IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER

The linked insurance products do not offer any liquidity during the first five years of the contract. The policyholder will not be able to surrender/withdraw the monies invested in linked insurance products completely or partially till the end of the fifth year.
Month gone by - A snapshot

The rally in global equity markets continued in December, as initiation of Covid-19 vaccination program provided comfort to investors that the pandemic will gradually be brought under control. US and Japan have passed additional fiscal stimulus packages, while European central bank has expanded its monetary stimulus. UK and EU have agreed to a post-Brexit trade agreement, thereby removing a nagging uncertainty for markets. These positive developments have outweighed some near-term concerns including extension of lockdown measures in some parts of Europe and identification of a new faster spreading mutant of the Covid-19 virus.

MSCI India index outperformed global markets with a 10% increase in December, compared to 7% increase in MSCI Emerging Market index and 4% in MSCI Developed Market index. INR appreciated by 1% during the month. Crude oil prices rose by 9% to US$ 52/barrel given expectations of a revival in global demand.

Domestic economic recovery continues

Macro-economic data points indicate a continuation of economic recovery. Industrial production in October rose to 4% on an annual basis on the back of pent-up demand and festive season. Though few data points indicate some slowdown in specific segments, key high frequency indicators such as record high GST tax collections and increase in electricity consumption continue to show an upward trend in overall economic activity.

Taking cognizance of the faster than expected economic recovery, RBI has revised upwards India’s FY 2021 GDP growth projections. The government is expected to announce additional steps to support economic growth in the upcoming budget.

RBI reiterates accommodative stance to prioritize growth: CPI inflation has eased in November due to moderation in food inflation. However, inflation continues to remain above RBI’s target level. The central bank expects inflation to ease gradually as supply side bottlenecks get resolved. RBI kept policy interest rates unchanged in the December policy and reiterated that it will maintain an accommodative policy stance well into FY 2022. Foreign institutional investors (FIIs) bought US$ 635mn of Indian debt in December.

Outlook: RBI continues to take measures to keep financial conditions benign. As a result, interest rates have continued to remain stable. Given central bank’s forward guidance, we expect interest rates to remain soft.

Foreign inflows continue unabated propelling equity markets to record high: Benign liquidity conditions, synchronised economic recovery and expectations of a sharp bounce back in corporate profitability bodes well for equity markets. Forward guidance from policy makers indicate continuation of softer interest rates. This coupled with earlier-than-expected macro-economic recovery and continued improvement in high frequency indicators are supporting the market rally.

Indian equity markets moved up by 8% during the month with Fast Moving Consumer Goods, Metals and Capital Goods sectors outperforming. FII inflows in equity markets was US$ 7.2bn in December, taking total FII inflows in 2020 to US$ 23bn.

Outlook: Post the sharp rally, markets may consolidate before the start of Q3 FY2021 earnings season. Management commentaries with regards to demand environment and sustenance of profitability is likely to provide further roadmap. The Union Budget, slated to be announced next month, will be an important event to watch out for. Notwithstanding near-term volatility, the medium to long-term outlook for equities remain strong.

Sanjay Kumar
Chief Investment Officer
### Economic and market snapshot

#### Economic indicators
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Dec 2019</th>
<th>Sep 2020</th>
<th>Dec 2020</th>
<th>QoQ Change</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Price Index (CPI) Inflation (%)</td>
<td>5.5</td>
<td>6.7</td>
<td>6.9</td>
<td>0.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Gross Domestic Product (GDP Growth) %</td>
<td>4.4</td>
<td>-23.9</td>
<td>-7.5</td>
<td>16.4</td>
<td>-11.9</td>
</tr>
<tr>
<td>Index of Industrial Production (IIP) (%)</td>
<td>-6.6</td>
<td>-10.5</td>
<td>3.6</td>
<td>14.1</td>
<td>10.2</td>
</tr>
<tr>
<td>Brent crude oil (USD/barrel)</td>
<td>66</td>
<td>41</td>
<td>52</td>
<td>27%</td>
<td>-21%</td>
</tr>
</tbody>
</table>

#### Domestic Markets
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Dec 2019</th>
<th>Sep 2020</th>
<th>Dec 2020</th>
<th>QoQ Change</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nifty Index</td>
<td>12,168</td>
<td>11,248</td>
<td>13,982</td>
<td>24%</td>
<td>15%</td>
</tr>
<tr>
<td>BSE Mid-cap Index</td>
<td>14,968</td>
<td>14,705</td>
<td>17,941</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>10-year G-Sec Yield (%)</td>
<td>6.6</td>
<td>6.0</td>
<td>5.9</td>
<td>-10 bps</td>
<td>-70 bps</td>
</tr>
<tr>
<td>30-year G-Sec Yield (%)</td>
<td>7.1</td>
<td>6.8</td>
<td>6.5</td>
<td>-30 bps</td>
<td>-60 bps</td>
</tr>
<tr>
<td>10-year AAA PSU Corporate Bond Yield (%)</td>
<td>7.4</td>
<td>6.7</td>
<td>6.5</td>
<td>-20 bps</td>
<td>-90 bps</td>
</tr>
<tr>
<td>Exchange rate (USD/INR) *</td>
<td>71.4</td>
<td>73.8</td>
<td>73.1</td>
<td>-1%</td>
<td>2%</td>
</tr>
</tbody>
</table>

#### Global Markets
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Dec 2019</th>
<th>Sep 2020</th>
<th>Dec 2020</th>
<th>QoQ Change</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dow Jones (U.S.)</td>
<td>28,538</td>
<td>27,782</td>
<td>30,606</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>FTSE (U.K.)</td>
<td>7,542</td>
<td>5,866</td>
<td>6,461</td>
<td>10%</td>
<td>-14%</td>
</tr>
<tr>
<td>Nikkei 225 (Japan)</td>
<td>23,657</td>
<td>23,185</td>
<td>27,444</td>
<td>18%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: Central Statistics Organisation (CSO), RBI, Bloomberg. *Negative growth number signals INR appreciation against USD, while positive growth number signals depreciation.

#### 10-year government bond yield trend

![10-year government bond yield trend](image1)

#### Equity Market performance

![Equity Market performance](image2)

Source: Bloomberg
FUND CATEGORY

- Balanced
  - Gratuity Balanced Fund
  - Group Met Secure Fund
  - Group Met Growth Fund
- Debt
  - Gratuity Debt Fund
Gratuity Balanced

**Investment Objective:** To generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities.

**Investment Philosophy:** The fund will target 30% investments in Equities and 70% investments in Government & other debt securities to meet the stated objectives.

### Portfolio Return

**Portfolio Return as on December 31, 2020**

<table>
<thead>
<tr>
<th>Returns</th>
<th>Absolute Return</th>
<th>CAGR Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Month</td>
<td>3.0%</td>
<td>13.5%</td>
</tr>
<tr>
<td>Last 6 Months</td>
<td>13.1%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Last 1 Year</td>
<td>8.5%</td>
<td></td>
</tr>
<tr>
<td>Last 2 Years</td>
<td>9.7%</td>
<td></td>
</tr>
<tr>
<td>Last 3 Years</td>
<td>9.2%</td>
<td></td>
</tr>
<tr>
<td>Since Inception</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Benchmark**

- 2.6% 13.5% 12.1% 9.7% 9.2%

**Note:** Past returns are not indicative of future performance.

---

### Asset Under Management (AUM) (Rs crores)

- **Equity:** 24 (30%)
- **Cash and Money Market:** 5 (7%)
- **Debt:** 40 (58%)

### Sector Allocation (As per NIC Classification)**

- **Government of India**
- **Financial and Insurance Activities**
- **Infrastructure Sector**
- **Computer Programming, Consultancy and Related Activities**
- **Manufacture of Coke and Refined Petroleum Products**
- **Manufacture of Chemicals and Chemical Products**
- **Manufacture of Pharmaceuticals, Medicinal Chemical and Botanical Products**
- **Manufacture of Motor Vehicles, Trailers and Semi-trailers**
- **Civil Engineering**
- **Others**

**Credit Rating Profile**

- **AAA:** 30%
- **AA:** 11%
- **D:** 1%

**Maturity by Profile**

- **< 1 Year:** 9%
- **1 to 3 years:** 11%
- **3 to 7 Years:** 29%
- **> 7 Years:** 51%

---

### Top 10 Equity Securities

1. **HDFC BANK LTD.**
2. **SUNDERAM FINANCE LTD.**
3. **POWER FINANCE CORPN. LTD.**
4. **DEWAN HOUSING FINANCE CORPN. LTD.**
5. **KOTAK MAHINDRA BANK LTD.**
6. **AXIS BANK LTD.**
7. **HINDUSTAN UNILEVER LTD.**
8. **ITC LTD.**
9. **TATA CONSULTANCY SERVICES LTD.**
10. **HUL LTD.**

**Credit Rating Profile**

- **AAA:** 13%
- **AA:** 21%
- **D:** 2%

**Maturity by Profile**

- **< 1 Year:** 9%
- **1 to 3 years:** 11%
- **3 to 7 Years:** 29%
- **> 7 Years:** 51%
Gratuity Debt

Investment Objective: To earn regular income by investing in high quality fixed income securities.

Investment Philosophy: The fund would target 100% investments in Government & other debt securities to meet the stated objectives.

Portfolio Return

<table>
<thead>
<tr>
<th>Returns</th>
<th>Absolute Return</th>
<th>CAGR Return</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Last Month</td>
<td>Last 6 Months</td>
</tr>
<tr>
<td>Portfolio return</td>
<td>0.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Benchmark*</td>
<td>0.4%</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Note: Past returns are not indicative of future performance.
* Benchmark return has been computed by applying benchmark weightages on CRISIL Composite Bond Fund Index

Asset Under Management (AUM) (Rs crores)

- Cash and Money Market: 8 (%)
- Debt: 110 (94%)

Sector Allocation (As per NIC Classification**)

- Government of India: 13%
- Infrastructure Sector: 37%
- Financial and Insurance Activities: 13%
- Housing Sector: 31%
- Others: 6%

Credit Rating Profile

- AAA: 46%
- AA+: 5%
- AA: 8%
- A+: 1%
- D: 1%
- AA-: 1%

Maturity by Profile

- > 7 Years: 51%
- 3 to 7 Years: 44%
- 1 to 3 years: 1%
- < 1 Year: 4%

Fund Details

Funds managed by the Fund Manager
- Deb Bhattacharya
- Equity: 2
- Debt: 8
- Balanced: 8

AUM as on 31-12-2020: Rs. 118 crore
NAV as on 31-12-2020: Rs. 21.3582
Modified Duration (Debt and Money Market): 5.4

Asset Classes

- Government and other Debt Securities: 60-100%
- Money Market and other liquid assets: 0-40%
- Others: 40%

Top 10 Government Securities

1. 8.96% SDL 2035 Sovereign: 12.4%
2. 7.57% GOI 2033 Sovereign: 5.4%
3. 6.19% GOI 2027 Sovereign: 4.5%
4. 5.77% GOI 2034 Sovereign: 4.2%
5. 8.83% GOI 2041 Sovereign: 2.7%
6. 7.59% GOI 2024 Sovereign: 1.4%
7. 8.13% GOI 2021 Sovereign: 0.1%
8. 7.95% GOI 2032 Sovereign: 0.0%
9. TOTAL: 37.2%

Top 10 Corporate Bonds

1. HOUSING DEVELOPMENT FINANCE CORPN. LTD.: AAA
2. POWER GRID CORPN. OF INDIA LTD.: AAA
3. L I C HOUSING FINANCE LTD.: AAA
4. IDFC BANK LIMITED: AA
5. Others: 7.1%

TOTAL: 56.4%

Cash and Money Market: 6.4%

Portfolio Total: 100.0%

Date of Inception: December 20, 2010
Group Met Secure fund (Open Fund)

Investment Objective: To generate regular income by investing in high investment grade Fixed Income Securities and to generate capital appreciation by investing a limited portion in equities.

Investment Philosophy: The fund will target 15% investments in Equities and 85% investments in Government & other debt securities (Including Money Market) to meet the stated objectives.

### Portfolio Return

<table>
<thead>
<tr>
<th>Returns</th>
<th>Absolute Return</th>
<th>CAGR Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last 1 Month</td>
<td>-</td>
<td>-</td>
</tr>
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<td>Last 6 Months</td>
<td>-</td>
<td>-</td>
</tr>
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<td>Last 1 Year</td>
<td>-</td>
<td>-</td>
</tr>
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<td>Last 2 Years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Last 3 Years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Since Inception</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Past returns are not indicative of future performance.

Benchmark*: - 0.1%

### Asset Under Management (AUM) (Rs crores)

- **Equity** 0.3 (11%)
- **Debt** 1.1 (39%)
- **Cash and Money Market** 1.6 (53%)

### Sector Allocation (As per NIC Classification**)

- **Government of India** 37%
- **Mutual Fund** 2%
- **Financial and Insurance Activities** 3%
- **Computer Programming, Consultancy and Related Activities** 6%
- **Manufacture of Chemicals and Chemical Products** 6%
- **Manufacture of Pharmaceuticals, Medicinal Chemical and Botanical Products** 5%
- **Manufacture of Cane and Refined Petroleum Products** 4%
- **Infrastructure Sector** 4%
- **Manufacture of Tobacco Products** 3%
- **Civil Engineering** 3%
- **Others** 6%

**NIC Classification – Industrial sectors as defined under National Industrial Classification 2008**

### Credit Rating Profile

- **AAA** 23%
- **Government Securities** 77%

### Maturity by Profile

- **> 7 Years** 5%
- **3 to 7 Years** 35%
- **< 1 Year** 60%

### NAV Movement

Date of Inception: December 29, 2020

---

**Fund Details**

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Funds managed by the Fund Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deb Bhattacharya</td>
<td>Equity - 2</td>
</tr>
</tbody>
</table>

**AUM as on 31-12-2020 | NAV as on 31-12-2020 | Modified Duration**

**Debt and Money Market**

<table>
<thead>
<tr>
<th>Rs. 3 crore</th>
<th>Rs. 10.0038</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.8</td>
<td></td>
</tr>
</tbody>
</table>

**Asset Classes**

<table>
<thead>
<tr>
<th>FLDU</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Listed Equities</td>
<td>10%-20%</td>
</tr>
<tr>
<td>Government and other Debt Securities</td>
<td>10%-80%</td>
</tr>
<tr>
<td>Money Market and other liquid assets</td>
<td>10%-80%</td>
</tr>
</tbody>
</table>

**Portfolio Components**

<table>
<thead>
<tr>
<th>Security</th>
<th>Rating</th>
<th>Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOVERNMENT SECURITIES</td>
<td>Sovereign</td>
<td>27.4%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>27.4%</td>
<td></td>
</tr>
</tbody>
</table>

**TOP 10 EQUITY SECURITIES**

- **H D F C BANK LTD.** 0.9%
- **RELIANCE INDUSTRIES LTD.** 0.9%
- **INFOSYS LTD.** 0.8%
- **I C I C I BANK LTD.** 0.7%
- **I T C LTD.** 0.7%
- **HOUSING DEVELOPMENT FINANCE CORPN. LTD.** 0.6%
- **KOTAK MAHINDRA BANK LTD.** 0.5%
- **TATA CONSULTANCY SERVICES LTD.** 0.5%
- **LARSEN & TOUBRO LTD.** 0.4%
- **HINDUSTAN UNILEVER LTD.** 0.4%
- **Others** 5.1%
- **TOTAL** 11.4%

**CASH AND MONEY MARKET** 53.1%

**PORTFOLIO TOTAL** 100.0%
Investment Objective: To generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities.

Investment Philosophy: The fund will target 55% investments in Equities and 45% investments in Government & other debt securities (Including Money Market) to meet the stated objectives.

Table: Portfolio Return As on December 31, 2020

<table>
<thead>
<tr>
<th>Returns</th>
<th>Absolute Return</th>
<th>CAGR Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last 1 Month</td>
<td>-</td>
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<td>Last 6 Months</td>
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</tr>
<tr>
<td>Last 3 Years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Since Inception</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Portfolio return: - 0.1%
Benchmark*: - 0.2%

Note: Past returns are not indicative of future performance.
* Benchmark return has been computed by applying benchmark weightages on S&P BSE Sensex 50 for Equity, CRISIL Composite Bond Fund Index for Debt and Crisil Overnight Index for Liquid.

Table: Asset Under Management (AUM) (Rs crores)

- Equity: 1.0 (33%)
- Cash and Money Market: 1.2 (39%)
- Debt: 0.8 (27%)

Table: Sector Allocation (As per NIC Classification**)

- Government of India: 21%
- Financial and Insurance Activities: 16%
- Mutual Fund: 6%
- Computer Programming, Consultancy and Related Activities: 6%
- Manufacture of Chemicals and Chemical Products: 6%
- Manufacture of Pharmaceuticals, Medicinal Chemical and Botanical Products: 5%
- Manufacture of Coke and Refined Petroleum Products: 5%
- Infrastructure Sector: 4%
- Civil Engineering: 3%
- Manufacture of Motor Vehicles, Trailers and Semi-Trailers: 3%
- Others: 6%

Table: Top 10 Equity Securities

- HDFC BANK LTD.: 2.7%
- RELIANCE INDUSTRIES LTD.: 2.6%
- INFOSYS LTD.: 2.3%
- I C I C I BANK LTD.: 2.0%
- HOUSING DEVELOPMENT FINANCE CORPN. LTD.: 1.7%
- KOTAK MAHINDRA BANK LTD.: 1.6%
- TATA CONSULTANCY SERVICES LTD.: 1.6%
- LARSEN & TOUBRO LTD.: 1.3%
- HINDUSTAN UNILEVER LTD.: 1.3%
- MARUTI SUZUKI INDIA LTD.: 1.0%
- Others: 15.1%

Total: 33.2%

Table: Cash and Money Market

- 77%

Table: Modified Duration (Debt and Money Market)

- 1.8

Table: Credit Rating Profile

- AAA: 23%
- Government Securities: 77%

Table: Maturity by Profile

- < 1 Year: 59%
- 3 to 7 Years: 36%
- > 7 Years: 5%

Table: NAV Movement

- 29-Dec-20: 9.99
- 30-Dec-20: 10.00
- 31-Dec-20: 10.01

Date of Inception: December 29, 2020
Quantitative Indicators

- **Standard Deviation (SD)** - It shows how much the variation or dispersion of a fund’s daily returns has from its average. Lesser SD indicates that the daily returns are moving closer to the average. A higher SD indicates that daily returns are widely spread over a large range of value.

- **Beta** - It indicates how the fund is performing relative to its benchmark. If beta of a fund is higher than its benchmark, which is considered 1, it indicates risk-return trade-off is better and vice-versa.

- **Sharpe Ratio** - It measures the risk-reward ratio as it indicates whether higher returns come with higher or lower risk. Greater the ratio, better is the risk-adjusted performance.

- **Average Maturity** - It is the weighted average period of all the maturities of debt securities in the portfolio.

- **Modified Duration (MD)** - It is the measurable change in the value of a security in response to a change in interest rates.

- **Bond yield** - Bond yield is the amount of return an investor realizes on a bond. Several types of bond yields exist, including nominal yield (interest paid divided by the face value of the bond) and current yield (annual earnings of the bond divided by its current market price). Yield to maturity (YTM), a popular measure where in addition to coupon return it also additionally incorporates price decline/increase to face value of the bond over the maturity period.

Macroeconomic Indicators

- **Macroeconomics** - Macroeconomics is the branch of economics that studies the behavior and performance of an economy as a whole. It focuses on the aggregate changes in the economy such as unemployment, growth rate, gross domestic product and inflation. Macroeconomics analyzes all aggregate indicators that influence the economy. Government and corporations use macroeconomic models to help in formulating of economic policies and strategies.

- **Gross Domestic Product (GDP)** - GDP is one of the primary indicators used to gauge the health of a country's economy. It represents the total value of all goods and services produced over a specific time period. It can be stated in real terms or nominal terms (which includes inflation).

- **Gross value added (GVA)** - GVA is a productivity metric that measures the contribution to an economy, producer, sector or region. Gross value added provides a value for the amount of goods and services that have been produced, less the cost of all inputs and raw materials that are directly attributable to that production.

- **Index of Industrial Production (IIP)** - The index represents the production growth of various sectors in India. The index focuses on mining, electricity and manufacturing. The ongoing base year for calculation of index is 2004-2005.

- **HSBC Purchasers Managers’ Index (PMI)** - Three types of indices - Manufacturing, Services and Composite Index are published on a monthly basis after surveys of private sector companies. An index reading above 50 indicates an overall increase in that variable, while below 50 shows an overall decrease.

- **Inflation** - Inflation measures the change in the prices of a basket of goods and services in a year. From a calculation standpoint, it is the percentage change in the value of the Wholesale Price Index (WPI) / Consumer Price Index (CPI) on a year-on-year basis. It occurs due to an imbalance between demand and supply, changes in production and distribution cost or increase in taxes on products. When economy experiences inflation, i.e. when the price level of goods and services rises, the value of currency reduces.
Macroeconomic Indicators

• **Nominal interest rate** - Nominal interest rate is the interest rate that does not take inflation impact into account. It is the interest rate that is quoted on bonds and loans.

• **Real interest rate** - Real interest rate adjusts for the inflation and gives the real rate of a bond or a loan.

• **Monetary Policy** - Monetary policy is the macroeconomic policy laid down by the Central bank. It involves management of money supply and interest rates to achieve macroeconomic objectives like inflation, consumption, growth and liquidity. Depending on growth-inflation dynamics, the central bank can either pursue an easy or a tight monetary policy. An expansionary/easy/ accommodative monetary policy involves expansion of money supply, mainly by keeping interest rates low, to boost economic growth. A contractionary/tight monetary policy involves reduction in money supply to control inflation in the economy.

• **Liquidity** - The Central bank of a country has to maintain an appropriate level of liquidity to help meet the credit demand of the country as well as maintain price stability. This is done by way of direct monetary policy tools such as policy rates and cash reserves to be maintained with it by banks. It is also done by indirect means such as Open market Operations (OMO) which involve sale and purchase of Government securities.

• **Fiscal Deficit** - This takes place when India’s expenditure rises than its revenue. To fill this gap, the Government raises debt by issuing Government/ sovereign bonds. Fiscal deficit is usually compared with GDP to understand the financial position of the country. Rising fiscal deficit to GDP ratio is not good for the country, which requires immediate attention to cut expenditure and/or increase the source of revenue.

• **Current Account Deficit (CAD)** - Current account deficit is a measurement of a country’s trade where the value of imports of goods and services as well as net investment income or transfer from abroad is greater than the value of exports of goods and services for a country. This indicates that the country is a net debtor of foreign currency, which increases the pressure on the country’s existing foreign currency reserves. Current account surplus is the opposite of this.

• **Investment** - In private investment, the funds come from a private, for-profit business. A few examples of private investment are a private company’s manufacturing plant, a commercial office building, or a shopping mall. In public investment, the money exchanged comes from a governmental entity such as a city, state, country, etc. It would involve roads, airports, dams and other public infrastructure.

Market Indices

• **Nifty 50 Index** - It is a well diversified 50 stock index accounting for 22 sectors of the economy. It is used for a variety of purposes such as benchmarking fund portfolios, index based derivatives and index funds.

• **CRISIL Composite Bond Fund Index** - It seeks to track the performance of a debt portfolio that includes government securities and AAA/AA rated corporate bonds.

Fixed Income Indicators

• **Repo Rate** - The rate at which the RBI lends money to commercial banks is called repo rate. It is an instrument of monetary policy. Whenever shortage of funds banks has, they can borrow from the RBI.

• **Cash Reserve Ratio (CRR)** - CRR is the amount of funds which the banks need to keep with the RBI. If the RBI decides to increase the CRR, the available amount with the banks comes down. The RBI uses the CRR to drain out excessive money from the system.
Fixed Income Indicators

- **Marginal Standing Facility (MSF)** - It is a rate at which the RBI provides overnight lending to commercial banks over and above the repo window (repo rate). The interest rate charged is higher than the repo rate and hence it is used when there is considerable shortfall in liquidity.

- **Statutory Liquidity ratio (SLR)** - In India, commercial banks are required to maintain a certain percentage of their total deposits (net demand and time liabilities) in notified Government securities to ensure safety and liquidity of deposits. This percentage is known as the SLR rate. If the RBI or Central Bank reduces the SLR rate, it means that higher liquidity will be available to banks for their lending activity and vice-versa.

Others

- **Goods and Services Tax (GST)** - The GST is one of the biggest indirect tax reforms, with an aim to make India one unified common market. It is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

- **Foreign institutional investors (FIIs)** - FIIs are those institutional investors who invest in the assets belonging to a different country other than that where these organizations are based. These are the big companies such as investment banks, mutual funds etc, which invest considerable amount of money in Indian equity and fixed income markets, and consequently have a strong bearing on the respective market movement and currency.

- **Domestic institutional investors (DIIs)** - DIIs are those institutional investors who undertake investment in securities and other financial assets of the country they are based in. Institutional investment is defined to be the investment done by institutions or organizations such as banks, insurance companies, and mutual fund houses in the financial or real assets of a country.

- **Emerging market (EM) economy** - An emerging market economy describes a nation's economy that is progressing toward becoming more advanced, usually by means of rapid growth and industrialization. These countries experience an expanding role both in the world economy and on the political frontier.

- **Organization of the Petroleum Exporting Countries (OPEC)** - The OPEC was formed in 1960 to unify and coordinate members’ petroleum policies. This was aimed at ensuring the stability of oil markets in order to secure an efficient, economic, and regular supply of petroleum to customers as well as a steady income to producers with a fair return. Members of OPEC include Iran, Iraq, Syria, Kuwait, Saudi Arabia, Bahrain, Qatar, the United Arab Emirates (or UAE), Oman, and Yemen. The OPEC countries produce 40% of the world’s crude oil.

- **Federal Open Market Committee (FOMC)** - The FOMC is the monetary policymaking body of the Federal Reserve System. The FOMC is composed of 12 members - seven members of the Board of Governors and five of the 12 Reserve Bank presidents.

- **International Monetary Fund (IMF)** - The IMF, formed in 1945, is an international organization of 189 countries, headquartered in Washington, D.C. The key objectives include fostering global monetary cooperation, securing financial stability, facilitating international trade, promoting high employment and sustainable economic growth, and reducing poverty around the world.
About Us

PNB MetLife India Insurance Company Limited (PNB MetLife) is one of the fastest growing life insurance companies in the country, having as its shareholders, MetLife International Holdings LLC. (MIHL), Punjab National Bank Limited (PNB), Jammu & Kashmir Bank Limited (JKB), M. Pallonji and Company Private Limited and other private investors, with MIHL and PNB being the majority shareholders. PNB MetLife has been present in India since 2001.

PNB MetLife brings together the financial strength of a leading global life insurance provider, MetLife, Inc., and the credibility and reliability of PNB, one of India’s oldest and leading nationalised banks. The vast distribution reach of PNB together with the global insurance expertise and product range of MetLife makes PNB MetLife a strong and trusted insurance provider.

PNB MetLife is present in over 109 locations across the country and serves customers in more than 8,000 locations through its bank partnerships with PNB, JKB and Karnataka Bank Limited.

PNB MetLife provides a wide range of protection and retirement products through its Agency sales of over 6,000 financial advisors and multiple bank partners, and provides access to Employee Benefit plans for over 1,200 corporate clients in India. The company continues to be consistently profitable and has declared profits for last five Financial Years.

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For more details on risk factors, terms and conditions, please read product sales brochure carefully before concluding a sale.

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The premium paid in Unit-Linked Life Insurance Policies are subject to investment risks associated with capital markets and the NAVs of the Units may go up or down based on the performance of Fund and factors influencing the capital market and the insured is responsible for his/her decisions.

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