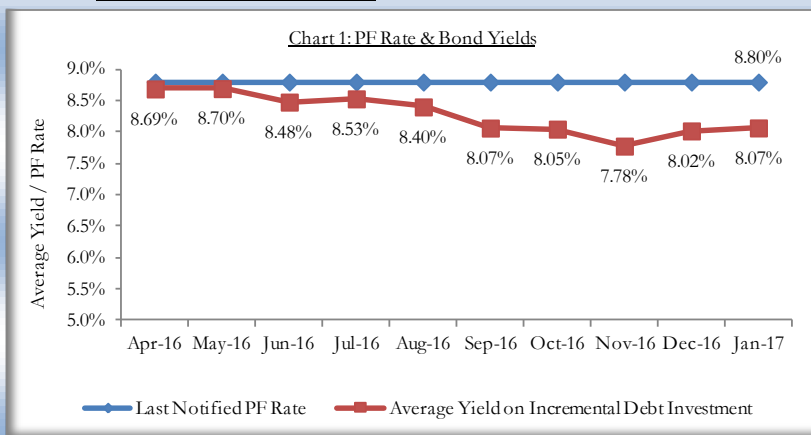
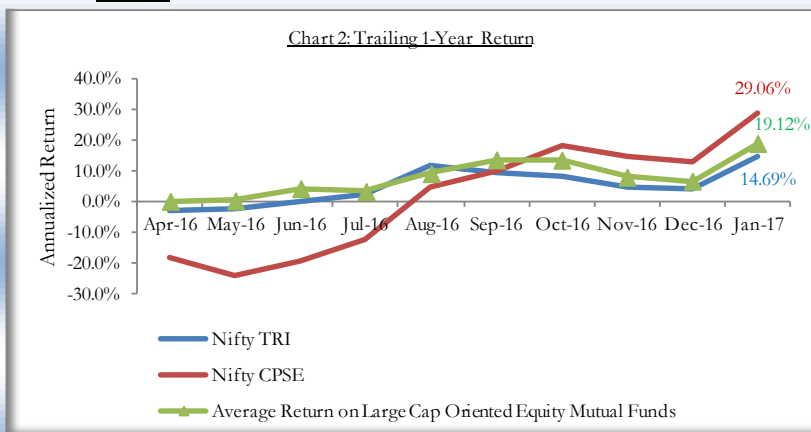




A. PF Rate & Bond Yields



B. Performance of Large Cap Oriented Equity Mutual Funds



C. Market Developments

1. A total of INR 42,539 crores worth of State Development Loans (SDLs) were auctioned by the RBI on 10th, 19th and 24th of January. The weighted average yield stood in the range of 7.13% to 7.20%.
2. A total of INR 44,000 crores worth of GOI securities were auctioned by the RBI. The weighted average yield stood at 6.69%.
3. The annual rate of inflation (provisional), as measured by CPI, stood at 3.41% in December 2016 as against 3.63% in November 2016.
4. After assessing the cash position of the Government, the RBI revised the issuance calendar for dated government securities for January and February 2017. As per the revised calendar, there will be a reduction in the borrowing by INR 18,000 crores.
5. As per news articles, the EPFO decided to invest INR 2,800 crores in CPSE ETF through a further fund offer by Reliance AMC Ltd. However, the final investment figure stood at INR 800 crores.
6. In a proposal submitted by the EPFO to the Ministry of Labour and Employment, the EPFO has proposed a group housing scheme which will enable members to



form cooperative housing societies and use their entire provident fund savings towards buying land, constructing homes or paying housing loan instalments. The proposal is being evaluated by the Ministry.

D. Regulatory Developments

1. The Ministry of Labour and Employment issued a notification on 4th January making Aadhar mandatory to all the members and pensioners to avail pension benefits under Employees' Pension Scheme, 1995.
2. The Ministry Finance, Department of Economic Affairs announced 8.00% as the rate of interest payable on the General Provident Fund (GPF) for the January-February-March 2017 quarter.

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 24 schemes shortlisted by India Life using India Life's Equity Mutual Fund Selection framework.

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Contact Details:

Bangalore (Head Office)

BMTC Commercial Complex, 8th Floor, 80 Feet Road, Koramangala, Bangalore – 560 095.

Mumbai

Raaj Chamber, 402/403, 4th Floor, Plot # 115, Old Nagardas Road, R.K. Paramhans, Andheri East, Mumbai – 400 069.

Delhi

No. 771, 7th Floor, Aggarwal Millennium Tower II, Netaji Subhash Place, Wazirpur, Pitampura, Delhi – 110 034.

E-mail Addresses:

bd@india-life.com

investments@india-life.com

Website:

www.india-life.com