % to settle at 16,798.94. The BSE Small-Cap index rose 196.04 points or 1.09 % to settle at 18,178.03.
- Meanwhile, foreign portfolio investors (FPIs) and foreign institutional investors (FIIs) sold shares worth Rs 3,033.72 crore during the week.
- Among sectoral and industry indices, Metal rose by 4.51 %, IT 4.33 %, FMCG 4.11 %, Teck 3.73 %, Realty 3.17 %, Power 1.39 %, Healthcare 1.05 %, Capital Goods 0.29 % and IPO 0.25 %. However, oil and gas fell by 2.27 %, bankex 1.58 %, PSU

Domestic Markets



Index	20-Apr-2018	13-Apr-2018	% Change
BSE Sensex	34415.58	34192.65	0.65
S&P CNX Nifty	10564.05	10480.6	0.8
CNX Midcap	19905.75	19676.2	1.17
CNX 500	9347.65	9267.65	0.86
BSE Smallcap	18178.03	17981.99	1.09

Global Markets



Index	20-Apr-2018	13-Apr-2018	% Change
Dow Jones	24462.94	24360.14	0.42
Nasdaq	7146.13	7106.65	0.56
S&P 500	2670.14	2656.3	0.52
FTSE 100	7368.2	7264.6	1.43
Shanghai Composite	3071.54	3159.05	-2.77
Hang Sang	30418.33	30808.38	-1.27

Institutional Flows (Equity)



Description (INR Cr)	Purchases	Sales	Net
FII Flows*	22082	25179	-3097
MF Flows*	7593	7164	429

F&O FII Trends (Rs. Crs)



Date	Index	Stocks
16-Apr-2018	165.7	-42.66
17-Apr-2018	784.12	-345.4
18-Apr-2018	1816.19	-147.98
19-Apr-2018	860.96	249.98
20-Apr-2018	385.41	-294.69

Policy Rates



Key Rates (%)	20-Apr-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





Debt Market Update

- Indian bond yields spiked while the rupee dropped to its lowest in more than a year on Friday after minutes of the monetary policy committee's last meeting suggested it was likely to take a more hawkish stance - starting as early as June.
- The monetary policy committee members flagged several concerns, including an increase in minimum support prices for farmers and high and volatile crude oil prices, the minutes released after market hours on Thursday showed.
- The MPC sharply trimmed its April-September inflation projection to 4.7 percent to 5.1 percent from the 5.1 percent to 5.6 percent it predicted in February.



Commodity Market Update

Oil Update:

- Oil prices settled with a modest gain Friday, shaking off earlier weakness sparked by a tweet from U.S. President Donald Trump, to finish higher for the week.
- Trump had taken to Twitter early Friday to blame OPEC for "artificially high" prices.
- OPEC ministers were quick to respond to Trump's tweet, according to news reports, with Saudi energy minister Khalid al-Falih saying there is "not such a thing as artificial prices."
- New York-traded WTI crude futures rose 7 cents, or 0.1%, on Friday to end at \$68.40 a barrel by close of trade, after dropping as low as \$67.49 after Trump's tweet.
- Meanwhile, London-traded Brent crude futures, the benchmark for oil prices outside the U.S., tacked on 28 cents, or nearly 0.4%, to settle at \$74.06 a barrel, off a session low of \$72.83.
- Oil prices notched their second straight weekly gain, with WTI rising about 1.5%, while Brent saw a weekly increase of around 2%.
- Both benchmarks hit more than three-year highs on Thursday, as falling U.S. crude stockpiles, geopolitical tension in the Middle East and concerns about supply disruptions in key oil-producing nations supported the market.

Gold Update:

- Gold extended gains for the third straight week to close at Rs 32,450 per 10 grams at the bullion market on increased buying by local jewellers amid volatile global cues.
- Silver followed suit and recaptured the Rs 41,000-mark on increased offtake by industrial units and coin makers.
- In the national capital, gold of 99.9 and 99.5 % purity commenced the week lower at Rs 32,000 and Rs 31,850 per ten grams respectively due to lack of buying support.
- Later, it met with brisk buying activity largely in sync with a firm trend overseas and weakness in the rupee and bounced back to hit a high of Rs 32,630 and Rs 32,480 before ending at Rs 32,450 and Rs 32,300 per 10 grams respectively, showing a significant rise of Rs 350 each.
- Sovereign, however, moved in a narrow range in scattered deals throughout the week and settled at previous level of Rs 24,900 per piece of eight gram.
- Silver ready also recorded a hefty rise of Rs 1,500 to Rs 41,500 per kg and weekly-based delivery closed higher by Rs 1,555 to Rs 40,480 per kg.
- Silver coins too spurred by Rs 1,000 to Rs 76,000 for buying and Rs 77,000 for selling of 100 pieces.
- Globally, gold after crossing the USD 1,353 an ounce, finally ended the week shade lower at USD 1,335.20 an ounce in volatile trade in New York.



Currency Market Update

- Last week, the Indian rupee hit a 13-month low of 66.10 against the US dollar, after the minutes of the monetary policy panel meeting suggested that they were likely to take a more hawkish tone starting as early as June.
- On Friday, the domestic unit settled at a 13-month low of 66.12 against the US currency, hit by a resurgent dollar, firming crude prices and a more hawkish tone of the Reserve Bank.
- For the week, the rupee depreciated sharply by 0.88 per cent against the dollar.
- In April, the rupee has dropped by 1% and by 3.52% so far this year.
- India's foreign exchange reserves (forex) expanded by \$1.217 billion to touch a life-time high of \$426.082 billion in the week to 13 April, due to surge in foreign currency assets.
- The dollar index, which measures the greenback's value against a basket of six major currencies, was up at 89.92.

Key Rates (%)	20-Apr-2018	13-Apr-2018	% Change
Mibor Overnight	6.01	6	0.17
CALL (O/N)	5.9	5.86	0.68
CBLO	5.96	4.86	22.63
T Bills Index (12M)	6.48	6.46	0.31
10 Year GSEC	7.66	7.43	3.1

Commodity Market



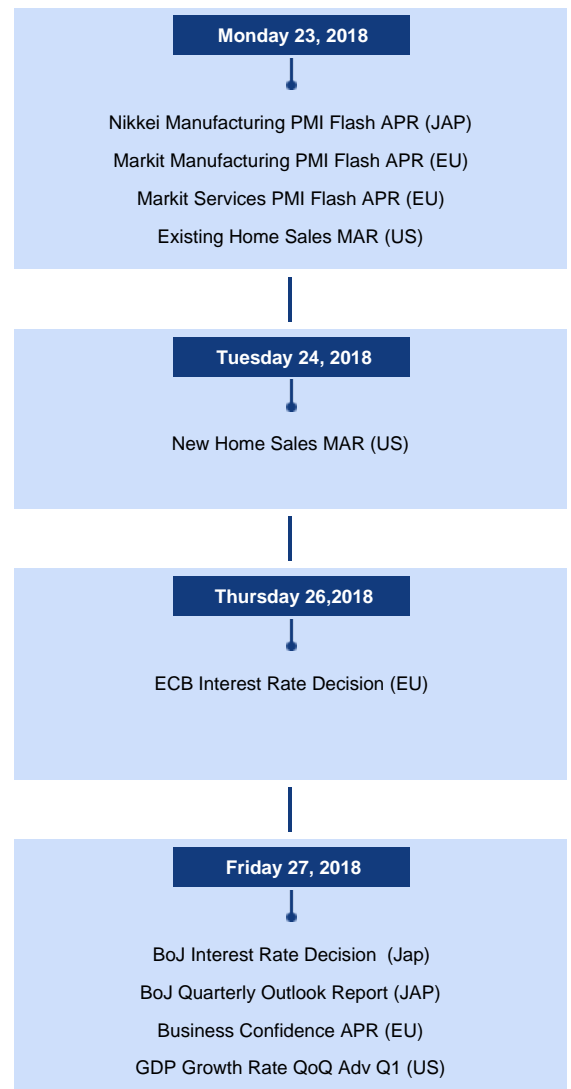
Commodity (INR)	20-Apr-2018	Gain+/Loss-	% Change
Gold (10 gm)	31305	292	0.94
Silver (1 kg)	40106	1621	4.21
Crude Oil (\$/barrel)	74.06	1.48	2.04

Currency Market



Currency	20-Apr-2018	Gain+/Loss-	% Change
USD/INR	66.02	0.79	1.22
EURO/INR	81.46	1.12	1.39
GBP/INR	92.73	-0.05	-0.05
JPY/INR	61.4	0.76	1.25

Upcoming Events



Saturday 28, 2018

Unemployment Rate MAR (JAP)

Industrial Production YoY Prel MAR(JAP)

Week Gone By



Events	Actual %	Previous %
WPI Inflation YoY MAR (Ind)	2.47	2.48
Retail Sales MoM MAR (US)	0.6	-0.1
GDP Growth Rate QoQ Q1 (CHINA)	1.4	1.6
(CHINA)GDP Growth Rate YoY Q1	6.8	6.8
Industrial Production YoY MAR(CHINA)	6.0	7.2
ZEW Economic Sentiment Index APR (EURO)	1.9	13.4
Core Inflation Rate YoY Final MAR (EURO)	1.0	1.0
Inflation Rate MoM MAR (EURO)	1.0	0.2
Industrial Production YoY Final FEB (JAP)	1.6	2.9
House Price Index YoY MAR(CHINA)	4.9	5.2
Balance of Trade MAR (JAP)	¥797B	¥3B
Current Account FEB (EURO)	€22.7B	€12.6B ®
Consumer Confidence Flash APR (EURO)	0.4	0.1
Inflation Rate YoY MAR (JAP)	1.1	1.5
Markit Composite PMI Flash APR (EURO)	55.2	54.9
Markit Manufacturing PMI Flash APR (EURO)	56.6	56.6
Markit Services PMI Flash APR (EURO)	54.9	54.6

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