

WEEKLY YIELD

Update of Equity & Debt Market

May 10, 2024

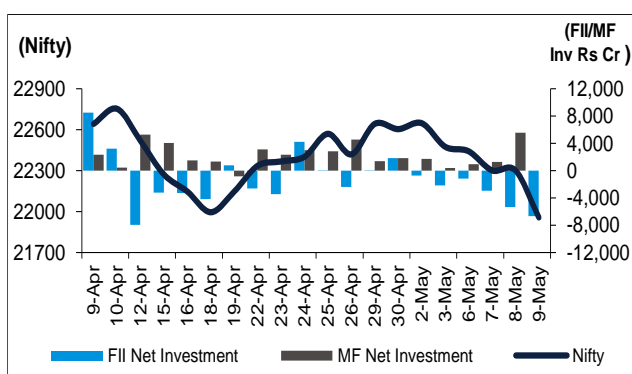


DOMESTIC EQUITY

- Indian equity ended lower this week after a major domestic multinational conglomerate posted disappointing revenue outlook and on uncertainty surrounding the general state elections. S&P BSE Sensex and Nifty 50 fell 1.64% and 1.87%, respectively.
- Most sectors ended lower with consumer durables (CD), oil and gas, and metal losing the most. S&P BSE CD, S&P BSE Oil & Gas, and S&P BSE Metal fell 4.76%, 4.50% and 3.32%, respectively.
- By the end of week, some gains were witnessed amid hope of rate cut by the United States (US) Federal Reserve.

Broad Indices	Week change%	3 months change%	1 year change%
S&P BSE Sensex	-1.64	1.49	17.31
Nifty 50	-1.87	1.25	20.42
S&P BSE Midcap	-3.27	3.69	56.65
S&P BSE Smallcap	-3.80	-0.55	54.20
S&P BSE Bankex	-2.27	4.68	9.93
S&P BSE CG	-2.60	9.98	63.13
S&P BSE FMCG	1.29	2.10	13.49
S&P BSE IT	-0.59	-12.37	20.56
S&P BSE Healthcare	-2.46	-0.68	48.83

Source: BSE, NSE



Source: SEBI, NSE



GLOBAL EQUITY

- US stocks ended higher this week after weak jobs data and unexpected spike in jobless claims data raised optimism for a Federal Reserve interest rate cut this year.
- Britain's FTSE Index rallied 2% after the Bank of England held rates at its policy meet and signalled possibility of rate cut soon, and on upbeat corporate updates.
- Asian equities ended mostly higher. Japan's Nikkei Index declined 4% as investors booked profits at higher level and on caution ahead of earnings season start.
- Hong Kong's Hang Seng advanced 2.6% following better-than-expected Chinese trade data and after many cities in China lifted restrictions on home buying.
- China's Shanghai Composite gained 1.6% buoyed by property shares after various cities lifted restrictions on property purchase and better than expected Chinese trade data.



DOMESTIC DEBT

Indicators	May 10, 2024	Previous Week	Trend
Call Rate	6.75%	6.25%	↑
3 M CP	7.90%	7.60%	↑
1 Yr CP	8.05%	7.91%	↑
3 M CD	7.30%	7.19%	↑
1 Yr CD	7.65%	7.68%	↓
5 Yr AAA	7.61%	7.62%	↓
1 Yr G-Sec*	7.08%	7.08%	↔
5 Yr G-Sec*	7.13%	7.16%	↓
10 Yr G-Sec*	7.08%	7.12%	↓
USD/INR*	83.49	83.43	↑

Source: CRISIL Fixed Income Database, RESERVE BANK OF INDIA

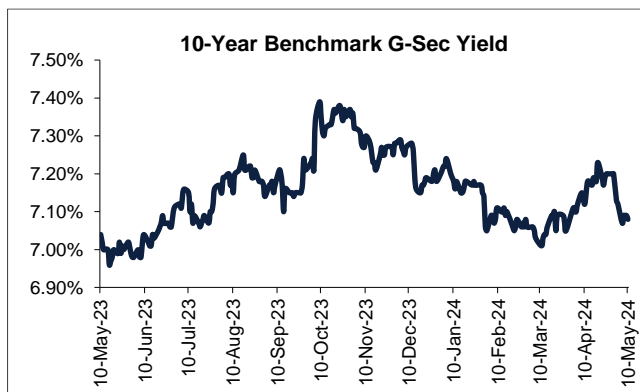
*Weighted Average Yield

WEEKLY YIELD

Update of Equity & Debt Market

May 10, 2024

- Government bond prices ended higher in the week ended May 10, 2024. The yield on the 10-year benchmark 7.18% 2033 paper closed at 7.13% on May 10, 2024 compared with 7.15% on May 03, 2024.
- Meanwhile, the yield on the new 10-year benchmark 7.10% 2034 paper closed at 7.09% on May 10, 2024 compared with 7.11% on May 03, 2024.
- Bond prices rose due to a sharp decline in US peers after softer-than-expected jobs data, and after the government announced bond buyback plans.
- Yields also declined tracking the US yield on hopes of the Federal Reserve cutting interest rates this year, which were bolstered by weaker-than-expected April non-farm payrolls data last week.
- Profit booking at a higher level cut short further gains in bond prices.



Source: CRISIL Fixed Income Database



GLOBAL DEBT

- US Treasury prices rose this week on solid demand at Treasury bond auction.
- Yields declined further after the data showed US jobless claims surged by 22,000 to 231,000 on the week ending May 04, 2024 compared with revised 209,000 in the previous week.
- Bond prices were up as non-farm payroll data reinforced the US Federal Reserve's suggestion that

the economy was not overheated enough to derail an easing this year.

- The data showed the US economy added 175,000 jobs in April 2024, a deceleration compared with the upwardly revised 315,000 jobs added in March 2024. While the unemployment rate edged up to 3.9% from 3.8%.
- The yield on the 10-year benchmark Treasury bond ended lower at 4.47% on May 09, 2024 compared with 4.50% on May 03, 2024.



DOMESTIC NEWS

- India's Industrial Production (IIP) growth rate slowed to 4.9% in March 2024 as against 5.7% in February 2024.
- India's HSBC services Purchasing Managers' Index (PMI) eased to 60.8 in April 2024 down from 61.2 in March 2024 while Composite PMI fell slightly to 61.5 from 61.8.
- Chief Economic Advisor V. Anantha Nageswaran said India's economy can sustain growth of more than 6.5%-7% for a decade, supported by investment in physical and digital infrastructure.
- Export-Import Bank of India forecast India's merchandise exports to grow 12.3% on-year at \$116.7 billion in the April-June quarter of FY25, on strong economic fundamentals and sustained manufacturing and services activity.
- UBS said in its latest report that India is on track to become the third largest consumer market in 2026, overtaking Germany and Japan, as people in the affluent category increase.
- Government increased the Dearness Allowance (DA) and Dearness Relief (DR) by 4% in March 2024.
- Government imposed a 40% duty on export of onions and also exempted duty on the import of desi chana till March 31, 2025.
- As per the latest National Account Statistics 2024 of the Ministry of Statistics and Programme Implementation the net household savings declined

WEEKLY YIELD

Update of Equity & Debt Market

May 10, 2024

sharply by Rs 9 lakh crore to Rs 14.16 lakh crore in three years to 2022-23.

- Finance Minister Nirmala Sitharaman said that implementation of Goods and Services Tax (GST) has helped poor as it lowered taxes on large items and exempted many essential goods and services from tax, compared to the pre-GST era.
- Government scrapped the levy on chickpeas and extended tax-free imports of yellow peas.
- Reserve Bank of India (RBI) issued directives to banks regarding their exposure to the capital markets, emphasizing compliance with prescribed guidelines.
- The Reserve Bank of India (RBI) proposed to lenders that they set aside higher provisions for under-construction infrastructure projects and asked them to ensure strict monitoring of any emerging stress.
- The Reserve Bank of India (RBI) stated that an interest rate of 7.03% on Government of India Floating Rate Bond 2024 (FRB 2024) shall be applicable for the half year May 07, 2024 to November 06, 2024.
- Securities and Exchange Board of India (SEBI) extended the settlement scheme period till June 10, 2024 for entities involved in reversal trades in the stock options segment on BSE in 2014 and 2015.
- SEBI has amended the SEBI (Employees' Service) Regulation and the new norms have been made effective from May 06, 2024.
- The Securities and Exchange Board of India (SEBI) has proposed to reduce the trading lot size of privately placed infrastructure investment trusts (InvITs) to Rs 25 lakh from the existing Rs 1 crore.
- SEBI proposed easing disclosure rules for non-convertible securities.
- SEBI proposed direct transfer of securities to clients' accounts.



GLOBAL NEWS

- US S&P Global Services Purchasing Managers' Index (PMI) fell in April 2024 to 51.3 from 51.7 in March 2024, while Composite PMI eased to 51.3 in April 2024, from 52.1 in the previous month.
- US Institute of Supply Management (ISM) Services PMI dropped sharply to 49.4 in April 2024, from 51.4 in the earlier month.
- Eurozone Producer Price Index decreased by 7.8% on year in March 2024, following a downward revised 8.5% drop in February 2024.
- European Central Bank (ECB) policymakers Philip Lane, Gediminas Simkus and Boris Vujcic said separately that the latest inflation and growth data cemented their belief that inflation will head back to the central bank's 2% target by the middle of next year.
- Eurozone Hamburg Commercial Bank (HCOB) construction PMI dropped to 41.9 in April 2024 from 42.4 in March 2024.
- Eurozone retail sales rose by 0.7% on year in March 2024, rebounding from the downwardly revised 0.5% decline in February 2024.
- The Bank of England's Monetary Policy Committee voted to maintain the Bank Rate at 5.25% in its May 2024 meeting, with two members preferring a 0.25 percentage point reduction.
- The UK economy expanded 0.2% year-on-year in the first three months of 2024, rebounding from a 0.2% drop in the previous period.
- UK Halifax House Price Index rose by 1.1% on year in April 2024, accelerating from an upwardly revised 0.4% growth in March 2024.
- UK retail sales dropped 4.4% on year in April 2024 compared to growth of 3.2% in March 2024.
- China Caixin General Services PMI was down to 52.5 in April 2024 from 52.7 in March 2024, Caixin General Composite PMI was at 52.8, up slightly from 52.7.

WEEKLY YIELD

Update of Equity & Debt Market

May 10, 2024

DAY	EVENTS
Monday, May 13, 2024	<ul style="list-style-type: none"> India Inflation Rate, April
Tuesday, May 14, 2024	<ul style="list-style-type: none"> US PPI, April India WPI inflation, April
Wednesday, May 15, 2024	<ul style="list-style-type: none"> US Inflation, April US Retail Sales, April Eurozone Industrial production, April Eurozone GDP Growth Rate, second estimates, Q1 India Balance of Trade, April
Thursday, May 16, 2024	<ul style="list-style-type: none"> US Initial Jobless Claims May 11 US Industrial/Manufacturing production, April
Friday, May 17, 2024	<ul style="list-style-type: none"> Eurozone CPI, April Eurozone Inflation, April China Retail Sales, April China Unemployment Rate, April China Industrial Production, April Japan GDP Growth Rate Q1 Japan Industrial Production, March India foreign exchange reserves, May 10

WEEKLY YIELD

Update of Equity & Debt Market

May 10, 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 May 10, 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