

Indian Equity Markets

Benchmark indices rebounded sharply after two consecutive months of correction led by strong earnings reported so far while the gains were across sectors, IT is the star performer led by gains in TCS and Infosys. Mid & Small Cap indices rallied 6.57% and 8.28% respectively. FII's net sold ₹5,552Cr in equities taking cue from spiraling oil prices.

Debt Markets

10Y G-Sec yields rose sharply to 7.76% from 7.39% during the month.

RBI kept policy rates unchanged during the MPC. However, a section proposed withdrawal of accommodation prior to June as per the notes released subsequently. ₹10,036 Cr of debt sold by FPI's.

(In our April'18 MMU we predicted a hawkish stance by MPC.)

Global Markets

Global indices recovered cheering the earnings season however the gains were capped by sharp rise in oil prices and treasury yields.

FOMC during its scheduled meet in May is expected to comment on the current state of the U.S. economy and its monetary policy path.

US - North Korea engagement is being closely watched as a measure of Trump's diplomatic efforts and his ability to repair complex situations.

Corporate Announcements

Adani Enterprises bagged order worth Rs 1,140 crore from NHAI.

Indian Oil acquired 17% stake in Mukhaizna oil field in Oman.

HCL Tech acquired C3i solution.

TCS announced 1:1 bonus issue along with 4th quarter results.

Hero MotoCorp hikes 2-wheeler prices up to Rs 625.

Adani Ports signed long term regasification pact with IOC.

Tata Steel raised \$1.9B loan to refinance high-cost debt of Singapore unit.

Bharat Dynamics signed license agreement with DRDO for Astra MK-1

Market Outlook

The old adage of "Sell in May and Go away" would be put to test in a true sense as we contemplate whether markets can repeat a rally in May (back to back months) especially coinciding with the much-awaited Karnataka state election results.

BJP's ability to win elections and Congress's 2019 aspirations would be assessed in one shot and rest of the year would be guided by it.

Oil is way above the government's comfort zone and how higher it goes or the longer it stays there would decide the magnitude of impact on GDP.

We continue to track Sensex earnings closely.

Volatility is expected to continue in Equity & Debt Markets in near term.

Model Portfolio	PE*	1M	YTD	2017	2016	2015
BSE SENSEX	23.8	6.65	3.24	27.91	1.95	-5.03
Custom Benchmark	-	5.96	-1.55	39.72	4.78	4.00
Portfolio Strategy	PE	1M	YTD	2017	2016	2015
Diversified Conservative	18.0	6.59	-2.88	45.10	8.82	5.69
Diversified Moderate	20.3	5.83	-2.42	40.42	7.36	5.54
Diversified Aggressive	25.8	7.83	3.16	48.40	5.90	6.81
Sector Strategy	24.4	7.70	3.10	37.78	4.08	5.64
Thematic Strategy	27.3	6.58	-0.37	43.41	4.84	7.82

*PE based on 30-03-2018 Portfolio data. Custom Benchmark includes 165 Equity Schemes with an AUM threshold of 500 Cr and above.

Benchmark	30-April-18	MTD	2018
SENSEX	35160	6.65%	3.24%
NIFTY	10739	6.11%	1.98%
10 Year G-Sec	7.76%	5.04%	6.01%

Top Gainers	Change	Top Losers	Change
TCS	23.94%	SBI	1.52%
Yes Bank	18.74%	Wipro	0.96%
M&M	17.89%	Maruti	0.46%
Kotak	15.43%	Coal India	0.05%

Sector Performance	MTD	2018
Basic Materials	7.36%	-5.04%
Telecom	-1.80%	-22.50%
Utilities	3.60%	-8.31%
Industrials	6.91%	-3.02%
Finance	5.56%	1.14%
Consumer Discretionary	5.87%	-3.39%
FMCG	9.87%	5.71%
Energy	3.60%	-3.01%
Healthcare	7.57%	-4.36%
IT	12.12%	20.30%

FII (cr)	EQUITY	DEBT	HYBRID	TOTAL
MTD	-5552	-10036	26	-15661
YTD	8460	-10811	48	-2301

Currencies	30-April-18	MTD	2018
USDINR	66.78	3.06%	4.56%
EURINR	80.74	-0.03%	5.50%
GBPINR	92.89	0.68%	7.67%

Global Indices	30-April-18	MTD	2018
DJIA	24098	1.05%	-2.51%
NASDAQ	7066	1.68%	2.36%
DAX	12612	5.62%	-2.37%
FTSE	7539	7.01%	-1.94%
CAC	5521	7.60%	3.91%
NIKKEI	22468	6.17%	-1.30%
HSI	30280	1.10%	1.21%
KOSPI	2492	2.87%	1.01%
RTSI	1154	-6.40%	-0.04%
SHANGAI	3082	-1.37%	-6.80%

Commodity(USD)	30-April-18	MTD	2018
Gold	1307.4	-1.52%	0.35%
Silver	16.26	-0.18%	-4.00%
Brent	73.97	14.52%	10.62%

Company	PAT	YOY	Company	PAT	YOY
INFY	16,029	12%	Yes	4,233	27%
TCS	25,880	(2)%	Axis	276	(93)%
HDFC Bank	18,510	21%	RIL	36,080	21%
IndusInd	3,606	26%	Maruti	78,807	5%
Bharti	2,184	(49)%	HDFC	13,601	58%
WIPRO	8,002	(6)%	Kotak	6,201	25%

Earnings Declared as of 30-04-2018, PAT: FY17-18 in Cr

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