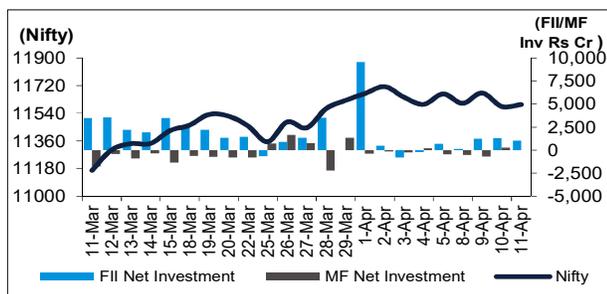


DOMESTIC EQUITY

- The seven-week positive trend in Indian equities came to a halt. S&P BSE Sensex and Nifty 50 fell about 0.2% each.
- Market sentiments were affected as investors turned cautious ahead of the corporate earnings season and polling for general elections.
- More losses were seen, in line with global equities, after the International Monetary Fund (IMF) lowered its outlook on global economic growth.
- Selling pressure in metal and information technology (IT) stocks pulled down the market further. S&P BSE Metal and S&P BSE IT lost 2% and 0.5%, respectively.
- However, losses were cut short owing to a rally in auto, fast moving consumer goods (FMCG) and power counters. S&P BSE Auto, S&P BSE FMCG and S&P BSE Power rose 2.4%, 2.2% and 1.5%, respectively.

Broad Indices	Week change%	3 month change%	1 year change%
S&P BSE Sensex	-0.24	7.66	13.68
Nifty 50	-0.19	7.86	11.33
S&P BSE Midcap	-0.53	1.64	-7.07
S&P BSE Smallcap	-0.16	2.89	-16.24
S&P BSE Bankex	-0.22	9.34	19.12
S&P BSE CG	0.04	0.75	-4.31
S&P BSE FMCG	2.16	-0.66	11.41
S&P BSE IT	-0.54	10.13	21.66
S&P BSE Healthcare	1.05	3.30	6.46

Source: BSE, NSE



Source: SEBI, NSE

GLOBAL EQUITY

- US stocks ended mixed, with Dow Jones falling 1% and Nasdaq rising 0.1%.
- Sentiments were positive earlier following upbeat domestic jobs report, rising hopes over prospects of a US-China trade deal.
- However, gains were short-lived, as investors reacted negatively over US-European Union (EU) trade tensions and caution ahead of the start of domestic corporate earnings season.
- Britain's FTSE fell 0.4% after the US proposed retaliatory tariffs on a list of goods from the EU.
- Asian equities posted varied performance. Japan's Nikkei index rose 0.3% supported by gains in technology shares.
- Hong Kong's Hang Seng index ended little changed as gains on tracking upbeat US jobs and Chinese trade data and hopes of further stimulus measures in China were overshadowed by worries about global economic growth and trade tiff between US and EU.
- China's Shanghai Composite dipped 1.8% on uncertainty over trade talks with the US and as escalating US-EU trade tensions added to worries over global economic outlook.

DOMESTIC DEBT

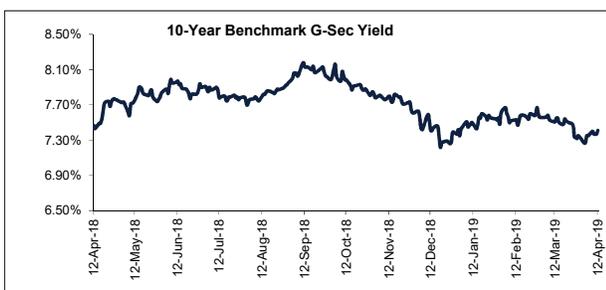
Indicators	Apr 12, 2019	Previous Week	Trend
Call Rate	5.90%	6.10%	↓
3 M CP	7.65%	7.65%	↔
1 Yr CP	8.15%	7.95%	↑
3 M CD	7.00%	6.85%	↑
1 Yr CD	7.50%	7.33%	↑
5 Yr AAA	7.86%	7.73%	↑
1 Yr G-Sec	6.51%	6.44%	↑
5 Yr G-Sec	7.20%	7.05%	↑
10 Yr G-Sec	7.41%	7.35%	↑
USD/INR	69.16	69.22	↓

Source: CRISIL Fixed Income Database, RBI

- Government bond prices ended lower. Yield of the 10-year 7.26% 2029 paper settled at 7.41% on April 12, 2019 as against 7.35% on April 5, 2019.
- Bonds were put under pressure as crude oil prices rose intraweek following an Organization of Petroleum Exporting Countries (OPEC) report on oil production cuts and due to US sanctions on Iran and Venezuela.
- The heavy supply of dated securities that hit the market via the state development loan auction and the weekly gilt sale also weighed on prices.
- In the state development loan auction, states raised a notified Rs 16,269 crore via sale of dated securities.
- In the weekly gilt auction, the Reserve Bank of India (RBI) sold the 7.32% 2024 paper, the 7.26% 2029 paper, the 7.40% 2035 paper, and the 7.72% 2049 paper for a total notified Rs 17,000 crore.
- In the final session, market players awaited the release of domestic consumer inflation figures for further cues.
- Demand for the bonds was also dented by upcoming government debt and corporate supply.
- The yield of the 10-year Treasury bond continued to rise to 2.54% on April 11, 2019 compared to 2.51% on April 4, 2019.
- Further fall in prices was however capped after IMF slashed the global growth forecast for 2019 and said growth could slow further due to trade tensions and Britain's potentially disorderly exit from the EU.
- Weaker-than-expected rise in the US core consumer prices, US Federal Reserve's (Fed) March 2019 meeting minutes reaffirming that the central bank may not raise interest rates this year and dovish stance of the European Central bank (ECB) after it kept the interest rate unchanged also supported the treasury prices.

DOMESTIC NEWS

- The (IMF) moderately scaled down India's economic growth projection to 7.3% for the current fiscal from its earlier forecast of 7.4%, while suggesting that the country should continue to undertake economic reforms.
- World Bank said India's gross domestic product (GDP) growth is expected to accelerate moderately to 7.5% in fiscal year 2019-20, the real GDP growth is estimated at 7.2% in fiscal 2018-19.
- World Bank said India retained its position as the world's top recipient of remittances with its diaspora sending \$79 billion back home in 2018.
- India's industrial output growth was flat at 0.1% in February 2019; factory output had grown by 6.9% in February 2018 and grown by 1.4% in January 2019.
- India's consumer inflation rose to 2.86% in March 2019 compared to 2.57% in February 2019.
- Government met the revised fiscal deficit target of 3.4% of the GDP after it cut last minute



Source: CRISIL Fixed Income Database

GLOBAL DEBT

- US treasury prices ended lower in the week ended April 11, 2019 due to release of few encouraging domestic economic cues.
- Bond prices fell as solid data on weekly US jobless claims and rise in the US producer price index in March 2019 eased the slowdown worries.

expenditure and rolled over fuel subsidies to make up for the shortfall in tax collection.

- Government retained the interest rate for General Provident Fund (GPF) and other related schemes at 8% for the April-June 2019 quarter.
- Government again deferred the last date for bidding for oil and gas exploration blocks offered under the Open Acreage Licensing Policy (OALP) by over a month to May 15, 2019.
- RBI allowed reinsurance brokers to open non-interest bearing foreign currency accounts with banks for undertaking transactions.
- Securities & Exchange Board of India (SEBI) said annual maintenance charges levied on debt securities held through basic services demat accounts will be revised from June 1, 2019.
- SEBI directed asset management companies (AMCs) to constitute a technology committee to review the cyber security and resilience framework of the mutual fund industry.
- Insolvency and Bankruptcy Board of India (IBBI) finalized a list of 1090 insolvency professionals (IPs) who could be appointed as administrators by SEBI for the purpose of refunds to investors.
- Insurance Regulatory and Development Authority of India (IRDAI) said insurance companies will have to inform about claim settlement status to policyholders at various stages of processing from July 2019.

GLOBAL NEWS

- IMF cut the global growth forecast for this year to 3.3% compared to 3.5% predicted in January 2019.
- US Fed's meeting minutes showed that policy makers last month dropped plans for further rate increases in 2019.
- US consumer price index climbed by 0.4% in March 2019 after edging up by 0.2% in February 2019.
- ECB kept its benchmark interest rate at 0%; the interest rate setting panel expects key interest rates to remain at their present levels at least through the end of 2019.
- Eurozone Sentix investor confidence index climbed to -0.3 in April 2019 from -2.2 in March 2019.
- UK Royal Institution for Chartered Surveyors (RICS) house price balance edged up to -24 in March 2019 from -27 in February 2019.
- UK industrial output came in at 0.6% in February 2019 compared with 0.7% in January 2019.
- China's consumer price index (CPI) rose 2.3% from a year earlier in March 2019, more than a 1.5% increase in February 2019.
- Japan consumer confidence index fell to 40.5 in March 2019 from 41.5 in February 2019.

DAY	ECONOMIC EVENTS IN THE WEEK AHEAD
Monday, April 15, 2019	<ul style="list-style-type: none"> • India's Wholesale Price Index Inflation, March 2019 • India's Trade Deficit, March 2019
Tuesday, April 16, 2019	<ul style="list-style-type: none"> • US Industrial Production & Capacity Utilization, March 2019 • UK ILO Unemployment Rate (3 months), February 2019

	<ul style="list-style-type: none"> • China's GDP, Q1 2019 • China's Fixed Assets Investments, March 2019 • Japan Tertiary Industry Index, February 2019
Wednesday, April 17, 2019	<ul style="list-style-type: none"> • Eurozone Consumer Price Index, March 2019 • China's Industrial Production, March 2019 • China's Retail Sales, March 2019
Thursday, April 18, 2019	<ul style="list-style-type: none"> • US Advance Retail Sales, March 2019 • US Markit Manufacturing, Services & Composite PMI, April 2019 • US Business Inventories, February 2019 • Eurozone Markit Manufacturing, Services & Composite PMI, April 2019 • UK Retail Sales, March 2019
Friday, April 19, 2019	<ul style="list-style-type: none"> • US Housing Starts & Building Permits, March 2019

Source: CRISIL

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