

WEEKLY YIELD

Update of Equity & Debt Market

March 8, 2024

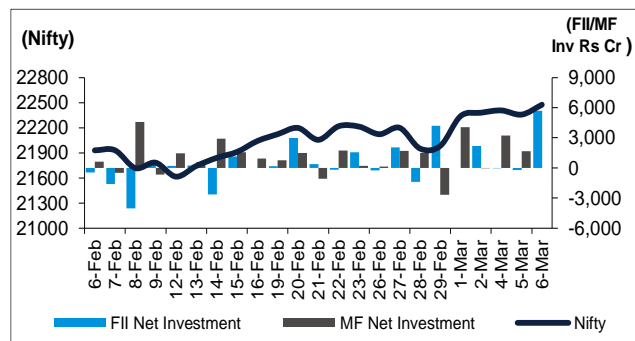


DOMESTIC EQUITY

- Indian equity indices ended higher this week after the United States (US) Federal Reserve (Fed) Chair, in his congressional testimony, signalled a rate cut this year. S&P BSE Sensex and Nifty 50 rose 0.51% and 0.69%, respectively.
- Most sectors ended higher with metal, power and banks gaining the most. S&P BSE Metal, S&P BSE Power, and S&P BSE Bankex rose 3.01%, 1.94% and 1.19%, respectively. However, some losses were witnessed due to sell-off of technology stocks. S&P BSE Information Technology fell 1.2%.

| Broad Indices | Week change% | 3 months change% | 1 year change% |
|--------------------|--------------|------------------|----------------|
| S&P BSE Sensex | 0.51 | 6.61 | 23.07 |
| Nifty 50 | 0.69 | 7.62 | 27.00 |
| S&P BSE Midcap | 0.39 | 12.75 | 60.87 |
| S&P BSE Smallcap | -1.93 | 8.15 | 58.93 |
| S&P BSE Bankex | 1.19 | 2.72 | 16.19 |
| S&P BSE CG | 1.06 | 12.08 | 72.92 |
| S&P BSE FMCG | 0.12 | -0.25 | 18.97 |
| S&P BSE IT | -1.20 | 12.21 | 26.21 |
| S&P BSE Healthcare | 0.56 | 14.37 | 60.23 |

Source: BSE, NSE



Source: SEBI, NSE



GLOBAL EQUITY

- US stocks ended lower this week, due to sell-off in technology shares and caution trading ahead of the Fed Chief's testimony before Congress. However, by the end of the week, markets gained after the European Central Bank (ECB) maintained interest rates steady and Fed Chair reiterated, in his testimony to Congress, that easing was likely in 2024 if inflation behaved.
- Britain's FTSE rose after the ECB's decision to hold interest rates again and due to gains in stocks of Virgin Money and Rentokil.
- Asian equities ended mostly lower. Japan's Nikkei Index fell 0.56% due to profit-taking and on rising bets of Japan's central bank may soon exit its ultra-loose monetary policy.
- Hong Kong's Hang Seng declined 1.4% due to increased geopolitical tensions following a US Senate committee approving a bill that could restrict business with Chinese biotech firms.
- China's Shanghai Composite gained 0.63% after Beijing set a 5% growth target for 2024 at a key parliament meeting. However, some losses were seen as investors remained unconvinced by authorities' stimulus plan for this year.



DOMESTIC DEBT

| Indicators | Mar 7, 2024 | Previous Week | Trend |
|--------------|-------------|---------------|-------|
| Call Rate | 5.75% | 6.45% | ↓ |
| 3 M CP | 8.22% | 8.32% | ↓ |
| 1 Yr CP | 8.20% | 8.22% | ↓ |
| 3 M CD | 7.65% | 7.71% | ↓ |
| 1 Yr CD | 7.65% | 7.77% | ↓ |
| 5 Yr AAA | 7.61% | 7.65% | ↓ |
| 1 Yr G-Sec* | 7.04% | 7.04% | ↔ |
| 5 Yr G-Sec* | 7.03% | 7.05% | ↓ |
| 10 Yr G-Sec* | 7.03% | 7.06% | ↓ |
| USD/INR* | 82.78 | 82.90 | ↓ |

Source: CRISIL Fixed Income Database, RESERVE BANK OF INDIA

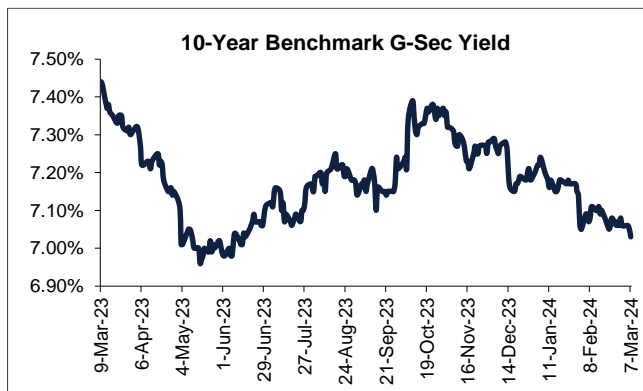
*Weighted Average Yield

WEEKLY YIELD

Update of Equity & Debt Market

March 8, 2024

- Government bond prices closed higher in the holiday shortened week ended March 07, 2024. The yield on the 10-year benchmark 7.18% 2033 paper closed at 7.03% on March 07 compared with 7.06% on March 01.
- Bond prices rose due to sharp fall in the US Treasury yield after comments from Fed Chair, Mr. Jerome Powell and weak ISM manufacturing data boosted hopes for a rate cut later this year.
- Meanwhile, Bloomberg Index Services unveiled that it would include 34 Indian government bonds eligible for investment via the country's Fully Accessible Route (FAR) in its Emerging Market Local Currency Index from January 31, 2025. The inclusion will be phased over a 10-month period ending October 2025, with the weight of India FAR bonds increased in increments of 10% of their full market value every month during the period.



Source: CRISIL Fixed Income Database



GLOBAL DEBT

- US Treasury prices rose this week after the Fed Chair said that continued progress on inflation 'is not assured', though the central bank still expects to reduce its benchmark interest rate later this year.
- Bond prices also rose after the European Central Bank (ECB) revised down its inflation projections. The ECB, while keeping its interest rates unchanged, acknowledged that inflation is easing

faster than once thought, potentially opening the way for rate cuts later this year.

- Weak ISM services data for February 2024 fell to 52.6 compared with 53.4 in January 2024, which kept yields under pressure. However, earlier in the week, yields witnessed some gains due to profit booking ahead of release of key economic data.
- The yield on the 10-year benchmark Treasury bond ended marginally lower at 4.09% on March 07, 2024, compared with 4.19% on March 01, 2024.



DOMESTIC NEWS

- India collected Rs 1.68 lakh crore in Goods and Services Tax (GST) in February 2024, up 12.5% on year while around 3.3% lower than upwardly revised Rs 1.74 lakh crore in January 2024.
- India's manufacturing activity continued to expand in February 2024 with the HSBC Purchasing Managers' Index (PMI) for the sector coming in at 56.9 compared to 56.5 in January 2024.
- India's HSBC Services Purchasing Managers' Index (PMI), compiled by S&P Global, eased to 60.6 in February 2024 from 61.8 in January 2024 while composite PMI eased to 60.6 from 61.2.
- Reserve Bank of India's Governor, Mr. Shaktikanta Das said that India's pace of economic expansion in FY24 (financial year 2024) could be close to 8%, likely topping earlier official estimates.
- Moody's raised its forecast for India's Gross Domestic Product (GDP) growth in FY24 to 8% from 6.6% on the back of strong government expenditure and domestic consumption.
- Prime Minister, Mr. Narendra Modi said that India will soon become the third-largest economy and the global buzz is around the high growth rate of the Indian economy.
- The Government revised its existing guidelines on recruitment and promotion of sports persons to include events which have gained importance in

WEEKLY YIELD

Update of Equity & Debt Market

March 8, 2024

recent times and to provide greater incentives to the sports persons performing well in these games.

- The Government notified the amended Foreign Direct Investment (FDI) norms in the space sector, clearing the deck for 100% overseas investment in making components for satellites, 74% in satellite manufacturing and operations, and 49% in launch vehicles.
- The Government launched an online digital platform named "e-Upaja Kisaan Nidhi" to empower farmers with access to pledge finance against harvested commodities.
- The Cabinet approved the hike of Dearness Allowance (DA) for the Central Government employees and Dearness Relief (DR) for pensioners by 4% effective from January 1, 2024.
- The Cabinet approved the 'India AI mission' with an outlay of Rs 10,371.92 crore for a period of five years, to give a further push for Artificial Intelligence in India.
- The Cabinet has approved a crucial bill aimed at providing reservations to Scheduled Tribes (ST) in the Goa Legislative Assembly.
- The Steel Ministry has extended the policy for preferential procurement of locally manufactured steel products by six months. A notification said that the validity of the Domestically Manufactured Iron & Steel Products (DMI&SP) policy is being extended beyond the earlier deadline of May 29, 2024.
- The Government approves Rs 10,037 crore UNNATI scheme for Northeast industrial development.
- The Reserve Bank of India (RBI) has issued directives aimed at ensuring greater choice and flexibility for customers in the issuance of credit cards by card networks.
- The Reserve Bank of India (RBI) expanded the scope of the Bharat Bill Payment Systems (BBPS) as part of an attempt to enable non-bank payment aggregators (PAs) to participate in the system as operating units and encourage greater participation.

- The Securities and Exchange Board of India (SEBI) proposed to introduce a third settlement schemes in the matter of trading activities of certain entities in the illiquid stock options segment of Bombay Stock Exchange (BSE).



GLOBAL NEWS

- US Automatic Data Processing (ADP) employment rose to 140,000 February 2024 following an upwardly revised 111,000 in January 2024.
- The number of JOLTs job openings in US went down by 26,000 from the previous month to 8,863 million in January 2024, the lowest in three months.
- US S&P Global US Manufacturing Purchasing Managers' Index (PMI) rose to 52.2 in February 2024, compared to January 2024's 50.7.
- US ISM Manufacturing PMI fell to 47.8 in February 2024, from 49.1 in January 2024 while services PMI fell to 52.6 from 53.4.
- The European Central Bank maintained its interest rates at 4.5%, with the deposit facility rate unchanged at an unprecedented 4%.
- The Eurozone's Gross Domestic Product (GDP) expanded by 0.1% on year in Q4 2023 compared to an upwardly revised 0.1% reading in Q3 while on quarterly basis economy stagnated in Q4, following a 0.1% contraction in Q3.
- Eurozone inflation rate declined to 2.6% on-year in February 2024, down from 2.8% in January, while the core inflation eased to 3.1% down from the previous months 3.3%.
- UK Halifax House Price Index rose by 1.7% on year in February 2024, slowing from a downwardly revised 2.3% growth in January 2024.
- Japan Jibun Bank Services PMI for February 2024 came at 52.9, following January 2024's four-month high of 53.1. while Composite PMI came at 50.6, down from 51.5.

WEEKLY YIELD

Update of Equity & Debt Market

March 8, 2024

| DAY | EVENTS |
|-------------------------|---|
| Monday, Mar 11, 2024 | <ul style="list-style-type: none"> • US Consumer Inflation Expectations, February • Japan GDP Growth Annualized Final Q4 |
| Tuesday, Mar 12, 2024 | <ul style="list-style-type: none"> • US NFIB Business Optimism Index February • US Core Inflation Rate, February • US Inflation Rate, February • US CPI, February • UK unemployment rate, January • Japan PPI, February • India Industrial/Manufacturing Production, January • India Inflation rate, February |
| Wednesday, Mar 13, 2024 | <ul style="list-style-type: none"> • Eurozone Industrial Production, January • UK GDP, January • UK Industrial/Manufacturing Production, January • UK Balance Of Trade, January |
| Thursday, Mar 14, 2024 | <ul style="list-style-type: none"> • US PPI, February • US Retail Sales, February • US Initial Jobless Claims, March 09 • India WPI inflation, February |
| Friday, March 15, 2024 | <ul style="list-style-type: none"> • US Industrial/manufacturing production, February • US NY Empire State Manufacturing Index, Mar • US Export/import, February • China House Price Index, February • India Balance of Trade, February • India Foreign Exchange Reserves, March 08 |

WEEKLY YIELD

Update of Equity & Debt Market

March 8, 2024

Source: CRISIL

Disclaimer: CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this Report based on the information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this report should be construed as an investment advice. CRISIL especially states that it has no financial liability whatsoever to the subscribers/ users/ transmitters/ distributors of this Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published / reproduced in any form without CRISIL's prior written approval. CRISIL or its associates may have commercial transactions with the company/entity.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

Disclaimers: This document is for information purposes only and is not an offer to sell or a solicitation to buy any mutual fund units / securities or to have business relations with Union Asset Management Company Private Limited (the AMC) / Union Trustee Company Private Limited (the Trustee Company) or any of its associates. The information in this document is as of Mar 8, 2024, unless stated otherwise, and may change without notice. The information in this document alone is not sufficient and should not be used for the development or implementation of an investment strategy. Neither the Sponsors/the AMC/ the Trustee Company/ their associates/ any person connected with it, accepts any liability arising from the use of this information.

This report and the views expressed in this report are that of CRISIL Research. The Sponsors/ the AMC/ the Trustee Company/ their associates/ any person connected with it, do not warrant the completeness or accuracy of the information and disclaim all liabilities, losses and damages arising out of the use of this information. The recipients of this material should rely on their investigations and take their own professional advice.

Statutory Details: Constitution: Union Mutual Fund has been set up as a Trust under the Indian Trusts Act, 1882; Sponsors: Union Bank of India and Dai-ichi Life Holdings, Inc.; Trustee: Union Trustee Company Private Limited, [Corporate Identity Number (CIN): U65923MH2009PTC198198], a company incorporated under the Companies Act, 1956 with a limited liability; Investment Manager: Union Asset Management Company Private Limited, [Corporate Identity Number (CIN): U65923MH2009PTC198201], a company incorporated under the Companies Act, 1956 with a limited liability. Registered Office: Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059. Toll Free No. 18002002268/18005722268 · Non Toll Free. 022-67483333 · Fax No: 022-67483402 · Website: www.unionmf.com · Email: investorcare@unionmf.com