



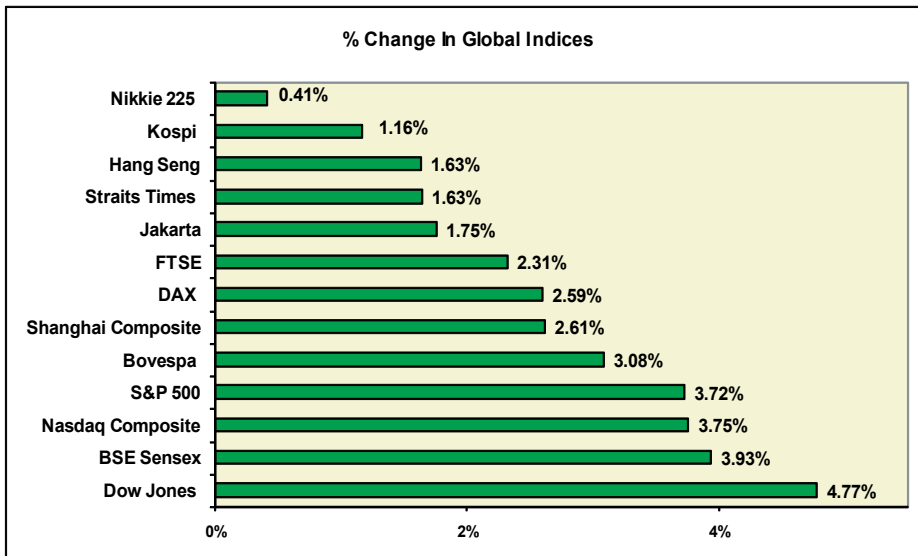
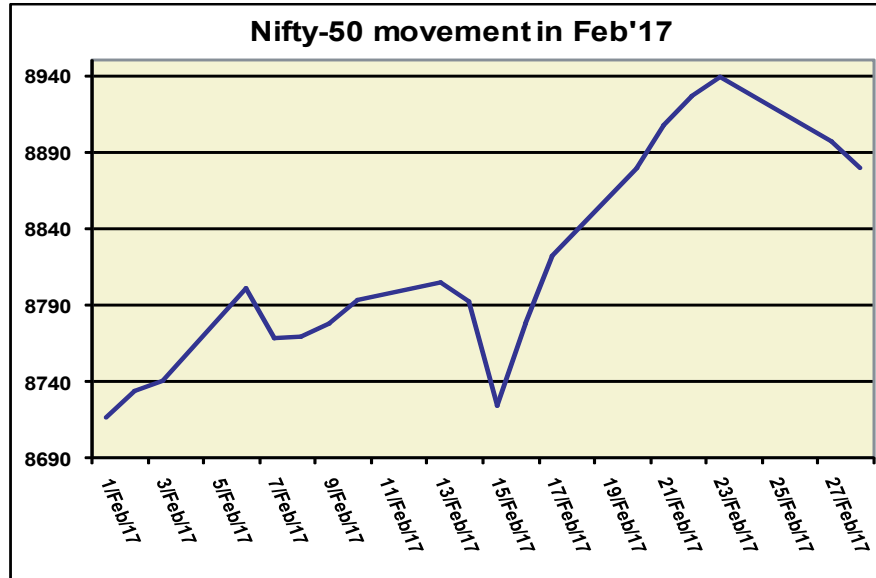
SHRIRAM

Insight

Equity Monthly Report

28th February 2017

In the month of Feb'17, the S&P BSE Sensex and CNX Nifty rose 3.93% and 3.7% respectively. This was primarily due to an investor friendly budget 2017 with no long term capital gains tax for equities. Keeping the fiscal deficit target of FY18 at 3.2% also cheered the markets. The bourses were further complemented by better than expected Q3FY17. Meanwhile RBI kept policy rates unchanged in the 6th bimonthly policy which had little impact on the indices. Finally, GDP for quarter ended Dec'16 came in at 7% beating the market expectation that demonetisation would impact the numbers. Full year estimate showed that GDP was at 7.1% during 2016-17 instead of 7.9% in 2015-16.

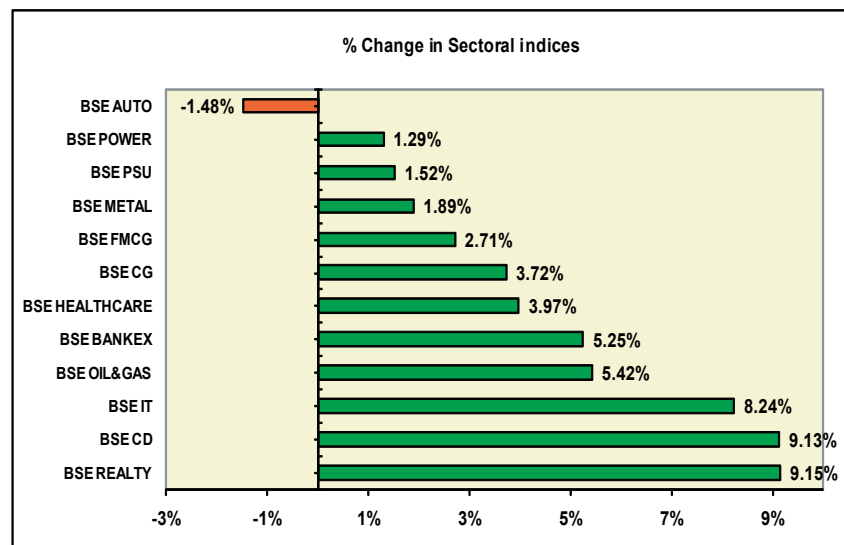


In global scenario, US Federal Reserve officials left interest rates unchanged while acknowledging rising confidence among consumers and businesses following Donald Trump's election victory. Federal Reserve Chairwoman Janet Yellen testified in front of the Senate Banking Committee that investors are expecting a more growth-supportive fiscal policy and a boost in corporate earnings. On Tuesday, 14 February 2017, she had hinted that the central bank could resume a gradual raise in interest rates as soon as next policy meeting in March.

World markets ended the month on a positive note. In US, Dow Jones was the top gainer gaining 4.8%. Nasdaq Composite gained 3.75% and S&P rose 3.72%. Asian markets also performed well which Shanghai Composite gaining 2.61% followed by Jakarta (1.75%) and Strait Times(1.63%).

On investment front, the FIIs bought Rs 10,485.18 Crore in equities during Feb'17.

USD/INR strengthened to 66.725 from 67.515 during Feb '17 resulting in appreciation of INR by 0.311% against USD.



AUTO SALES

FEBRUARY 2017

Automobile sales during February showed a good performance, riding on positive growth by most passenger car makers, who reported double-digit growth. The two-wheeler industry however, is still reeling under pressure from the impact of demonetization.

MarutiSuzuki India (MSIL) reported growth of 11.7% in domestic segment. This was mainly boosted by sale in compact car segment of Swift,Ritz,Celerio,Ignis,Baleno and Dzire which had a growth of 9.4%. Besides the mid-sized car segment also displayed growth of 14% during the month. However the bread and butter duo Alto and Wagon R in mini segment had a downfall of 6.8%.

Hyundai Motor India domestic sales grew by 4% at 40,716 units. There was a jump of 15.5% in exports during Feb'17.

Tata Motors continued its growth trajectory with total sales at 2% at 47,573 units. This was accountable to 12% growth in passenger car segment on the strong demand of Tata Tiago. Meanwhile there was a fall in export of 5% owing to lower passenger vehicle shipment.

Mahindra & Mahindra (M&M) total sales were down 3% at 42,714 units. This was primarily due to fall in passenger vehicle sales of the company during Feb'17. Likewise domestic sales fell by 2.3% and export dropped 13% for the month.

On the contrary, **Honda Cars India** reported more than 9% growth at 14,249 units in Feb'17. This was due to the overwhelming response of the launch of New Honda City 2017 from the market crossing 10,000 bookings in the first month of its launch.

Amongst the two-wheeler segment, demonetisation affected **Hero MotoCorp** (HMCL) which reported a decline of 5% in its total sales and **TVS Motor Company** (TVSL) which also reported a 6% fall in domestic sales.

Bajaj Auto reported a flat growth in total sales during the month. There was a loss of 6% in two wheeler segment sales with 1,42,287 units during Feb'17.

On the other hand, unaffected by currency ban blues, **Eicher motors' Royal Enfield** recorded a decent growth of 19.28% at 56,737 units in domestic sales and 18.9% at 58,439 units in total sales during Feb'17. Exports came in at 7.11% high during the month.

Honda Motorcycles and Scooters India reported sales of 3,69,865 units with 5.25% growth in sales for the month.

Total Figure

Name of Company	Feb-17	Feb-16	Change (in %)- (YoY)	Jan-17	Change (in %)- (MoM)
BAJAJ AUTO LTD	273513	272719	0.29%	241917	13.06%
TATA MOTORS LTD	47,573	46,674	1.93%	46,349	2.64%
MARUTI SUZUKI (INDIA) LTD	130280	117451	10.92%	144396	-9.78%
MAHINDRA & MAHINDRA	42714	44002	-2.93%	39303	8.68%
TVS MOTORS	211,470	219,467	-3.64%	207,059	2.13%
EICHER MOTORS	58439	49,156	18.88%	59676	-2.07%
ASHOK LEYLAND	14067	13,406	4.93%	14872	-5.41%
HERO MOTOCORP LIMITED	524,766	550,992	-4.76%	487,088	7.74%

Export Figure

Name of Company	Feb-17	Feb-16	Change (in %)- (YoY)	Jan-17	Change (in %)- (MoM)
BAJAJ AUTO LTD	114404	98959	15.61%	106729	7.19%
TATA MOTORS LTD	4,894	5142	-4.82%	4,921	-0.55%
MARUTI SUZUKI (INDIA) LTD	9545	9,336	2.24%	10462	-8.77%
MAHINDRA & MAHINDRA	2300	2654	-13.34%	2261	1.72%
TVS MOTORS	38,215	34,804	9.80%	34,110	12.03%
EICHER MOTORS	1,702	1,589	7.11%	1,543	10.30%

Total Domestic Sales (Excluding Export) Figure

Name of Company	Feb-17	Feb-16	Change (in %)- (YoY)	Jan-17	Change (in %)- (MoM)
BAJAJ AUTO LTD	159109	173760	-8.43%	135188	17.69%
TATA MOTORS LTD	42679	41532	2.76%	41428	3.02%
MARUTI SUZUKI (INDIA) LTD	120735	108115	11.67%	133934	-9.85%
MAHINDRA & MAHINDRA	40414	41348	-2.26%	37042	9.10%
TVS MOTORS	173255	184663	-6.18%	172949	0.18%
EICHER MOTORS	56,737	47567	19.28%	58,133	-2.40%

TATA MOTORS

Name of Company	Feb-17	Feb-16	Change (in %)- (YoY)	Jan-17	Change (in %)- (MoM)
GLOBAL WHOLESALERS	103064	99842	3.23%	95931	7.44%
GLOBAL WHOLESALERS(JLR)	54576	52313	4.33%	48740	11.97%
Global Wholesales (Jaguar)	16096	10247	57.08%	15427	4.34%
Global Wholesales (Land Rover)	38480	42066	-8.52%	33313	15.51%

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