

WEEKLY YIELD

Update of Equity & Debt Market

November 17, 2023

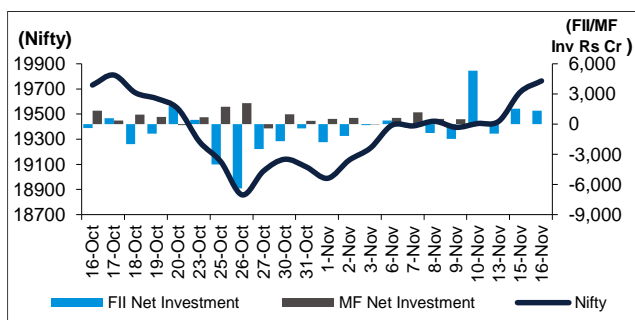


DOMESTIC EQUITY

- Indian equity indices ended higher this week as investors cheered softer-than-expected inflation reading for United States (US) and India, raising hopes that the rate-hiking era by central banks may end soon. S&P BSE Sensex and Nifty 50 rose 1.37% and 1.58% respectively.
- Most sectors ended higher, with information and technology, realty and automobile the most. S&P BSE Information Technology, S&P BSE realty and S&P BSE automobile were high at 5.03%, 4.76% and 3.81% respectively.
- However, the market saw a marginal dip towards the end of the week due to sell-off in banking shared after the RBI tightened the rules for personal loans and credit cards. S&P BSE Bankex fell 0.83%

Broad Indices	Week change%	3 months change%	1 year change%
S&P BSE Sensex	1.37	0.99	6.55
Nifty 50	1.58	1.89	7.57
S&P BSE Midcap	2.50	9.84	32.23
S&P BSE Smallcap	3.18	11.97	37.11
S&P BSE Bankex	-0.83	-0.15	1.32
S&P BSE CG	2.94	13.49	46.31
S&P BSE FMCG	1.30	3.01	19.52
S&P BSE IT	5.03	4.63	10.05
S&P BSE Healthcare	2.04	5.44	25.56

Source: BSE, NSE



Source: SEBI, NSE



GLOBAL EQUITY

- US stocks closed higher this week after inflation eased and producer price data and strong retail sales data raised expectations that the Federal Reserve (Fed) may soon stop hiking rates.
- Britain's FTSE gained 0.7% after investors cheered ease in inflation data from the US and UK.
- Other European equities advanced with France's CAC 40 and Germany's DAX rose 1.7% and 3.6% respectively. Markets gained after the US inflation print for October came in cooler than expected.
- Asian equities ended higher. Japan's Nikkei Index rallied 3% on strong corporate earnings and expectations of a dovish stance from the Fed following cooling inflation print.
- Hong Kong's Hang Seng rose 1.4% after softer US inflation raised hope that the US Fed may no longer hike rates and on expectations of fresh government stimulus in China. However, these gains were limited after weak China financing data raised concerns over the country's economic recovery.
- Shanghai Composite rose 0.5% after investors cheered cooling US inflation data, which is likely to bring an end to the Fed's rate hikes.



DOMESTIC DEBT

Indicators	Nov 17, 2023	Previous Week	Trend
Call Rate	6.75%	6.70%	↑
3 M CP	7.75%	7.75%	↔
1 Yr CP	8.00%	8.00%	↔
3 M CD	7.27%	7.30%	↓
1 Yr CD	7.70%	7.70%	↔
5 Yr AAA	7.67%	7.70%	↓
1 Yr G-Sec*	7.15%	7.16%	↓
5 Yr G-Sec*	7.25%	7.32%	↓
10 Yr G-Sec*	7.21%	7.30%	↓
USD/INR*	83.27	83.34	↓

Source: CRISIL Fixed Income Database, RESERVE BANK OF INDIA

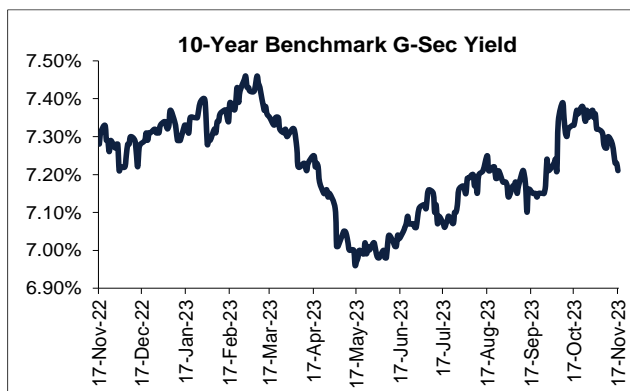
*Weighted Average Yield

WEEKLY YIELD

Update of Equity & Debt Market

November 17, 2023

- Government bond prices ended higher in the week ended November 17, 2023. The yield of 10-year benchmark 7.18% 2033 paper closed lower at 7.22% on November 17, 2023 compared with 7.30% on November 10, 2023.
- Yield prices declined mirroring the fall in US Treasury yields on increasing anticipation that the Federal Reserve (Fed) may start reducing rates in the first half of 2024 following soft US inflation data.
- A further fall in the global oil prices kept bond prices elevated.
- Back home, better-than-expected demand for bond witnessed in weekly auction results released by RBI, also kept the yield under pressure.
- In the debt sale held on November 17, 2023, the RBI auctioned government securities 7.37% G-sec 2028, 7.18% G-sec 2033 and 7.30% G-sec 2053 for a total notified amount of Rs 30,000 crore.



Source: CRISIL Fixed Income Database



GLOBAL DEBT

- US Treasury prices ended higher this week after a slot of economic data cemented expectations that the Fed will not hike interest rates again to slow inflation.
- The slowing market and weaker-than-expected consumer inflation data released earlier this week kept yield under pressure. However, during mid-week buying at lower level cut short further fall in yield.

- The yield on the 10-year benchmark treasury bond ended at 4.45% on November 16, 2023 compared with 4.63% on November 10, 2023.



DOMESTIC NEWS

- India industrial production rose by 5.8% on year in September 2023, marking a slowdown from the 14-month high of 10.3% growth recorded in August 2023.
- India retail inflation eased to 4.87% in October 2023 on an annual basis, compared to 5.02% in September 2023.
- India wholesale deflation widened to a three-month low of 0.5% in October 2023 compared with 0.3% in September 2023, owing to softening inflation in primary food articles.
- India's merchandise trade deficit widened to a record high of \$31.46 billion in October 2023 from \$19.37 billion in September 2023.
- Reserve Bank of India's (RBI's) economic activity index nowcasts Gross Domestic Product (GDP) growth for Q3 Financial Year 2023- 24 (FY24) at 6.3% and the Central Bank expects the momentum of the change in GDP sequentially to be higher in Q3, with festive demand remaining ebullient.
- According to the RBI's 'State of the Economy' report, rising food prices pose the sole threat to the Central Bank's commitment to align headline inflation with the 4% target.
- S&P Global Ratings said that India's economic growth prospects should remain strong over the medium term, with Gross Domestic Product (GDP) expanding 6-7.1% annually in fiscal years 2024-2026.
- Economic Affairs Secretary Ajay Seth said that global financial institutions need to pursue comprehensive reforms, going beyond just financial aspects to include changes in their mandate, governance framework and operational elements.

WEEKLY YIELD

Update of Equity & Debt Market

November 17, 2023

- Finance Minister Nirmala Sitharaman said that India is expected to overtake Japan and Germany to emerge as the third largest economy in the world by 2027.
- Prime Minister Narendra Modi released Rs 18,000 crore as the 15th instalment of the PM-Kisan scheme to more than 8 crore farmers across the country.
- Asian Development Bank (ADB) will extend a \$400 mn policy-based loan to India to support its urban reform agenda for creating quality urban infrastructure, improving service delivery and promoting efficient governance systems.
- Finance Minister Nirmala Sitharaman said that the biometric-based Aadhaar authentication through Goods and Services Tax (GST) Seva Kendras have been approved for Andhra Pradesh and this will streamline the GST registration process and improve security.
- The Ministry of Information and Broadcasting has approved the Digital Advertisement Policy, 2023 to widen the reach of awareness campaigns in the digital media space.
- The RBI issued an order allowing banks maintaining Special Rupee Vostro Accounts to open an additional special current account for enabling their customers to carry out settlement of their export transactions.
- RBI issued regulatory measures towards consumer credit and bank credit to Non-Banking Financial Companies (NBFCs.) increasing risk weights by an additional 25 percentage points to 125%.
- RBI in its monthly bulletin said that the Unified Payments Interface (UPI) added another billion to reach 11 billion transactions in a short span of two months—the quickest addition of a billion—to date.
- The Securities and Exchange Board of India (SEBI) asked brokers to inform a standard "most important terms and conditions" to the clients, which will be acknowledged by them.

- SEBI Chairperson Madhabi Puri Buch said that the markets regulator's board will be discussing potential changes on delisting at its next meeting.



GLOBAL NEWS

- US annual inflation rate slowed to 3.2% in October 2023 from 3.7% in September 2023, while core consumer price inflation edged down to 4% from 4.1%.
- US Consumer Inflation Expectations decreased to 3.6% in October 2023 from 3.7% in September 2023.
- US Producer Price Index (PPI) declined by 1.2% on year in October 2023 compared to 2.2% in September 2023.
- Eurozone economy grew 0.1% annually in the third quarter of 2023, slower from 0.5% growth in the second quarter of 2023.
- Eurozone industrial production fell by 6.9% on year in September 2023, from 5.1% contraction in August 2023.
- The UK economy expanded 0.6% on year in the third quarter of 2023, the same as in Q2 of 2023.
- UK annual inflation eased to 4.6% in October, down from 6.7% in September 2023 while core inflation slowed to 5.7%, down from 6.1%.
- The People's Bank of China (PBoC) launched a total of 1.45 trillion yuan via a one-year medium-term lending facility (MLF) to the banking system and left the interest rate unchanged at 2.50%.
- Japan Gross Domestic Product (GDP) Growth Rate shrank 0.5% on quarter for Q3 compared to 1.1% in Q2 of 2023.
- Japan producer prices rose by 0.8% on year in October 2023, slowing from an upwardly revised 2.2% gain in September 2023.

WEEKLY YIELD

Update of Equity & Debt Market

November 17, 2023

DAY	EVENTS
Monday, Nov 20, 2023	<ul style="list-style-type: none">• Eurozone Construction Output, September• China Loan Prime Rate 1Y• China Loan Prime Rate 5Y, November
Tuesday, Nov 21, 2023	<ul style="list-style-type: none">• US Chicago Fed National Activity Index, October• US Existing Home Sales, October
Wednesday, Nov 22, 2023	<ul style="list-style-type: none">• US Michigan Consumer Sentiment Final, November• US Michigan Consumer Expectations Final, November• US Michigan Inflation Expectations Final, November• US Durable Goods Orders, October• Eurozone Consumer Confidence Flash, November
Thursday, Nov 23, 2023	<ul style="list-style-type: none">• US FOMC Minutes• US Initial Jobless Claims, November 18, 2023• Eurozone HCOB Manufacturing/ Services / Composite PMI Flash, November• UK S&P Global/CIPS Manufacturing/ Services / Composite PMI Flash, November
Friday, Nov 24, 2023	<ul style="list-style-type: none">• US S&P Global Manufacturing/ Services / Composite PMI Flash, November• UK GfK Consumer Confidence, November• Japan Inflation Rate, October• Japan Jibun Bank Manufacturing/ Services / Composite PMI Flash, November• India FX Reserves, November 17, 2023

WEEKLY YIELD

Update of Equity & Debt Market

November 17, 2023

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 Nov 17, 2023, 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 · Non Toll Free. 022-67483333 · Fax No: 022-67483402 · Website: www.unionmf.com · Email: investorcare@unionmf.com