

Current Market Scenario

* S&P CNX NIFTY (6,413.95, 6,537.80, 6,413.55, 6,526.65)

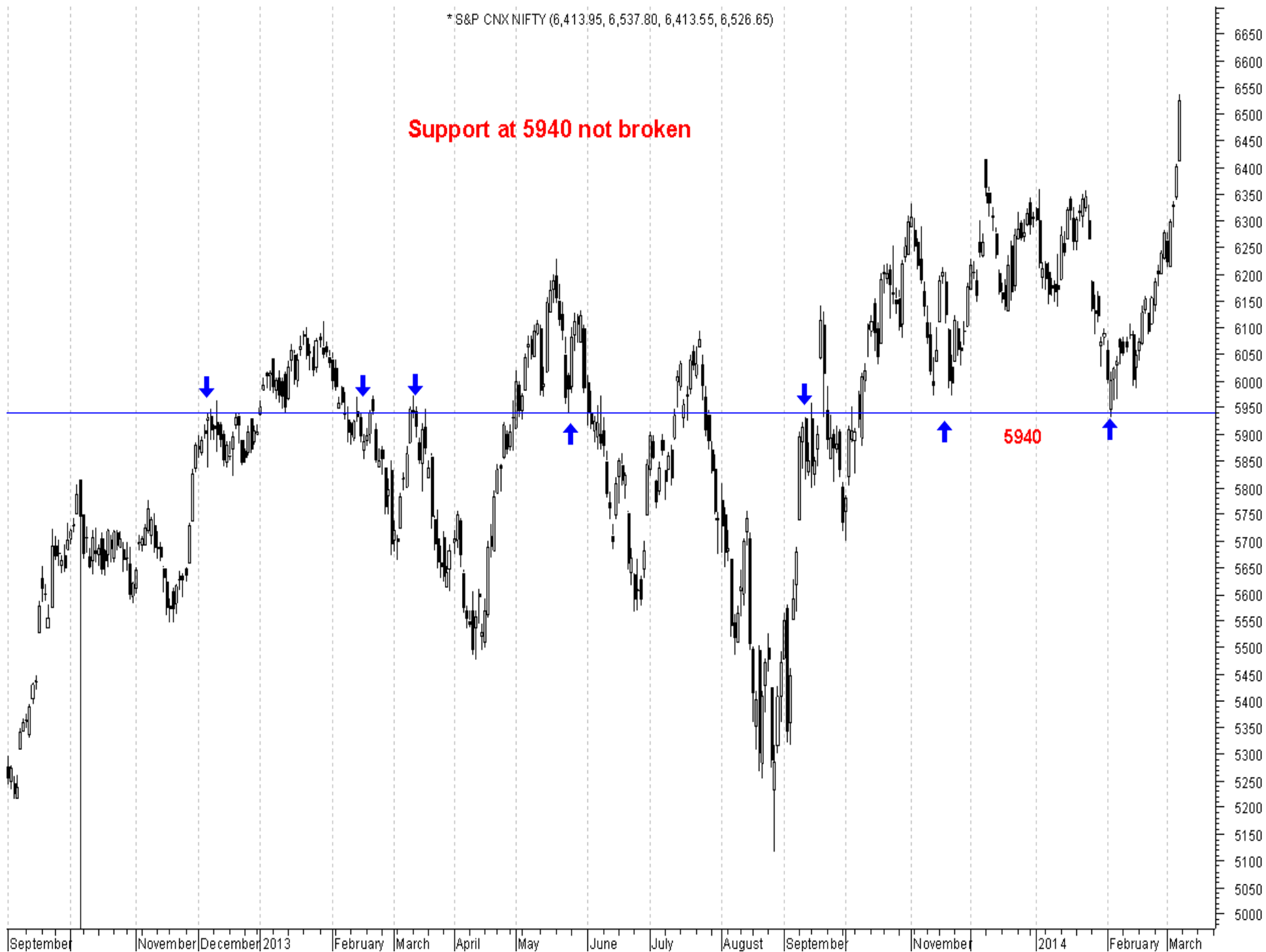


**Nifty Breaches All-Time high
Now at 6526**



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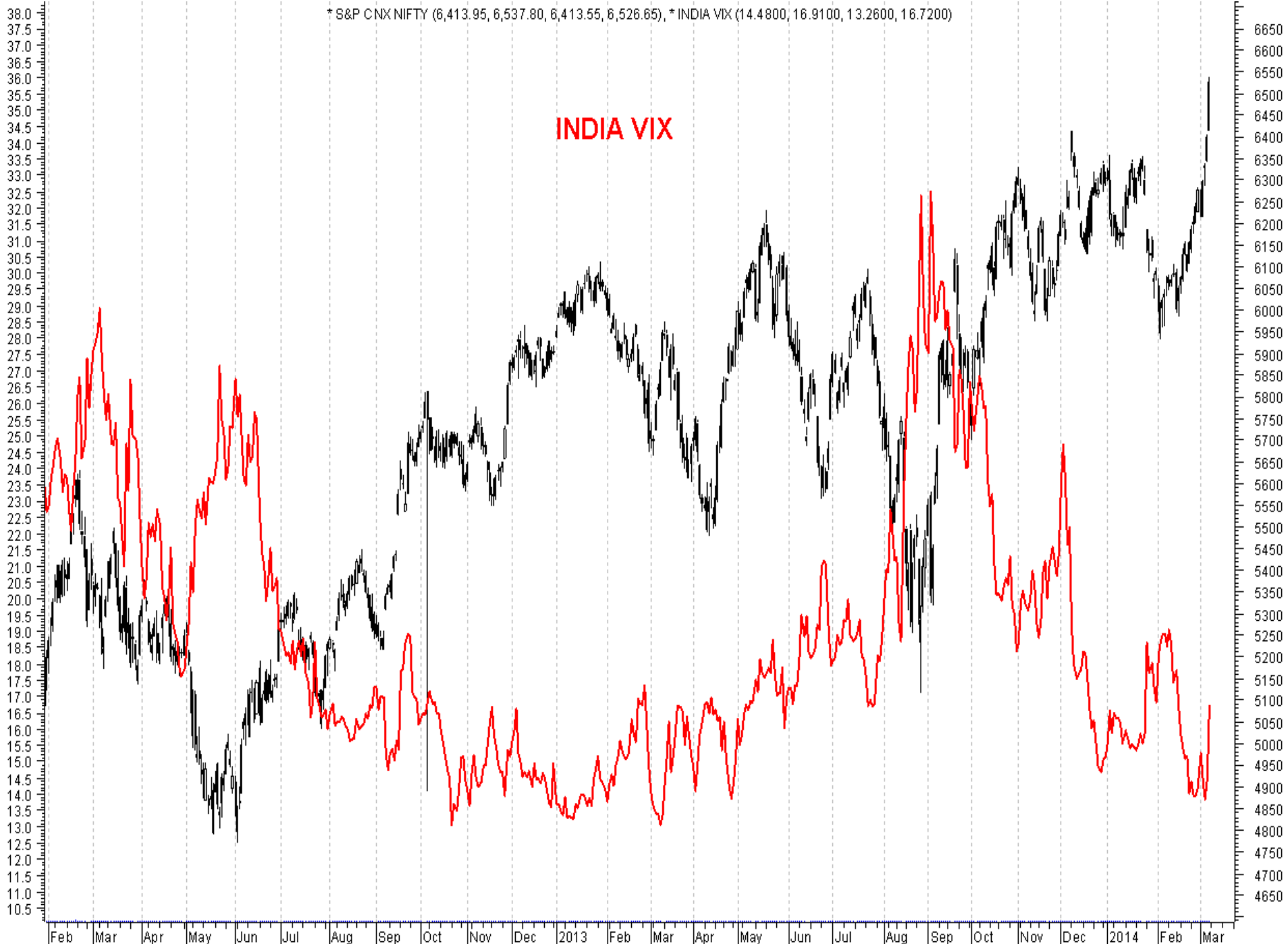
Support at 5940 not broken



* S&P CNX NIFTY (6,413.95, 6,537.80, 6,413.55, 6,526.65), On Balance Volume (72,358,428,672.0)

On Balance Volume - Channel Breakout





Volatility Index - VIX

- Volatility index is a measure of market's expectation of volatility over the near term
- Chicago Board of Exchange (CBOE) was the first to introduce the volatility index for the US markets in 1993 for S&P 100
- India VIX is a volatility index computed by NSE based on price of NIFTY Options
- NSE started trading in India VIX from Feb 26
- High INDIAVIX value indicates market expects significant changes in the Nifty and Low INDIAVIX indicates lower volatility in market

India VIX Contract Specification

| | |
|-----------------|----------------------------|
| Symbol | INDIAVIX |
| Expiry Date | Every Tuesday of Week |
| Contract Cycle | Weekly – 3 Serial Contract |
| Contract Value | Minimum 10 Lakhs |
| Margin | Around 20% |
| Quotation Price | India VIX * 100 |
| Lot Size | 750 |

Markets on Pre Election Rally

- Indices at All Time High
- Broad based rally across sectors
- Sharp spikes seen in beaten down stocks
- FII remain buyers

INDEX WATCH

| INDEX | Mar 7 | Feb 7 | % Change |
|---------------|--------------|--------------|-----------------|
| Nifty | 6526 | 6063 | 7.6 |
| Sensex | 21919 | 20380 | 7.5 |
| CNX Midcap | 8126 | 7603 | 6.8 |
| BSE Small Cap | 6612 | 6330 | 4.4 |

Vote on Account Highlights

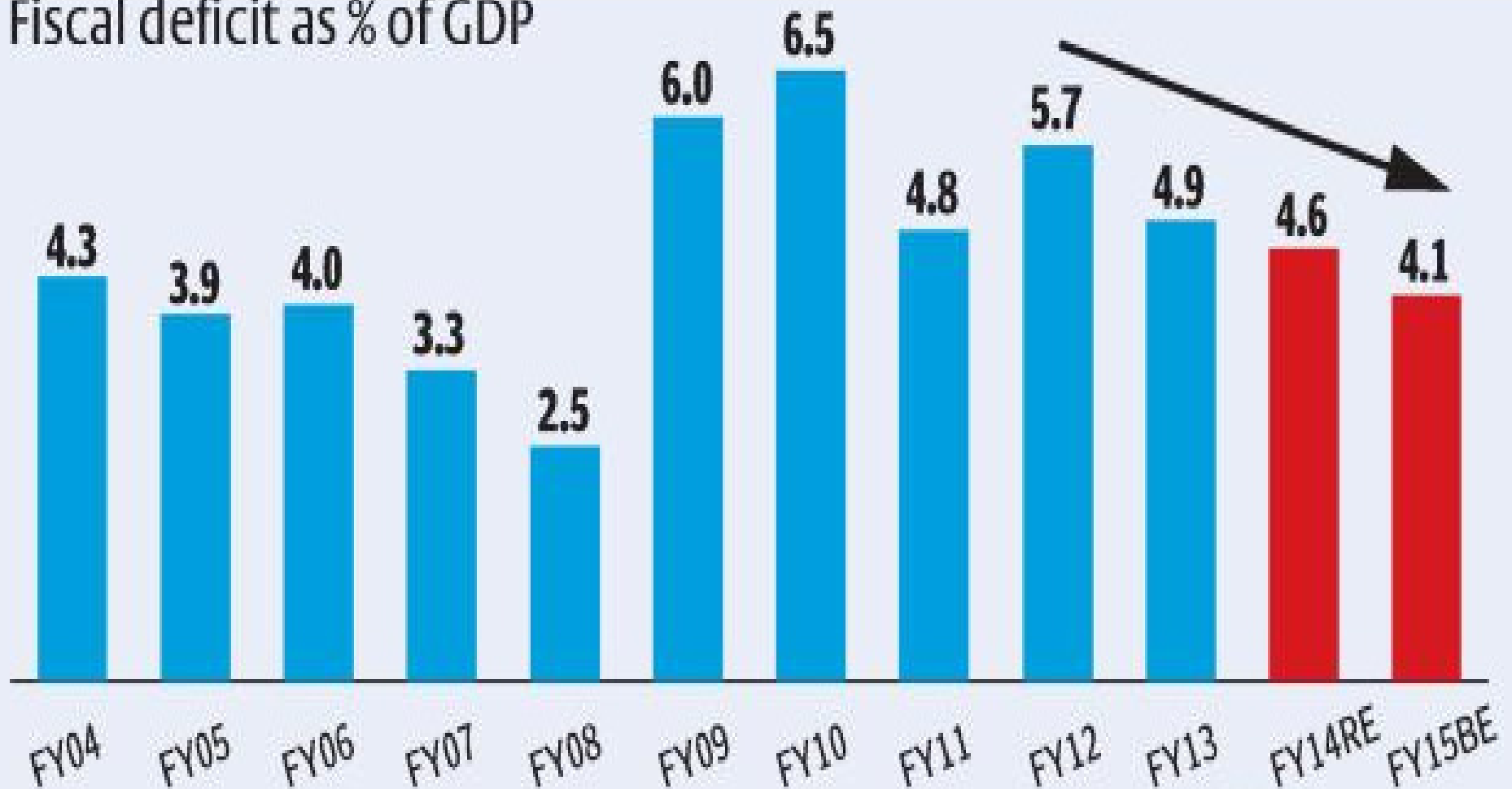
- Fiscal deficit restricted to 4.6% of GDP below the targeted 4.8% for FY14
- Cut in plan expenditure to meet fiscal deficit target
- Excise duty on Auto sector reduced to boost demand

Govt. Expenditure for FY14

| Segment | Budget Lakh Cr. | Revised Lakh Cr. | Difference Lakh Cr. |
|----------------|----------------------------|-----------------------------|--------------------------------|
| Plan | 5.5 | 4.7 | - 0.8 |
| Non-Plan | 11.0 | 11.1 | 0.1 |

Optimistic projections

Fiscal deficit as % of GDP



Excise Duty on Autos Reduced

| Segment | Old Rate % | New Rate % |
|-------------------------------|------------|------------|
| Motor Cycles, Scooters, CV | 12 | 8 |
| Small Cars | 12 | 8 |
| Midsized Cars | 24 | 20 |
| Large Cars | 27 | 24 |
| SUV | 30 | 24 |

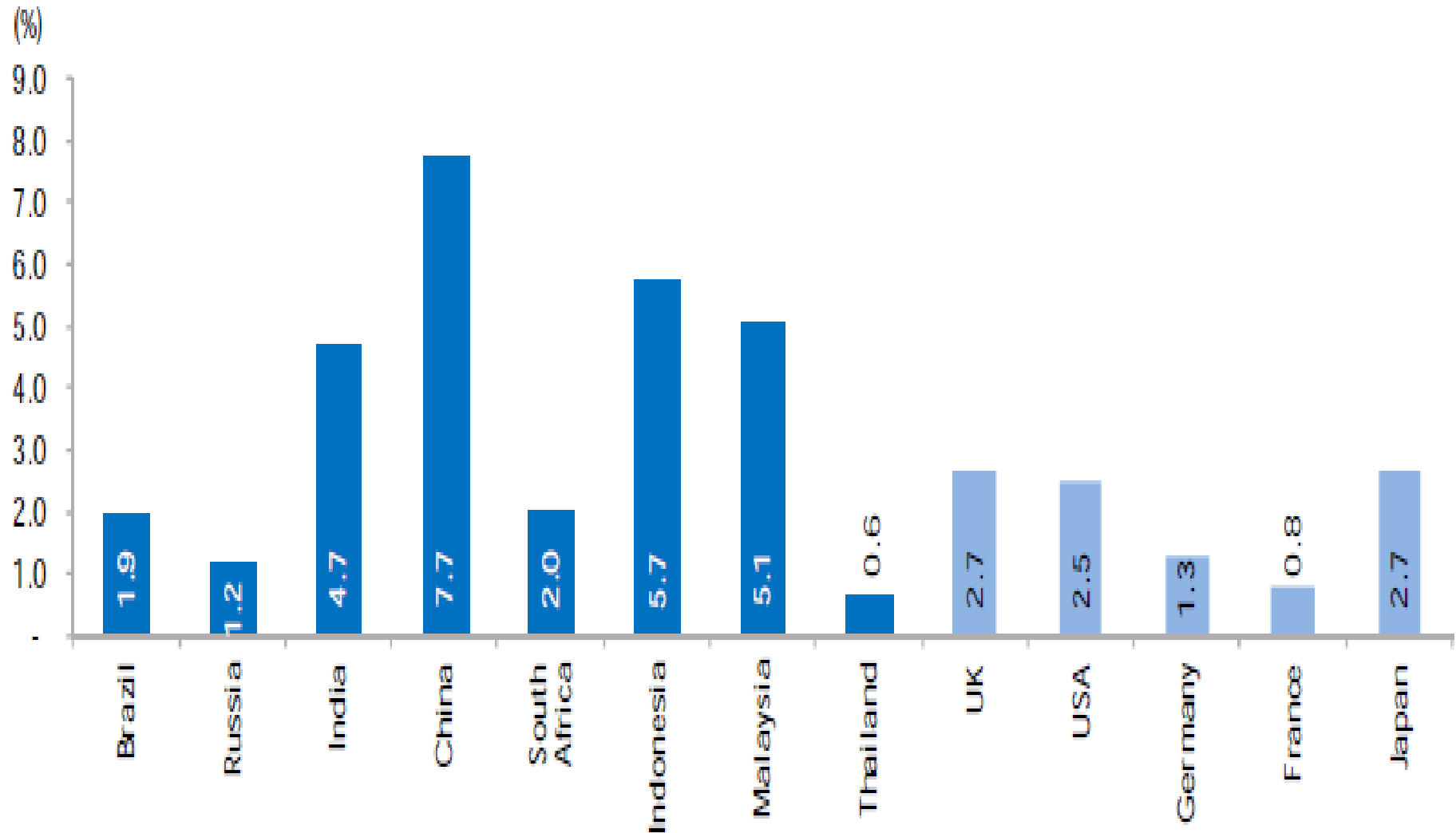
Rate Cut effective till June 30, 2014

GDP Growth Remain Sluggish

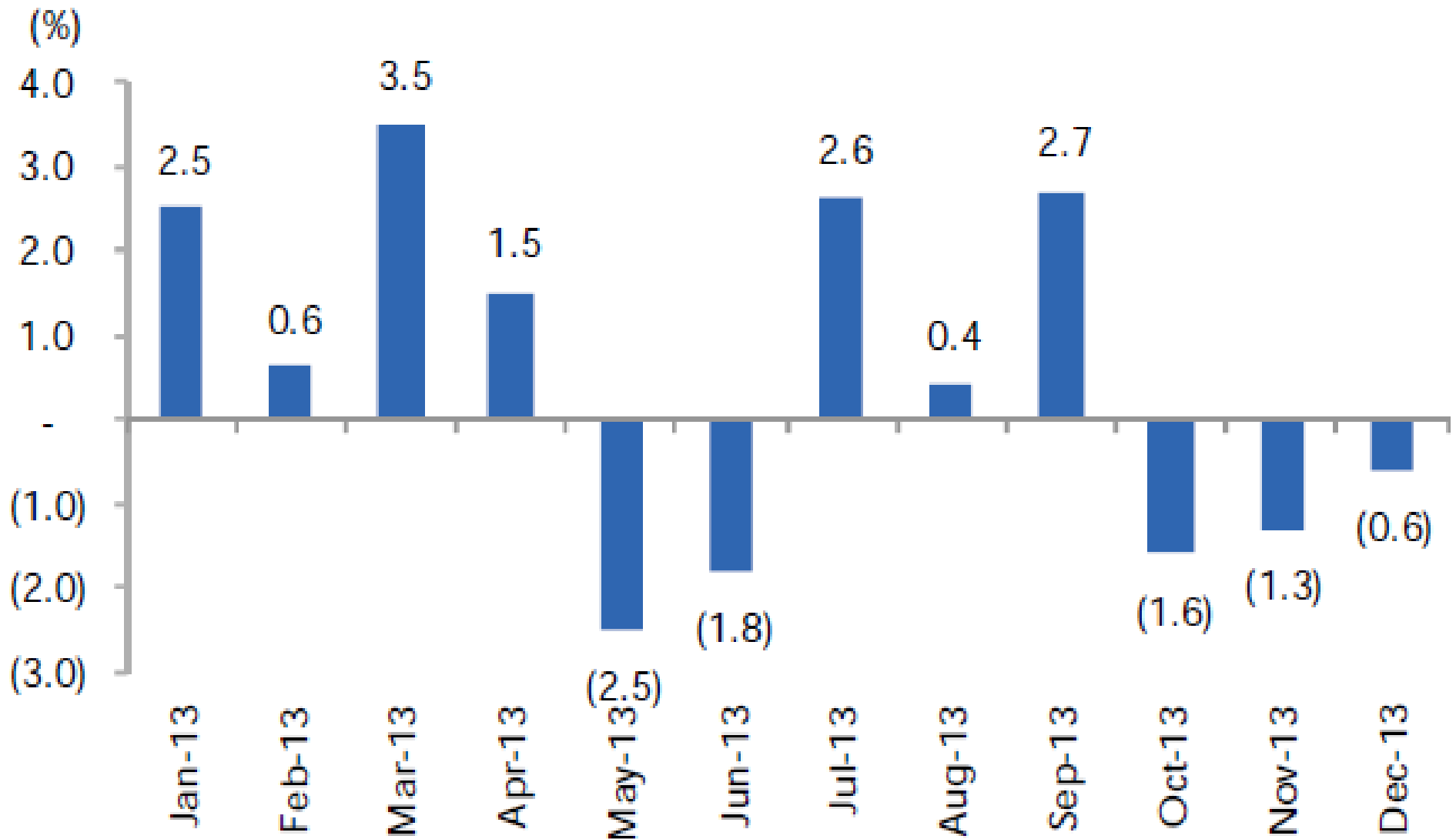


SOURCE: WWW.TRADINGECONOMICS.COM | MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)

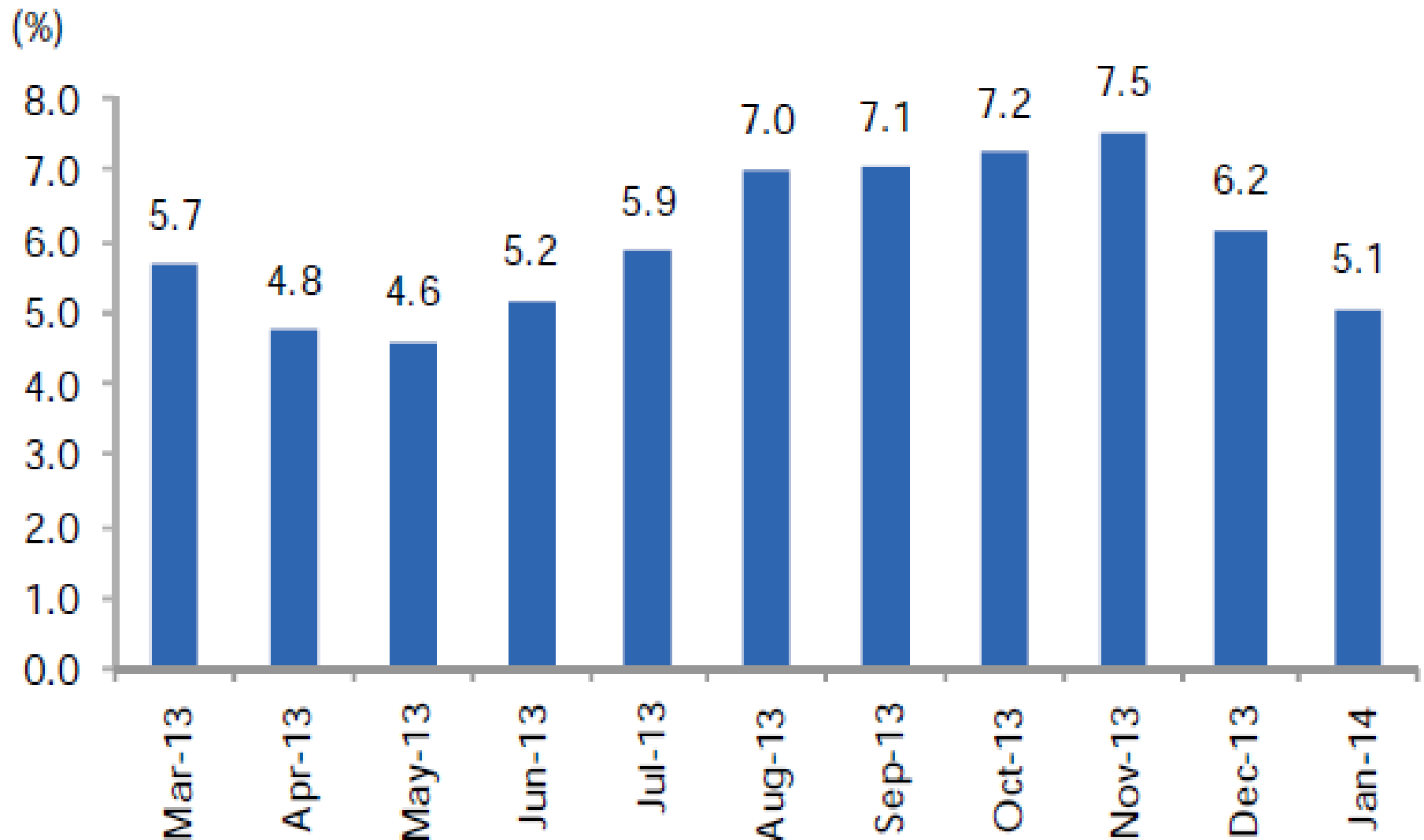
Global Latest Quarterly GDP Growth



IIP Still on Contraction



Inflation Started Cooling

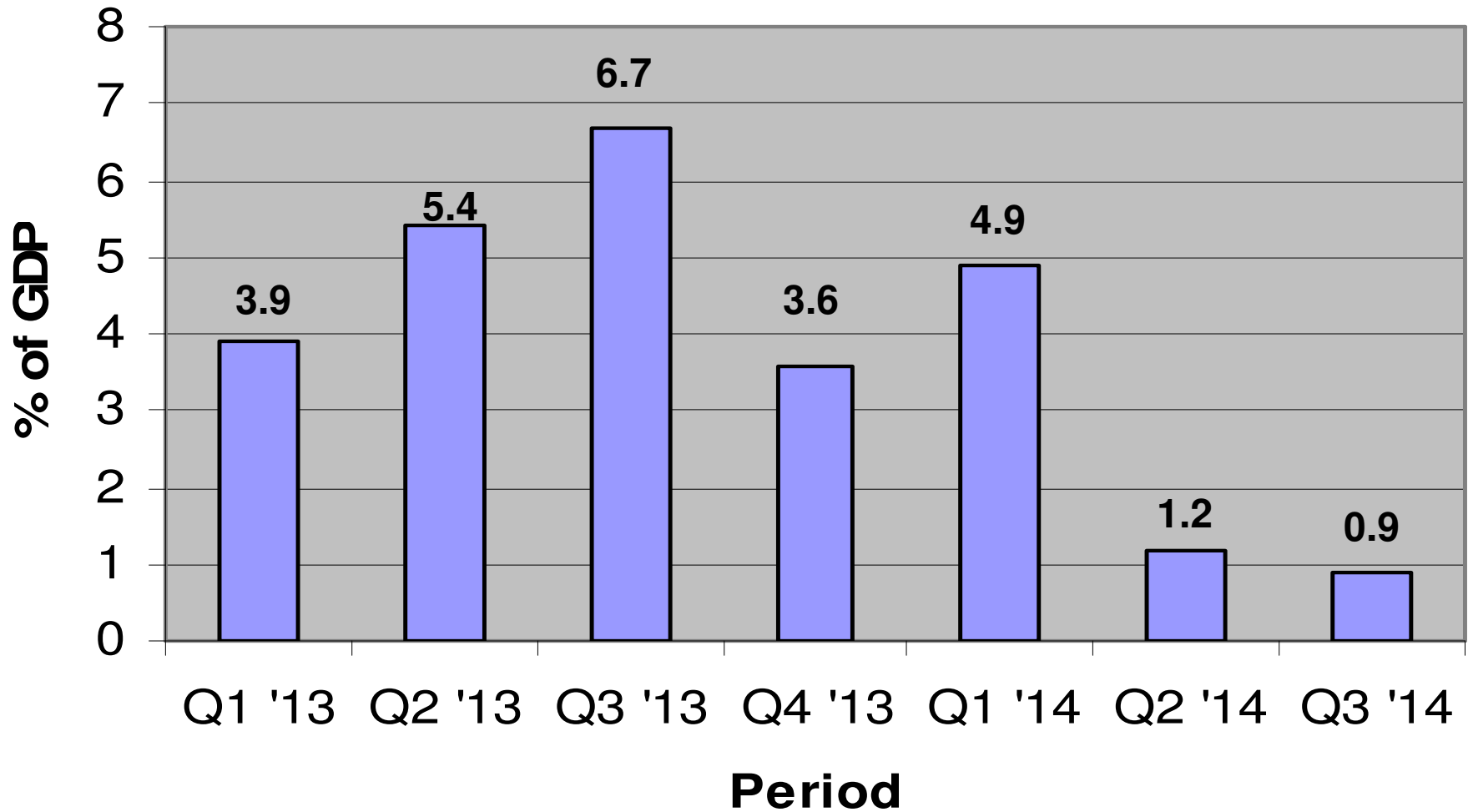


Rupee Remains Stable



SOURCE: WWW.TRADINGECONOMICS.COM | OTC INTERBANK

CAD Dips to Manageable Levels



FII Activity

| 2014 | Equity \$ Bn | Debt \$ Bn |
|--------------|---------------------|-------------------|
| Jan | 0.1 | 2.0 |
| Feb | 0.2 | 1.8 |
| Till March 7 | 0.9 | 1.6 |

- FII remain buyers consecutively for past 16 trading Sessions

Is Euro Crisis Over ?

GREECE GOVERNMENT BOND 10Y

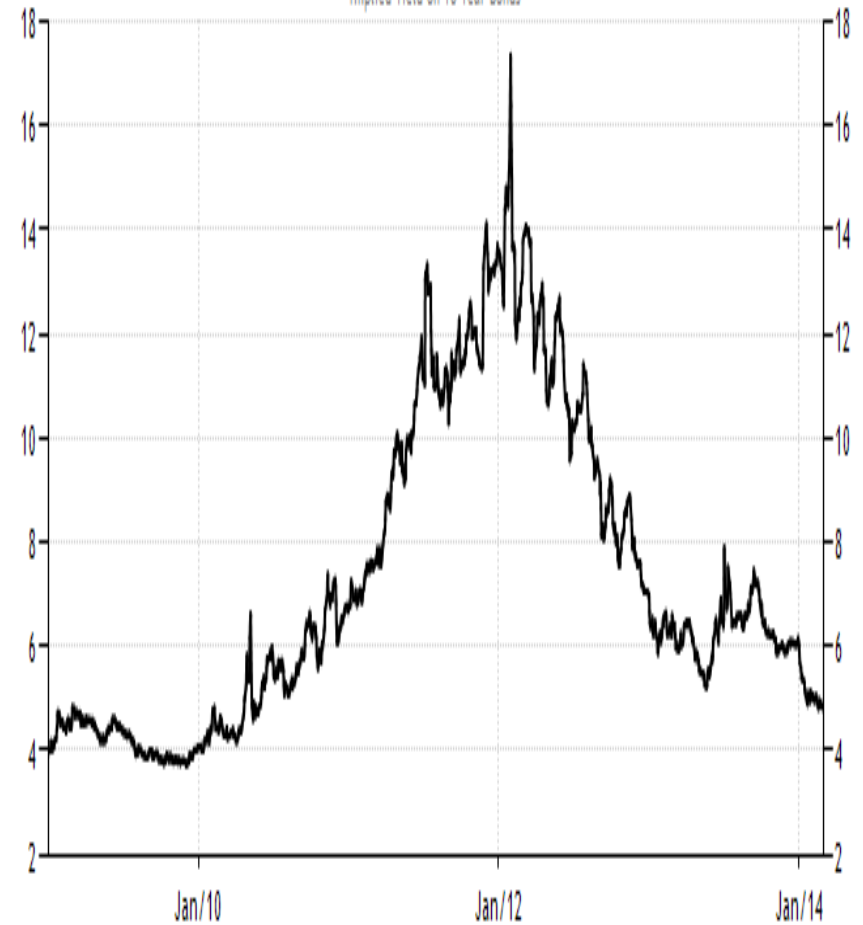
Implied Yield on 10 Year Bonds



SOURCE: WWW.TRADINGECONOMICS.COM | PUBLIC DEBT MANAGEMENT AGENCY (PDMA)

PORTUGAL GOVERNMENT BOND 10Y

Implied Yield on 10 Year Bonds



SOURCE: WWW.TRADINGECONOMICS.COM | IGCP

Lok Sabha Poll Schedule

- Election Commission announce poll schedule for 16th Lok Sabha elections
- Polling starts from April 7 to May 12 in 9 Phases
- Counting on May 16
- New House has to be constituted by May 31

CNN-IBN-Lokniti Opinion Poll

- Latest opinion poll predicts BJP led NDA will get 212-232 seats in coming Lok Sabha polls
- Congress led UPA likely to get 119-139 seats

| Party | Seats |
|-------------|---------|
| BJP | 193-213 |
| Congress | 94-110 |
| TMC | 20-28 |
| AIADMK | 14-20 |
| LEFT | 15-23 |
| SP, YSR Con | 11-17 |
| BJD, TDP | 10-16 |
| DMK | 10-16 |
| BSP | 8-14 |
| AAP | 1-5 |

Events and Data to Watch

- FII Flows
- Global Tension
- Domestic Macro Data
- RBI Monetary Policy meet on April 1

Thank You