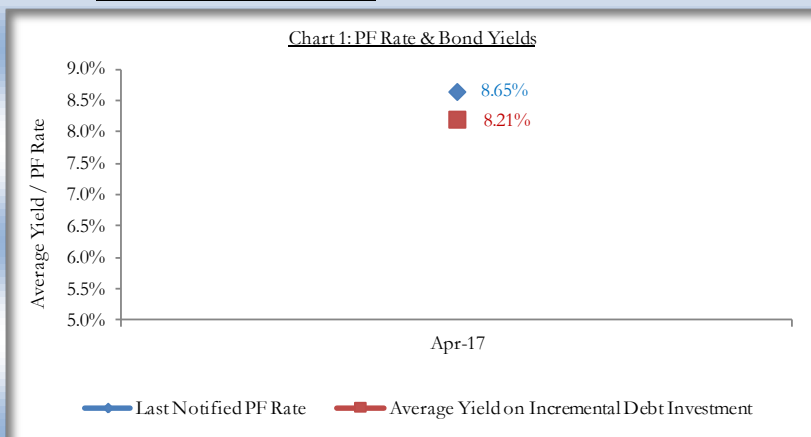
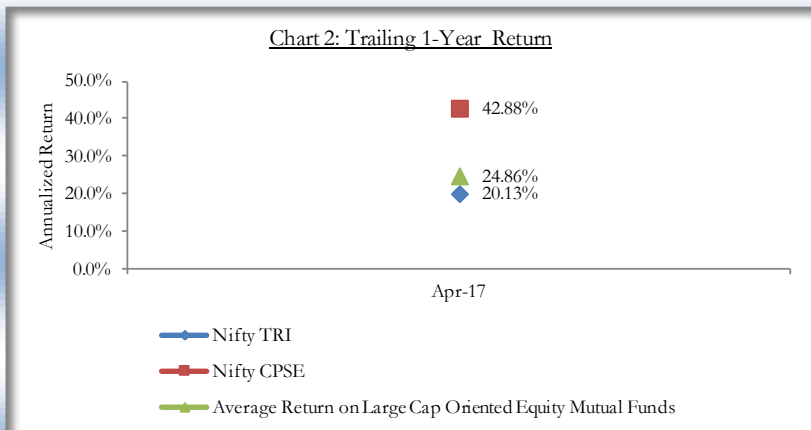




## A. PF Rate & Bond Yields



## B. Performance of Large Cap Oriented Equity Mutual Funds



## C. Market Developments

1. A total of INR 16,450 crore of State Development Loans (SDLs) were auctioned by the RBI on 11<sup>th</sup>, 18<sup>th</sup> and 27<sup>th</sup> of April. The yield stood in the range of 7.59% to 7.70%. Dated securities totalling up to INR 63,000 crore were issued by the Government of India in four tranches during the month.
2. The Reserve Bank of India, in its first monetary policy review of financial year 2017-18, kept the repurchase (repo) rate unchanged at 6.25%, citing upward risks to inflation and global uncertainty. The committee, however, raised the reverse repo rate by 0.25% to 6.00%, and cut the marginal standing facility (MSF) rate to 6.50%.
3. The annual rate of inflation (provisional), as measured by CPI, stood at 3.81% in March 2017 as against 3.65% in February 2017.
4. The EPFO has made partial withdrawal easier for its subscribers. For this purpose, the EPFO subscriber is no longer required to submit various certificates or documents. Subscribers can seek withdrawal from their employee provident fund accounts on various grounds by using a composite form along with a self-declaration.



5. The EPFO has proposed a loyalty-cum-life benefit of up to INR 50,000 at the time of retirement for contributing to the scheme for 20 years or more. The benefit will also be provided in case of permanent disability even if the members have contributed for less than 20 years. The benefits will be available to the subscribers after approval from the Government.
6. The EPFO is in the process of bringing out an exit policy to liquidate its investments in Government Securities, State Development Loans and Exchange-Traded Funds to maximise returns for its members.

#### D. Regulatory Developments

1. The Government notified a PF rate of 8.65% for 2016-17.
2. The EPFO has amended the Employees' Provident Funds Scheme by inserting a new paragraph, 68 BD, to enable a provident fund subscriber who is a member of a co-operative or housing society with at least 10 members to withdraw up to 90% from the fund for purchase of a dwelling house or flat or construction of a dwelling house and acquisition of site through the co-operative or housing society.

#### Notes:

1. In Chart 1 average yield on incremental investment is a weighted average of average yields on Government Securities and AAA rated Corporate Bonds (quoted by cross-section of market participants during the months) with weights being 52.66% and 47.34%, respectively.
2. In Chart 2 average return on large cap oriented equity mutual funds is the average of 1-year return on 32 schemes shortlisted by India Life using India Life's Equity Mutual Fund Selection framework.

#### Disclaimer:

1. *This bulletin has been prepared with the sole objective of providing an update; it is not a recommendation to buy or sell any financial asset. India Life Capital Pvt. Ltd. (India Life) has taken due care and caution in compiling the data used in this bulletin. Information has been obtained by India Life from sources it considers reliable. However, India Life does not guarantee the accuracy, adequacy or completeness of the information and is not responsible for any errors or omissions or for the results arising out of usage of information provided in this bulletin.*
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