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FINANCIAL BULLETIN

19TH AUG TO 26TH AUG



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From the Founders desk

The markets scaled touched a new high this week continuing its last week trend with benchmark index Nifty 50 climbing further by 0.36%. Bank nifty also scaled new peak, but ended flat for the week ending just 0.02% in the up direction. The midcaps gained for the week moving upwards by 0.59%, whereas the small caps continued on its last week movement moving lower by 0.49%.

Both the shiny metals closed weaker for the week. Gold fell by 1.45%, while silver continued its downward movement for the sixth week in a row moving lower by a whopping 3.13%. The crude oil again remained volatile for the week and moved lower by 1.45%. Indian currency became further weaker closing at 69.9 against the dollar. The 10-year bond yields reversed its movement for the week ending higher by 1.38%.

This week, we continue our discussion on debt investment. In this article we understand PF and PPF as investment product.

We would request every reader to provide feedback on the improvements that can be done or the topics he/she feels that needs to be included. We will review the requirement from our side and then add in the bulletin. For any queries, please get in touch with us at Prathamesh@p3investmentsolutions.com.

Happy reading.

Thank You

Prathamesh Pai Bir

Founder-P3 Investment Solutions



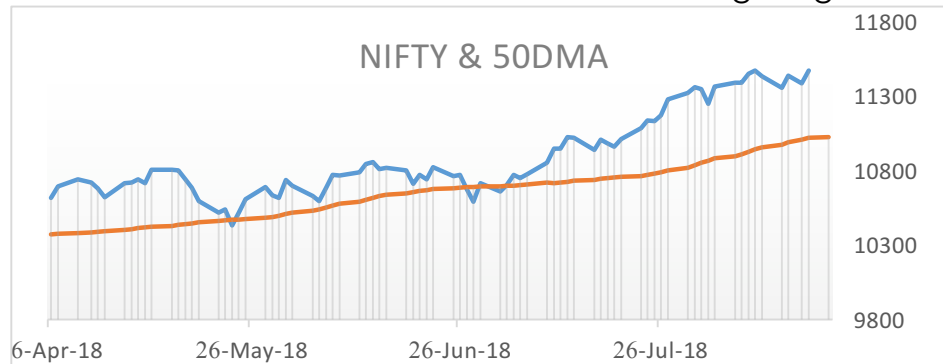
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Weekly Market Forecast: 20th August to 26th August 2018

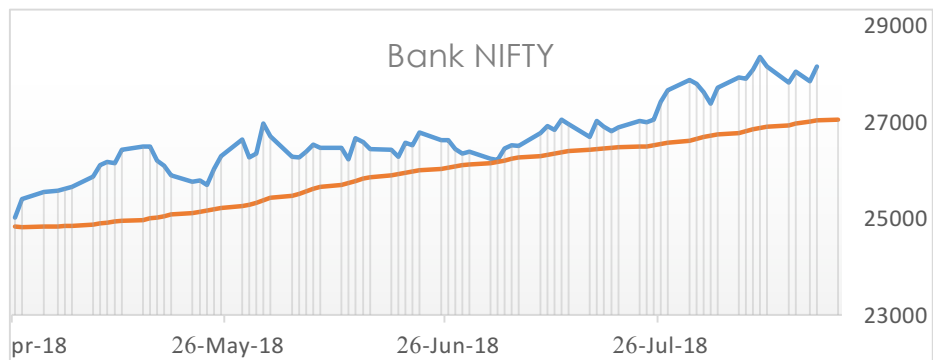
The Indians market scaled to a fresh all-time high, again in the week and closed



in green. The NIFTY closed at 11470.75 (11429.5 last week) up by 0.36% for the week. The BANK NIFTY followed the trend reaching a new high, but the

movement was flat at 28128.55 (28124.25 last week), up by just 0.02%. Both BSE

Midcap and Smallcap followed market index. Midcap Index closed at 16306.44 (16210.78 last week) with a gain of 0.59%. BSE Smallcap index



closed at 16866.32 (16784.2 last week) with a loss of 0.49%.

The bullish trend continues of the broader market on a monthly basis. A watch on Indian macro data and global events is very crucial.

The US bourses rebounded after early week volatility due to problems in Turkey. Dow Jones Industrial Average (DOW) closed at 25669.32 (25313.14 last week) stronger by 1.41%. S&P 500 also closed in green at 2850.13 (2833.28 last week) up by 0.59%. However, NASDAQ closed in red at 7816.33 (7839.11 last week) down by 0.29 %.

Both the shiny metals, Gold and Silver closed in red for the week. MCX Gold Mini 05 Sep Futures closed at 29,285 (29,612 last week) weaker by 1.45%. MCX Silver Mini 31 Aug Futures closed at 36,811 (38000 last week) down by 3.13%.

It was a volatile week, again, for Crude oil price movements. MCX Crude oil 20 Aug Futures closed at 4605 (4673 last week) down 1.45%.

The Indian Rupee depreciated further in the week. USD/INR closed higher at 69.9000 compared to last week's close of 68.8900.



Events in the week:

- Tuesday 21 Aug – OPEC meeting;
- Wednesday 22 Aug – India Holiday; US data on Existing home sales, Crude oil inventories
- Thursday 23 Aug – US data on Initial Jobless Claims; Manufacturing & Services PMI, New Home Sales
- Friday 24 Aug – India data on Forex; US data on Core Durable Goods Order

Trading Ideas: Based on technical analysis, we recommend the following trades for the week:

1. Axis Bank: Buy @ 599.35; **StopLoss** 588.40; Target 621.30
2. GAIL: Buy @ 381.20; **StopLoss** 376.35; Target 390.95
3. Grasim: Sell @ 1042.55; **StopLoss** 1051.70; Target 1015.10

Last week's Technical Call:

1. Tata Steel: Buy @ 562.55; **StopLoss** 557.80; Target 572.25...did not reach price level
2. Tata Power: Sell @ 71.70; **StopLoss** 72.15; Target 70.80...did not reach price level
3. Maruti: Buy 9012.15; **StopLoss** 8899.95; Target 9236.5...Target HIT

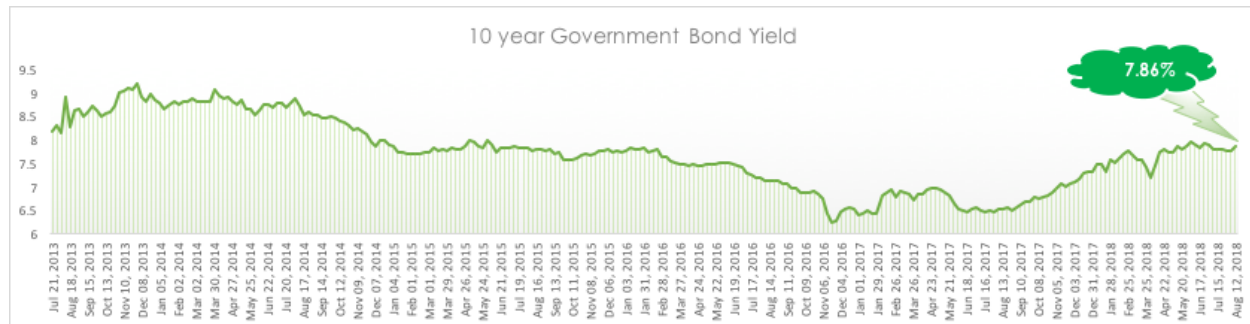
Weekly Top Gainers/ Losers (NIFTY)

Top Gainers		Top Losers	
Name of Company	Weekly Return	Name of Company	Weekly Return
Sun pharma	12.55%	Hind Pertol	-6.50%
Lupin	8.87%	BPCL	-5.98%
Grasim	7.67%	HDFC	-4.49%
GAIL	6.82%	Indiabulls HF	-4.38%
Dr. Reddy's	6.77%	Indian Oil	-4.09%

Credit- Dr Amiya Sahu



Bond market update



Bond yields reversed its trend this week, it moved upwards by ten basis points (up by 1.38 %) during the week closing at 7.86%. The rise in yields is on account of rupee depreciation touching 70-mark last week amid tensions in Turkey.

Investment Series 9- Debt investment

In our previous article we initiated our discussion on the second asset class which is debt. We started with the fixed deposits and recurring deposit, which are considered the basic debt investment which most of us know about. Today we will again discuss on other debt investment which most of us again are aware. In this article let us understand about employee provident fund (EPF) and public provident fund (PPF).

Employee provident fund

PF is retirement benefit scheme applicable for all salaried employees. The fund is managed and overseen by Employee Provident Fund Organization (EPFO). All individuals make contribution to PF to the tune of 12% of their basic salary plus dearness allowance, if there is no dearness allowance (DA) then the PF calculation is completely on the basic salary. One important point to note is that in PF, your employer also contributes equally to the scheme for you i.e. 12% of basic plus DA is put in your name by the organization. But the entire PF amount contributed by the employer doesn't go in the PF account, some of it goes to the employee pension scheme (EPS). Employee/Individual can further increase his PF contribution from the basic deduction of 12% through what is called voluntary provident fund. The investment in provident has few major benefits to investor

- 1) Disciplined monthly investment
- 2) Higher interest rates than FD/RD
- 3) Interest earned is tax exempt
- 4) Investment considered for benefit under 80C



The provident fund corpus can be partially withdrawn on the following reasons only.

- 1) House construction
- 2) Marriage of self/ son/ daughter
- 3) Medical treatment
- 4) Repayment of home loan
- 5) Repair works of house
- 6) Education purpose
- 7) Miscellaneous

Public Provident Fund (PPF)

PPF is an investment product mainly designed for a long term goal keeping in mind the safety of the capital invested. The PPF account can be opened at Post office, Nationalized banks and also in some private banks. In this scheme the investment ranges from min Rs 500 per year to a max of Rs 1,50,000 per year. The account once opened has a lock in period of 15 years, post completion of the 15 years further extension can be done in block of 5 years each. The interest rate on PPF investment is 7.6%.

The following are the benefits of PPF which are similar to EPF.

- 1) Higher interest rates than FD/RD
- 2) Interest earned is tax exempt
- 3) Investment considered for benefit under 80C

The amount in PPF can be withdrawn from 7th years onwards i.e. post completion of 6 years. An individual can withdraw 50% of the balance at the end of 4th year preceding the year in which the withdrawal is made or 50% of the amount at the end of preceding year whichever is lower.

In the above article we have tried to explain in brief the investment option EPF and PPF. Hope the same was useful. In our next article we will cover few other investment options.



Disclaimer

We would like to inform our audience that the view on the market is purely a view from our firm perspective and not a guarantee of any sought in generating wealth. The trading tips recommended are purely a view point and there is no assurance or guarantee of return is provided on the same. Hence all the readers are requested to apply their prudence and judge accordingly before acting on any of the recommendations provided on this site or any other mode or platform provided by the company. Neither, P3 Investment Solutions nor any of its Founders, Advisors, or employees holds any kind of responsibility for any loss incurred (if any), by acting as per the recommendations provided.

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All Recommendation is purely based on technical analysis. Which is depends on market participations. We not only try to maintain our accuracy but constantly try to enhance it to the best of our ability, but we never provide any kind of assurances on the return or guarantee over accuracy of any services. Neither, P3 Investment Solutions nor any of its representatives cannot provide any surety about the accuracy of any services because of the nature of the stock market comprising of many risks already stated above.