

India's consumer prices (CPI Inflation) moved lower to 4.40% in February 2018 from 5.07% in January 2018 on account of sharper than anticipated moderation in food inflation. Food inflation declined from 4.6% in January 2018 to 3.3% in February 2018, mainly due to a continuation of a reversal of vegetables price spike witnessed late last year. The core-CPI inflation went up to 5.2% in February 2018 compared to 5.1% in January 2018, as inflation in housing, clothing and footwear remained quite sticky. The inflation related to fuel and light declined to 6.8% in February 2018 from 7.0% in January 2018. The Wholesale Price Index (WPI) continued broad-based moderation to 2.5% in February 2018 from 2.8% in January 2018 mainly on account of decline in food inflation, fuel and power, and manufactured food products.

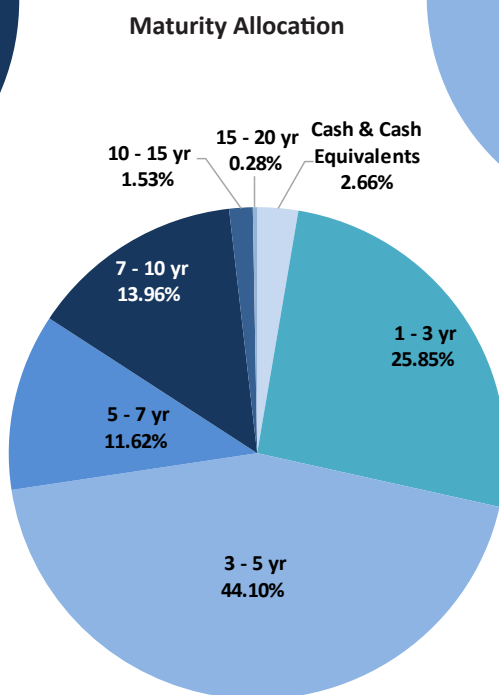
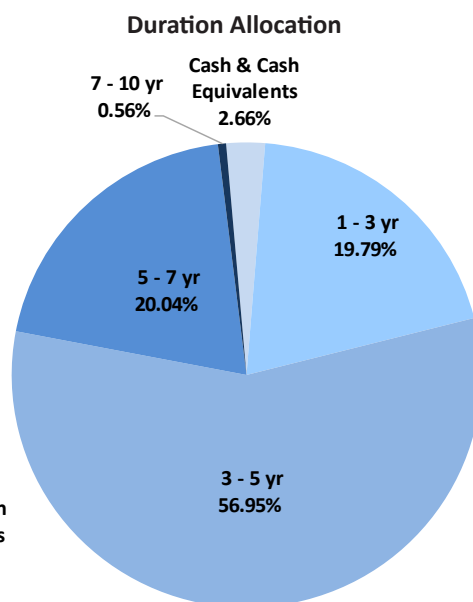
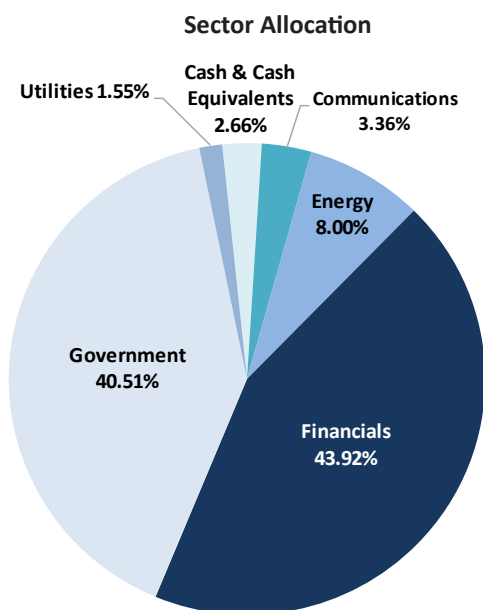
The Government announced gross borrowing for H1FY2019 to be pegged at INR 2.88 tn, which is around 52% of the gross borrowing budgeted for FY2019 (INR 5.55 tn). As per the detailed borrowing calendar, the weekly dated securities

auctions size is INR 120 bn, lower than the INR 150-180 bn weekly amounts in H1FY2018. Further, unlike most of the previous years, the concentration of issuances is no longer in the 10-14 year segment. In the 10-14 year segments, the government will be issuing just 29% of the overall issuance for H1FY2019, compared to 52% in H1FY18. The proportionate allocation has likewise been increased in less than 10 years as also for more than 15-year maturity bucket categories. The government also met the market's demand to issue debt at the shorter-end of the curve by announcing that it would issue debt in the 1 year to 4-year segments respectively. The government will also issue Floating Rate Bonds and Inflation Indexed Bonds to the extent of 10% of issuances for the year

### Outlook

This reduction in first half gross borrowing to around 52% has been a considerable positive surprise, given that this metric usually ranges between 60-65% in other fiscal years. Domestic

bond markets that have felt the pain over the last six months from a pick-up in inflation and concerns about the fiscal position are likely to be considerably relieved by the lower quantum of borrowings announced for H1FY2019. Another positive impact of the lower borrowing program for H1 will be addressing the demand-supply mismatch that has plagued the bond market in recent times. Hence, we expect near-term softening in domestic yields as well as some flattening in the yield curve. However, the upside risks to domestic bond yields have not disappeared altogether as in the medium term we believe that the evolving inflation situation as well as global factors such as movement in crude oil prices, pace of unwinding of monetary policy by major central Banks and movement in global yields are likely to be a crucial driver for bond yields going forward. Therefore, we continue to actively manage duration while we maintain our neutral bias on duration and focus more on carry.



	USD Institutional	USD RDR	USD Retail	USD Super Institutional	SGD Retail	EUR Institutional
ISIN	IE00B87MVW30	IE00B8HFTC82	IE00B813ZW08	IE00BD3WYC32	IE00BDH6RX35	IE00BDH6RW28
Bloomberg code	BBG003LZY2M9	BBG003LZY2R4	BBG003LZY301	BBG00FFBC4K1	BBG00FFBCIF3	BBG00GNSVH6

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### Austria

Erste Bundesbank der oesterreichischen Sparkassen AG (the "Paying Agent") having its registered office at OE 01980869, AM Belvedere 1, A-1100 Wien, Austria has been appointed as the paying agent and information agent in Austria in accordance with sec. 141 para 1 of the IFA 2011. Investors may seek further information as to the subscription and redemption procedure applicable to the Fund from the Paying Agent.

### Finland

The Funds are established under the laws of the Ireland and are marketed in Finland in accordance with Chapter XI of Directive 2009/65/EC as transposed into national legislation, including Section 128 of the Finnish Act on Mutual Funds (48/1999, as amended) unless otherwise stated herein.

### Germany

The Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Agency for Financial Services Supervision) has been notified pursuant to Sec. 132 Investmentgesetz (Investment Act) of the intention to publicly distribute Shares of the Fund in the Federal Republic of Germany. The legal documents can be obtained in German, free of charge, from the information agent. The Information Agent in Germany is ODDO BHF Aktiengesellschaft, Bockenheimer Landstrasse 10, 60323 Frankfurt am Main.

### Guernsey

UTI International Ltd, Guernsey (UTI IL) is a regulated entity in Guernsey, governed by Guernsey law, and is under the Protection of Investors (Bailiwick of Guernsey) Law 1987.

### Hong Kong

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### India

The Fund has not been and will not be registered as a prospectus with the Registrar of Companies in India and that the Shares of the Fund has not been offered or sold in India and that it should not be offered or sold in India. This document or the Prospectus or any other offering document or material relating to the Shares of the Fund, should not be circulated or distributed this document, directly or indirectly, to the public or any members of the public in India.

### Ireland

The Fund is an open-ended investment company with variable capital incorporated with limited liability in Ireland under the Companies Acts, 1963 to 2012 with registration number 516063 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011). The Fund is both authorised and supervised by the Central Bank. Authorisation of the Fund by the Central Bank shall not constitute a warranty as to the performance of the Fund and the Central Bank shall not be liable for the performance or default of the Fund. The authorisation of the Fund is not an endorsement or guarantee of the Fund by the Central Bank and the Central Bank is not responsible for the contents of the Prospectus of the Fund.

### Singapore

The Fund is a recognised scheme under the Securities and Futures Act, Chapter 289 of Singapore ("SFA"). A copy of the Singapore Prospectus has been lodged with and registered by the Monetary Authority of Singapore ("MAS"). Investors from Singapore must read the Singapore prospectus and the product highlights sheet before making any investment decision. The MAS assumes no responsibility for the contents of the Singapore Prospectus. Registration of the Singapore Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Company. The distribution of this Singapore Prospectus and the offering or sale of the Shares in the Company in some jurisdictions may be restricted or prohibited. Persons who

have possession of the Singapore Prospectus of the Fund must inform themselves about and observe such restrictions or prohibitions.

### Spain

The UTI Indian Fixed Income Fund Plc, SICAV is duly registered in the CNMV official registry of foreign collective investment institutions as authorised to be marketed to the public in Spain with number 1566. In Spain, any investment must be made through the authorised distributors and on the basis of the information contained in the mandatory documentation that must be received from the authorised distributor of the SICAV prior to any subscription, or that may be obtained from the CNMV registries.

### Switzerland

The Company is authorized for public distribution in and from Switzerland by the Swiss Financial Market Supervisory Authority ("FINMA"). Investors from Switzerland should read the Consolidated Prospectus for use solely in Switzerland. The representative and paying agent in Switzerland is RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-8027 Zurich, Switzerland (the "Representative"). In Switzerland, the funds prospectus, Key Investor Information Document (KIID), the articles of association, the annual and semi-annual reports may be obtained free of charge from the Representative. In respect of the units distributed in and from Switzerland, the places of performance and jurisdiction is the registered office of the Representative.

### United Arab Emirates

The Fund is registered with the Securities and Commodities Authority ("SCA") of UAE as a foreign investment fund. The fund can be offered and marketed by licenced distributor who has individually obtained approval from SCA to distribute this Fund. The information on the list of licenced distributor for this fund will be available from the investment manager of the Fund.

### U.K

Any financial promotion contained herein, as defined by UK regulations, has been approved by UTI International Limited (FCA no:183361); a firm authorised and regulated by the Financial Conduct Authority ("FCA") U.K. The Fund mentioned herein has been recognised by the FCA pursuant to section 264 of the FSMA. Facilities Agent is UTI International Limited, 120 New Cavendish Street, London W1W 6XX, United Kingdom. Copies of the legal documents can be obtained in English, free of charge, from the Facilities Agent at 120 New Cavendish Street, London W1W 6XX, United Kingdom. The promotion of the Company in the United Kingdom can be carried out by persons authorized to carry on investment business in the United Kingdom under the FSMA and is not subject to the restrictions on promotion contained in section 238 of the FSMA. The FCA has not approved and takes no responsibility for the contents of the Prospectus or the UK Country Supplement or for any document referred to in them, nor for the financial soundness of the Fund or for the correctness of any statements made or expressed in the Prospectus or the UK Country Supplement or any document referred to in them.

### United States of America

The Shares have not been nor will they be registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or registered or qualified under the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "U.S. Person" (as defined in Regulation S under the 1933 Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state securities laws. The Company will not be registered under the U.S. Investment Company Act of 1940, as amended (the "1940 Act") pursuant to Section 3(c)(1) of the 1940 Act. Accordingly, the Company will limit the number of beneficial owners of its shares that are "U.S. Persons" as defined in Regulation S under the 1933 Act to not more than 100, as determined in accordance with the 1940 Act and the regulations thereunder. The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission or any state securities commission, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful. The Directors do not intend to permit Shares of any Class of the Company acquired by investors subject to the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and by other benefit plan investors, as defined in ERISA, to equal or exceed 25% of the value of any such Class (determined in accordance with ERISA). Accordingly, each prospective applicant for Shares will be required to represent and warrant as to whether and to what extent he is a "benefit plan investor" for the purposes of ERISA. For additional information on investments by U.S. Persons, including certain U.S. securities law, U.S. federal tax, and ERISA and other benefit plan considerations, please see Appendix IV of the Prospectus.

### Other jurisdictions

The distribution of this document of the Fund or Prospectus of the Fund and the offering of Shares of the Fund may be restricted in certain jurisdictions. This document or the Prospectus of the Fund does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorised or the person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this document or the Prospectus of the Fund and of any person wishing to apply for Shares of the Fund to inform himself of and to observe all applicable laws and regulations of the countries of his nationality, residence, ordinary residence or domicile.