



Financial Market & Economy Update

- The RBI has said that any entity regulated by it like banks shall be barred from providing services to any individual or business dealing in Bitcoin and other cryptocurrencies.
- The Reserve Bank of India left its key policy rate unchanged at 6% for the 4th meeting on Apr 5, 2018. Policymakers said the decision is consistent with the neutral stance of monetary policy.
- RBI lowered their projections for CPI inflation: CPI is now estimated to range between 4.7-5.1% in H1FY19 and 4.4% in H2FY19.
- Monsoon rains in India are expected to be average in 2018, Skymet said on Wednesday, raising prospects of higher farm and economic growth in the \$2 trillion economy.
- GDP growth is projected to strengthen from 6.6% in 2017-18 to 7.4% in 2018-19 – in the range of 7.3-7.4% in H1FY19 and 7.3-7.6% in H2FY19 – with risks evenly balanced, RBI policy statement said.
- India has imposed a 10% tax on imports of key smartphone components, including populated printed circuit boards (PCBs), as it moves to step up local assembly of mobile devices in the world's second-biggest smartphone market.
- GST revenue on upswing as February mop up stands at Rs 90,000cr, says Finance Secretary Hasmukh Adhia.
- The Nikkei Manufacturing PMI in India unexpectedly fell to 51.0 in March of 2018 from 52.1 in the prior month and missing market consensus of 52.8.
- China said it would levy an additional 25 percent tariff on imports of 106 US products including soybeans, automobiles, chemicals and aircraft, in response to proposed American duties on its high-tech goods.
- The IHS Markit Eurozone Manufacturing PMI stood at 56.6 in March 2018, unchanged from the preliminary estimate and below February's final 58.6.
- The IHS Markit/CIPS UK Manufacturing PMI inched up to 55.1 in March from a downwardly revised 55.0 in February.
- German industrial output slumps as protectionism angst grows. Output fell by 1.6 % after rising by a revised 0.1 % in Jan, data from the Economy Ministry showed.
- Japan's long growth run faces turning point as wages, spending fall. Household spending shrank 0.9 % in Feb from a year earlier, while inflation-adjusted real wages fell for a 3rd straight month in Feb.
- The Eurozone's retail trade increased 1.8% year-on-year in February 2018, following a downwardly revised 1.5% growth in January and missing market expectations of 2.1%.
- The US trade deficit widened to USD 57.6 billion in February 2018 from an upwardly revised USD 56.7 billion in the previous month.
- The Final Markit/Nikkei Japan Manufacturing Purchasing Managers Index (PMI) fell to 53.1 in Mar on a seasonally adjusted basis, slightly below a preliminary 53.2 and below a final 54.1 in Feb.
- The Caixin/Markit Manufacturing Purchasing Managers' index (PMI) fell to 51.0 in Mar from Feb 51.6.
- Unemployment in the 19 countries that use the euro has fallen to its lowest level in a decade as the region's economy benefits from waning worries over the currency union's debt problems. EU statistics agency Eurostat said Wednesday the rate fell to 8.5% in Feb from 8.6% the month before.
- Activity in Japan's service sector expanded at the slowest pace in 17 months in March as new business growth cooled. The Markit/Nikkei Japan Services Purchasing Managers Index (PMI) fell to 50.9 in March on a seasonally adjusted basis from 51.7 in February.



Equity Market Update

- Prospects of normal monsoon rains, lower inflation and a positive growth outlook boosted the key Indian equity indices during the just concluded trade week.
- The northward progression of the market was supported by the Reserve Bank of India's lower inflation forecast and a positive growth outlook for the fiscal.
- Along with the forecast, healthy auto sales data for March led the key indices -- the BSE Sensex and the NSE Nifty50 -- to their second consecutive week of gains.
- On a weekly basis, the barometer 30-scrip Sensitive Index (Sensex) of the BSE gained a massive 658.29 points or almost 2 % to close at 33,626.97 points.
- The wider Nifty50 of the National Stock Exchange (NSE) closed trade at 10,331.60 points -- up 217.9 points or 2.15 % from its previous week's close.
- Barring the BSE Telecom (down 0.11 %) and Consumer Durables index (down 0.31 %), other sectoral indices on the exchange ended in green for the week ended April 6. The BSE Auto and Healthcare index jumped 5.62 % and 4.01 %, respectively. Auto stocks hogged limelight on account of monthly sales figures for the month of March 2018.
- India's volatility index (India VIX) shed 6.4 percent last week, while S&P BSE Smallcap index rose 5.2 percent, S&P BSE Midcap gained 4 percent and largecap index added 2 percent.
- On the investment front, provisional figures from the stock exchanges showed that foreign institutional investors sold scrips worth Rs 1,363.95 crore, while the domestic institutional investors purchased stocks worth Rs 2,660.52 crore during April 2-6.



Debt Market Update

Domestic Markets



Index	06-Apr-2018	28-Mar-2018	% Change
BSE Sensex	33626.97	32968.68	2
S&P CNX Nifty	10331.6	10113.7	2.15
CNX Midcap	19519.25	18757	4.06
CNX 500	9172.05	8912.1	2.92
BSE Smallcap	17882.99	16994.36	5.23

Global Markets



Index	06-Apr-2018	29-Mar-2018	% Change
Dow Jones	23932.76	24103.11	-0.71
Nasdaq	6915.11	7063.45	-2.1
S&P 500	2604.47	2640.87	-1.38
FTSE 100	7183.64	7056.6	1.8
Shanghai Composite	3131.11	3168.9	-1.19
Hang Sang	29844.94	30093.38	-0.83

Institutional Flows (Equity)



Description (INR Cr)	Purchases	Sales	Net
FII Flows*	30970	30876	94
MF Flows*	10011	7545	2466

FII data from 28th March to 5th April 2018

MF data from 27th March to 3rd April 2018

F&O FII Trends (Rs. Crs)



Date	Index	Stocks
02-Apr-2018	2585.08	1176.82
03-Apr-2018	1186.3	-49.55
04-Apr-2018	121.26	92.61
05-Apr-2018	4876.66	1207.67
06-Apr-2018	733.17	-307.43

Policy Rates



Key Rates (%)	06-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



- Indian government bonds surged this week, with the benchmark yield posting the biggest weekly fall in 17 months, after the Monetary Policy Committee lowered its inflation projection for this fiscal.
- The central bank's move to allow banks to spread treasury losses also boosted sentiment.
- The benchmark 7.17% bond maturing in 2028 ended at 99.95 rupees, yielding 7.17%, in Mumbai, against 100.28 rupees
- The benchmark bond yield fell 23 basis points this week, its largest weekly fall since week ended Nov. 18, 2016.

Key Rates (%)	06-Apr-2018	28-Mar-2018	% Change
Mibor Overnight	6	9.39	-36.1
CALL (O/N)	5.89	7.57	-22.19
CBLO	5.67	4.6	23.26
T Bills Index (12M)	6.43	6.41	0.31
10 Year GSEC	7.17	7.4	-3.11



Commodity Market Update

Oil Update:

- A trio of escalating U.S.-China trade tensions, worries over increasing U.S. production levels and ongoing efforts by major global crude producers to reduce a supply glut will likely be the main drivers of sentiment in the oil market in the week ahead.
- Crude oil prices settled at their lowest in two weeks on Friday, as investors fled riskier assets amid fears that deteriorating trade relations between the world's two largest economies could deal a blow to global growth.
- New York-traded West Texas Intermediate crude futures sank \$1.48, or roughly 2.3%, on Friday to end at \$62.06 a barrel by close of trade. The U.S. benchmark touched its lowest since March 19 earlier in the day.
- Meanwhile, London-traded Brent crude futures, the benchmark for oil prices outside the U.S., tumbled \$1.22, or nearly 1.8%, to settle at \$67.11 a barrel.
- For the week, WTI lost about 4.4%, its biggest such decline since the week ended Feb. 9, while Brent saw a weekly fall of 4.5%, its biggest since the week ended March 2.

Gold Update:

- Gold prices bounced back by Rs 120 to Rs 31,470 per 10 grams at the bullion market backed by firm global cues and pick-up in buying by local jewellers.
- Silver also gained Rs 150 to Rs 39,200 per kg due to increased offtake by industrial units and coin makers.
- Globally, gold rose 0.54 % to USD 1,333.40 an ounce in New York.
- In the national capital, gold of 99.9 % and 99.5 % purity rebounded by Rs 120 each to Rs 31,470 and Rs 31,320 per 10 grams, respectively. The precious metal had lost Rs 200 on Thursday
- Sovereign, however, remained flat at Rs 24,800 per piece of eight grams in limited deals.
- Silver ready also rose by Rs 150 to Rs 39,200 per kg and weekly-based delivery by Rs 15 to Rs 38,235 per kg.
- Silver coins, however, continued to be enquired at last levels of Rs 74,000 for buying and Rs 75,000 for selling of 100 pieces.



Currency Market Update

- For the week gone by, the India rupee rebounded by 21 paise against the U.S. dollar after two straight weeks of decline. The rupee traded sideways for most of the week, before ending at 64.98 a dollar. Most Asia currencies traded mixed after U.S. President Donald Trump escalated trade tensions with China.
- The forex market sentiment turned slightly positive after the Reserve Bank of India kept its policy rate unchanged, outlined higher growth expectations for the new fiscal citing a strong revival in investment activity, and lowered its inflation forecast.
- The country's foreign exchange reserves hit an all-time high of \$424.4 billion after rising by \$1.8 billion in the week to March 30, the RBI said.
- On the global front, the Dollar Index turned lower following Friday's lacklustre jobs report, slipping from a five-week high it had hit a day earlier.

Commodity Market



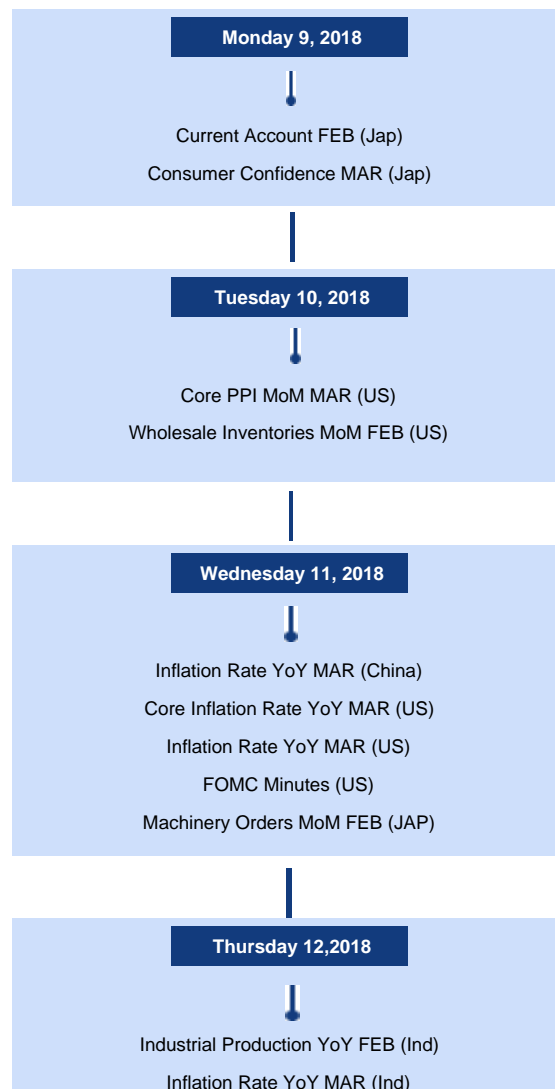
Commodity (INR)	06-Apr-2018	Gain+/Loss-	% Change
Gold (10 gm)	30491	-227	-0.74
Silver (1 kg)	37884	-441	-1.15
Crude Oil (\$/barrel)	67.11	-2.83	-4.05

Currency Market



Currency	06-Apr-2018	Gain+/Loss-	% Change
USD/INR	64.99	-0.05	-0.08
EURO/INR	79.51	-1.11	-1.38
GBP/INR	90.96	-1.32	-1.44
JPY/INR	60.54	-1	-1.62

Upcoming Events



Friday 13, 2018

Balance of Trade MAR (Ind)
 Balance of Trade MAR (China)
 Exports YoY (China)
 Imports YoY (China)
 Balance of Trade FEB (Euro)

Week Gone By

Events	Actual %	Previous %
Nikkei Manufacturing PMI MAR (Ind)	51.0	52.1
Caixin Manufacturing PMI MAR (China)	51.0	51.6
Tankan Large Manufacturers Index Q1 (Jap)	24.0	26.0
Nikkei Manufacturing PMI Final MAR (Jap)	53.1	54.1
ISM Manufacturing PMI MAR (US)	59.3	60.8
Markit Manufacturing PMI Final MAR (Euro Area)	56.6	58.6
Nikkei Services PMI MAR (Ind)	50.3	47.8
Caixin Services PMI MAR (China)	52.3	54.2
Nikkei Services PMI MAR (Jap)	50.9	51.7
Unemployment Rate FEB (Euro Area)	8.5	8.6
Core Inflation Rate YoY Flash MAR (Euro Area)	1.0	1.0
(US) ADP Employment change	241K	246K
Cash Reserve Ratio (Ind)	4.0	4.0
RBI Interest Rate Decision (Ind)	6.0	6.0
Foreign Exchange Reserves 31/MAR (Ind)	\$424.36B	\$422.53B
Unemployment Rate MAR (US)	4.1	4.1
Non Farm Payrolls MAR (US)	103K	326K

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