

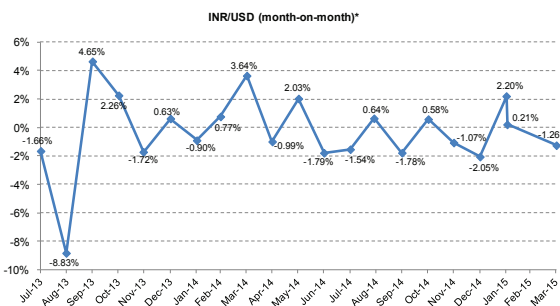
### 1-year BRICs performance comparison\*

India's SENSEX emerged 2nd amongst the BRICS (1-year)



In descending order (from 28th Feb 2014 to 27th Feb 2015): **SHCOMP** (Shanghai Stock Exchange Index), **BSE Sensex** (Bombay Stock Exchange), **MIBOVESPA** (Moscow Stock Exchange Index) and **IBOVESPA** (Brazil Sao Paulo Stock Exchange Index).

### INR/USD chart (from July 2013 to March 2015)\*\*



\* Source: Bloomberg

\*\* S&P

### FII's were at US\$12.6 billion in March 2015

Foreign institutional investments were around US\$3.5 billion in March, bringing the total to US\$12.6 billion year-to-date.

### FPIs inflows hits US\$175 billion mark

The cumulative net investments by foreign investors have now exceeded US\$175 billion (Rs 11 lakh-crore), with about US\$44 billion infused into Indian capital markets by such investors during 2014-15 alone. Foreign investors made a net investment of US\$17.5 billion in equities in 2014-15 and US\$26.2 billion crore into debt markets, as per the latest data with Central Depository Services.

### Sensex and Nifty welcomes FY16 on a good note

BSE Sensex welcomed FY16 on a high note, surging more than 300 points and reclaiming its crucial 28,000 mark and Nifty was at 8,586.25 which was up 95.25 points (as of 31st March 2015)

### Highlights in RBI's first bi-monthly monetary policy statement 2015-16 on 7th April 2015:

- Short-term lending rate (repo) unchanged at 7.5%, Cash Reserve Ratio unchanged at 4% and retains Statutory Liquidity Ratio at 21.5%.
- Estimates GDP growth at 7.8% in FY'16, up from 7.5% in FY'15 and forecasts CPI inflation at 5.8 pc by March 2016.

### India FIIs to stay strong despite China's rally

Funds flow from foreign institutional investors into Indian markets is expected to remain unaffected even after the recent rally in the Chinese markets, say experts. According to Bloomberg, earnings of the CNX Nifty is expected to grow by 18% for the present year but the Shanghai Composite Index are expected to grow by 13.5%. Similarly, India's GDP growth is expected to be 7.4% for 2015, more than the 7% estimated growth for China, which will be its lowest in the past 25 years.

### IMF said India is better prepared for external financial shocks

India is better positioned to cope with external financial shocks than most emerging market economies, IMF head Christine Lagarde said. She added that "India shrunk its current account deficit and boosted its stock of international reserves".

### India is the most preferred equity market in Asia - Credit Suisse & BoFA-ML

In 2 separate surveys of fund managers by Credit Suisse and Bank of America-Merrill Lynch (BoFA-ML), Indian is the most preferred equity market in Asia for investments. As per the surveys, foreign investors with a long-term vision prefers having exposure to Indian markets as the earnings growth in other emerging markets seems low.

### Morgan Stanley says Indian economy in for good times

Predicting an average 5% inflation in India this year, Morgan Stanley has said India is in for a long period of higher sustainable growth and lower prices. They are more constructive on inflation outlook and we expect the retail price index to decelerate to 4.75% by this December against the consensus estimate of 5.8%.

### India's economy likely to grow 8% in next fiscal year: Fitch

Fitch reported that India will be the only BRIC country where growth will accelerate and the economy is likely to clock 8% growth in the next financial year and 8.3 per cent in 2016-17, based on revised data, in their Global Economic Outlook.

### CPI & Inflation

CPI inflation in February increased to 5.4% yoy versus ~5.2% in January. The reported inflation has risen from a low of 3.3% reported in November, however the underlying index has remained static over past few months, leading to a minimal sequential (month over month) increase in underlying inflation. The quickening of CPI inflation is largely on account of base effect. In all likelihood, this has peaked in Feb-15. The CPI inflation so far has weathered the impact of spike in vegetable prices caused by unseasonal rains. CPI inflation remains well within the RBI's Jan 2016 target of 6% and is expected to remain so.

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