



## ***What's New!!!***

### **Economic & Business Updates**

- **GST council slashes rates of various items from 28% slab:** The GST Council meeting in New Delhi decided to slash rates for items such as TV, monitor up to 32 inches, cinema tickets, lithium ion batteries etc from 28 per cent to lower rates. Union Finance Minister Arun Jaitley held a press conference after the meeting wherein he informed that the GST council has not increased any rates, rather have brought down several.
- **Shaktikanta Das appointed as the new RBI Governor:** Former economic affairs secretary Shaktikanta Das was named the 25th governor of the Reserve Bank of India (RBI) to succeed Urjit Patel, who quit abruptly amid a bitter dispute over the regulator's autonomy.
- **Safeguard duty on steel:** India appeals against WTO's panel ruling: India has challenged the WTO dispute panel's ruling that the country's move to impose safeguard duty on some iron and steel products was inconsistent with certain global trade norms.
- **India would overtake Britain and France, probably in 2019, but possibly 2020:** In the race to outpace developed economies, emerging countries such as China, India, and Brazil suffered a setback this year and will outgrow them later than previously expected, the Centre for Economics and Business Research said.
- **Govt tightens selling norms for e-commerce firms:** In a move that may come as a major setback to e-commerce players, the Ministry of Commerce and Industry said that e-commerce companies running marketplace platforms, like Amazon and Flipkart, cannot sell products on their platform through companies where they hold an equity stake.
- **Vedanta Resources draws up \$4-billion plan for Electrosteel Steels:** Vedanta Resources plans to pump about \$4 billion into newly acquired Electrosteel Steels to scale up its capacity from the existing 1.5 million tonne per annum to 7 mtpa in the coming years, said Anil Agarwal, chairman of Vedanta Resources.
- **New Rs 20 banknote soon, says RBI:** The Reserve Bank of India (RBI) will soon introduce a new Rs 20 currency note with additional features, according to a document of the central bank.
- **Max India to sell hospital assets to KKR-backed Radiant Life Care:** Max India said it was getting out of the health care business by selling its majority stake to KKR-backed Radiant Life Care. The deal will lead to the creation of a listed entity, Max Healthcare, with an equity valuation of Rs 72.42 billion.
- **Payments banks struggle, losses double:** According to the latest data released by RBI, the consolidated net loss of all the payments banks (PBs) in the country has more than doubled to ₹516 crore from ₹242 crore in the previous fiscal.
- **India's Longest Railroad Bridge In Assam's Bogibeel opened:** Prime Minister Narendra Modi opened the Bogibeel railroad bridge in Assam, billed as India's longest railroad bridge. Its foundation was laid in 1997. The five-kilometre structure spans the waters of the mighty Brahmaputra River. Bogibeel bridge will connect Assam's Dibrugarh and Dhemaji districts, bordering Arunachal Pradesh. It will cut the travel time between the two points by four hours and help avoid a 170-km detour.
- **Naspers leads \$1 billion round in Swiggy:** Food delivery firm Swiggy said its existing investor Naspers has led its fresh funding round of \$1 billion in what is seen as the single largest financing round in the Indian food-tech industry.



Mr. Sesha Sai P L V K

## From the President's Desk

### *Warm Greetings!!!*

Season's greetings to all our esteemed clients and readers!!!

The year 2018 has been an eventful one and we are approaching the New Year 2019 with hope and optimism. We have seen many micro and macro events that took center stage in the year gone by.

The year 2018 registered seven months of net negative return in Nifty 50 index. The average of last ten years stood at 5, this indicates higher volatility prevailed in the market. S&P BSE Sensex finished 2017 at an all-time high closing level of 34,057 and the Indian equity benchmark recorded a 29.56 per cent full-year total return. The small-cap stocks outperformed their midcap and large-cap counterparts.

Indian equity market at the beginning of the year saw imposition of capital gains tax on equity investments and Portfolio churning carried out by fund houses on back of SEBI's re-categorisation of equity schemes led to volatility and money flowing out of certain mid and small cap stocks to large caps.

Markets faced challenges in June too as trade tensions weighed on global equity markets, contributing to a rise in risk-off sentiment. However, equities posted steady gains during July as India's strong economic outlook provided for a positive outlook on growth. The S&P BSE Sensex finished the month at an all-time high of 37,607.

After closing August again at an all-time high, it took a sharp turn downwards in September. The benchmark

declined to its worst monthly performance since February 2016, as fears for exports in a worsening environment for global trade weighed on the markets. As a result of foreign fund outflows amid a worsening global outlook, the markets posted a second consecutive monthly decline in October. Events post RBI board meeting and wide spread speculation of governor Urjit Patel will resign added to currency pressures. November, equities gained across the board, on back of falling crude, favourable rupee and US providing levy from Iranian oil import sanctions.

The month of December saw exit of RBI governor, outcome of assembly polls and weak global cues. Dow Jones Industrial Average erased all the gains that was made in 15 months in December on back of news of US government shutdown. This fuelled selling pressure on majority global indices.

The year ahead looks to be promising for highly beaten down small and mid-cap sectors. Generally election year tends to be favourable for capital goods, cement, FMCG as there is an increased in spending by government. Government's focus towards improving rural income can have positive rub off effect in rural focused sectors. Equity markets tend to stabilise post general election and could catch on with long term economic growth momentum. Investors should focus on their long term investments by investing in companies with growth prospectus, sound management quality and business principles.

**Wishing you all a very  
Happy & Prosperous year 2019!!!**



## Snippets from INVEST KNOW

Indbank Merchant Banking Services Limited (IBMBSL) in association with NSDL organised an investor awareness program 'INVEST KNOW' on 29th December 2018 at Indian Bank Management Academy for Growth & Excellence (IMAGE), Chennai.

Event was presided by Sri Sesha Sai P L V K, President & Whole Time Director- IBMBSL. Sri Valliappan Nagappan was the Guest Speaker. Sri Siva Pazham, Assistant Manager - NSDL and Sri K S Sujay, VP & CFO - IBMBSL.



Gathering was enlightened on investment needs by Sri Sesha Sai P L V K, President & Whole Time Director- IBMBSL.



Sri Valliappan Nagappan - Guest Speaker addressing the gathering on why one should invest in stock market.

Sri Siva Pazham, Assistant Manager – NSDL spoke on functioning and key role of depository and finally Sri K S Sujay, VP & CFO – IBMBSL spoke on services offered by IBMBSL. Event was highly informative and recorded good response from investors and general public.



### Snap Shots

<b>Inflation (WPI) (%)</b>	<b>4.64% (Nov 2018)</b>	<b>5.28% (Oct 2018)</b>	<b>5.13% (Sep 2018)</b>	<b>4.53% (Aug 2018)</b>
<b>Inflation (CPI) (%)</b>	<b>2.33% (Nov 2018)</b>	<b>3.31% (Oct 2018)</b>	<b>3.77% (Sep 2018)</b>	<b>3.69 % (Aug 2018)</b>
<b>India Industrial Production (IIP) (%)</b>	<b>8.1% (Nov 2018)</b>	<b>4.5% (Oct 2018)</b>	<b>4.3% (Sep 2018)</b>	<b>6.6% (Aug 2018)</b>
<b>Particulars</b>	<b>28-Dec-2018</b>	<b>21-Dec-2018</b>	<b>14-Dec-2018</b>	<b>07-Dec-2018</b>
91-Day Cut-off (%)	6.6462	6.6048	6.6877	6.7292
10-yr G-Sec yield (%)	7.4111	7.4103	7.5359	7.4917
USD/INR(Rs)	69.9786	70.0368	71.7359	70.5663
EUR/INR (Rs)	80.0240	79.7670	81.3380	80.6245

### Global Indices

Indices	Country	Index as on 31.12.2018	Index as on 30.11.2018	Variation (%) (Inc/ Dec)
SENSEX	India	36068.33	36,194.30	-0.34
NIFTY 50	India	10862.55	10,876.75	-0.13
NASDAQ	United States	6,635.28	7,330.54	-9.48
DJIA	United States	11,374.39	25,538.46	-8.65
S&P 500	United States	2,506.85	2,760.17	-9.17
Hang Seng	Hong Kong	25,845.69	26,506.75	-2.49
Nikkei 225	Japan	20,014.77	22,351.06	-10.45
Shanghai Composite	China	2,493.90	2,588.19	-3.64
Straits Times	Singapore	3,068.76	3,117.61	-1.56
FTSE 100	United Kingdom	6,728.13	6,980.24	-3.61
CAC 40	France	4,730.69	5,003.92	-5.46
DAX	Germany	10,558.96	11,257.24	-6.20

### Institutional Investments

Category	Debt/Equity	Gross Purchases (Rs Crores)	Gross Sales (Rs Crores)	Net Investment (Rs Crores)
FII Investments Dec 2018 (as on 28.12.2018)	Equity	88,897.04	85,595.59	3,301.45
	Debt	26,658.07	22,056.69	4,601.38
Mutual Fund Dec 2018 (as on 28.12.2018)	Equity	46,391.71	44,297.43	2,094.28
	Debt	232,404.09	163,150.01	69,254.08
<b>FII Derivative Trades (Rs. in Crores) Dec 2018 (as on 28.12.2018)</b>	<b>INDEX FUTURES</b>	<b>INDEX OPTIONS</b>	<b>STOCK FUTURES</b>	<b>STOCK OPTIONS</b>
- Buy	77,767.56	19,25,723.36	3,15,332.36	1,32,459.57
- Sell	78,751.52	19,08,367.28	3,17,844.45	1,31,622.04

### Forthcoming Corporate Action

Company Name	Symbol	Purpose	Record / Ex Date
Selan Exploration Technology Ltd	SELAN	Interim Dividend	05-Jan-19
OCL INDIA LTD	OCLINDIA	Reduction of Capital	08-Jan-19
Tata Investment Corporation Ltd	TATAINVEST	Buy Back	11-Jan-19
Gujarat Gas Ltd	GUJGAS	Stock Split From Rs.10/- to Rs.2/-	16 Jan 2019
SADHANA NITROCHEM LTD	SADHNANIQ	Stock Split From Rs.10/- to Rs.5/-	30 Jan 2019

### New Fund Offers

Fund Name	Open Date	Close Date	Min. Investment (Rs.)	Type
ICICI Prudential India Opportunities Fund	26-Dec-2018	09-Jan-2019	5000	Open Ended
Shriram Long Term Equity Fund	17-Dec-2018	18-Jan-2019	Rs. 500/-and in multiples of Rs. 500/- thereafter	Open Ended

### Crude and Rupee check

Crude cooled off and closed at \$53.80 on 31st December, 2018, almost ten dollar lower from December high of \$63.70, giving a breather for the economy. Rupee closed at Rs 69.94 on 31st December, 2018.

**Brent crude price movement**



**USD-INR price movement**



### Upcoming IPO's

Issuer Company	Issue Open	Issue Close	Offer Price (Rs)	Issue Type	Market Lot (Shares)	Exchange
K.P.I. Global Infrastructure Limited	Jan 8, 2019	Jan 11, 2019	Rs 80	IPO-FP	1600 Shares	BSE SME

### K.P.I. Global Infrastructure Limited

Gujarat based K.P.I. Global Infrastructure Limited is a company engaged in solar power generation. The company provides solar power, both as an Independent Power Producer under the brand name of 'Solarism' and as a service provider to Captive Power Producer ("CPP") customers. K.P.I Global builds, owns, operates and



maintains grid-connected solar power projects as IPP. It generates revenue by entering into Power Purchase Agreements with third parties for selling power generated through its solar projects. It has entered into bilateral PPA's with reputed businesses such as Mafatlal Industries Limited, Best Paper Mills Private Limited and Meghmani Organics Limited. The promoters of the Company is Faruk G. Patel. He holds 92,20,000 Equity Shares, representing 70.52% of the pre-Issue paid-up equity share capital of the Company.

### Sector-wise month to date performance (up to 29.12.2018)

Sector	Market-Cap (Rs)	% Chg	Advance	Decline
Automotive	9,66,112	-19.78%	7	74
Banking & Financial Services	31,23,745	-5.26%	35	144
Cement & Construction	3,71,519	-21.02%	3	88
Chemicals	5,52,091	-1.22%	16	87
Conglomerates	2,77,110	-18.55%	5	22
Consumer Durables	54,128	-18.35%	2	8
Consumer Non-durables	7,71,891	20.13%	9	20
Engineering & Capital Goods	7,04,698	-12.77%	14	110
Food & Beverages	4,12,452	7.16%	9	72
Information Technology	15,62,032	9.67%	25	77
Manufacturing	2,95,327	-22.35%	27	171
Media & Entertainment	1,23,495	-31.13%	3	43
Metals & Mining	6,79,759	-24.36%	9	76
Miscellaneous	4,76,572	-19.43%	15	132
Oil & Gas	13,60,059	-7.82%	1	21
Pharmaceuticals	7,07,127	-6.58%	21	65
Retail & Real Estate	3,02,440	-6.80%	7	46
Services	2,61,737	-22.28%	11	70
Telecommunication	2,87,503	-32.01%	5	28
Tobacco	3,55,689	3.73%	2	3
Utilities	3,75,519	-13.11%	2	25

## Mutual Fund Corner

Scheme for the Month : SBI Focused Equity Fund

Level of Risk : Moderately High

### Objective:

The scheme seeks to provide the investor with the opportunity of long-term capital appreciation by investing in a concentrated portfolio of equity and equity related securities.

### Investment Details

Minimum Investment Amount (Rs)	Rs 5000
Additional Investment (Rs)	Rs 1000
SIP(Rs)	Rs 500
Minimum Cheque	12
Options	Growth/Dividend
Expense Ratio (%)	2.35%
Lock-in period	Nil
Exit Load (%)	1% for redemption within 365 days

### Trailing Returns

As on 28.12.2018	Fund Return	NIFTY 500	Category Return
Year to Date	-4.18	-2.32	-5.64
1-Month	3.93	1.81	1.74
3-Month	3.27	0.57	1.02
1-Year	-4.37	-1.76	-5.24
3-Year	12.6	12.35	10.33
5-Year	18.65	14.55	15.62
<b>Return Since Launch 19.87%</b>			

Note : Return up to 1 year are absolute and over 1 year are annualized.

### Asset Allocation as on 28.12.2018

As on 28.12.2018	% Net Assets
Equity	91.95
Debt	8.05

### Current Statistics & Profile

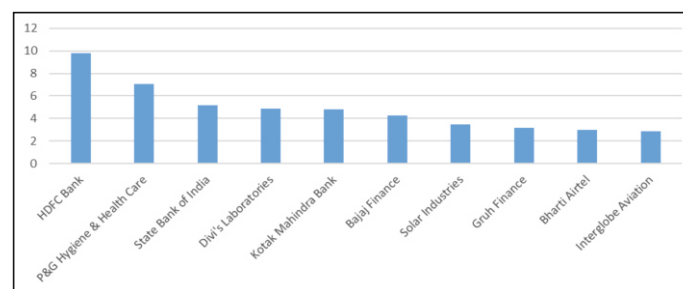
Latest NAV	Rs. 131.72(Growth) Rs. 24.09 (Dividend) as on 28.12.2018
Fund Category	Equity: Multi Cap
Type	Open Ended
Launch Date	Oct 11, 2004
Net Assets (Cr)	Rs 3,261 crore
Benchmark	S&P BSE 500

### Fund Style

### Concentration & Valuation

Investment Style			Capitalisation		
Growth	Blend	Value			
				Number of Stocks	26
				Top 10 Stocks (%)	48.42
				Top 5 Stocks (%)	31.64
			Large	Top 3 Sectors (%)	54.50
			Medium	Portfolio P/B Ratio	3.35
			Small	Portfolio P/E Ratio	35.96

### Top 10 stock constituents of Fund



### Top 10 stock constituents of fund in percentage as on 30.11.2018

Sl. No.	Credit Instrument	Credit Rating	% Assets
1)	HDFC Bank	Financial	9.79
2)	P&G Hygiene & Health Care	FMCG	7.04
3)	State Bank of India	Financial	5.15
4)	Divi's Laboratories	Healthcare	4.85
5)	Kotak Mahindra Bank	Financial	4.81
6)	Bajaj Finance	Financial	4.28
7)	Solar Industries	Chemicals	3.47
8)	Gruh Finance	Financial	3.18
9)	Bharti Airtel	Communication	2.98
10)	Interglobe Aviation	Services	2.87

## Knowledge Corner!!!

### Benefits of investment in mutual funds through Systematic Investment Plan (SIP) mode:

**What is SIP:** SIP stands for Systematic Investment plan and it is a way to invest a fixed amount regularly in mutual fund schemes. It is similar to a Recurring Deposit (RD) in a bank. In SIP, an investor has the option to choose tenure say (1 year, 3 years or even perpetuity), intervals (weekly, monthly, quarterly etc.) and amount based on his financial goal. The amount will be auto-debited from the investor's bank account on a selected date chosen by the investor.

**Disciplined investing:** By committing to invest a particular amount at a fixed interval for a particular period of time, investors instil discipline in their character, which is essential for building wealth in long term.

**Power of Compounding:** A small amount of money invested regularly can grow to a large sum. This helps in creating a substantial amount of wealth which includes your own contribution, plus returns compounded over the years.

**Investment convenience:** SIP allows the advantage of investing in small amount of money each time without any hassle to the investor. The investor can send an one-time instruction know as SIP ECS mandate form to his bank to allow auto debit of the fixed investment amount each month from his bank account without worrying about missing out on any monthly instalments.

**Flexibility:** Investors can decide the amount, period and interval of SIP as per their convenience. Besides, they can increase, decrease or stop the SIP in a mutual fund anytime.

**Rupee Cost Averaging:** This is the primary benefit of investing in mutual funds via SIPs. Rupee cost averaging is a phenomenon in which an investor continues to invest a particular amount at fixed intervals regardless of the share price/NAV, an investor receives more units when the NAV of a mutual fund scheme decline and fewer units when NAV of the scheme rises. Therefore, over a long period of time, the cost of units to investors will be significantly lower despite volatility.

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