



INDIA

- ❖ The benchmark 6.10% bond maturing in 2031 ended at 98.15 rupees, yielding 6.36%, compared with 98.08 rupees and a similar yield on Friday.
- ❖ India's rate-setting panel commenced its three-day policy meeting today. The RBI is likely to hike its reverse repo rate early next year and increase its repo rate the following quarter, according to a Reuters poll of economists who were split on whether the latest Covid-19 variant risked delaying those moves.
- ❖ The central bank has left the benchmark repo rate unchanged at a record low of 4% since May 2020, and kept an accommodative stance to boost growth in India's pandemic-ravaged economy. The reverse repo rate has also been kept steady at 3.35% since May last year.
- ❖ India is slowly emerging from the coronavirus pandemic, but infections from the Omicron strain, classified as a "variant of concern" by the World Health Organization, pose downside risks to the country's uneven economic recovery.
- ❖ Meanwhile, the yield on the US 10-year Treasury was last at 1.3936%, after crashing eight basis points on Friday to close around 1.36%.
- ❖ Benchmark Brent crude futures were 2.10% higher at \$71.35 per barrel, after falling almost 4% last week.
- ❖ The India rupee declined against the U.S. currency, falling to its lowest in nearly eight weeks while also posting its seventh drop in the last eight sessions, amid a continuous selloff in local equities and broad dollar gains. Traders have turned a little more cautious after new cases of the Omicron variant were detected across India, leading to dollar outflows. The rupee was quoting at 75.42 to the dollar against 75.16 in the previous session.
- ❖ Repo: The weighted average call rates in the interbank segment decreased to 3.26% vs 3.25% as on previous day, while that in the TREP segment decreased to 3.27% vs 3.28% as on previous day.

GOI Yield	8-Dec	7-Dec	2-Nov	10-Nov
1 Year	4.120	4.140	4.050	4.040
5 Year	5.660	5.720	5.730	5.693
10 Year	6.347	6.391	6.360	6.336

AAA Bmk	8-Dec	7-Dec	2-Nov	10-Nov
1 Year	4.45	4.50	4.20	4.30
5 Year	5.98	6.00	6.00	6.00
10 Year	6.85	6.85	6.90	6.92

CD	8-Dec	7-Dec	2-Nov	10-Nov
3 Month	3.65	3.65	3.60	3.60
6 Month	3.95	3.95	3.90	3.90
1 Year	4.40	4.40	4.15	4.15

CP	8-Dec	7-Dec	2-Nov	10-Nov
3 Month	4.00	4.00	4.55	4.00
6 Month	4.65	4.55	4.80	4.60
1 Year	4.80	4.85	4.90	4.85

OIS Rate	8-Dec	7-Dec	2-Nov	10-Nov
1 Year	4.25	4.28	4.27	4.26
2 Year	4.75	4.78	4.88	4.80
3 Year	5.02	5.06	5.19	5.12
5 Year	5.32	5.34	5.61	5.48

	8-Dec	7-Dec	2-Nov	10-Nov
Sensex	58,649.68	57,633.65	60,029.06	60,352.82
Nifty	17,469.75	17,176.70	17,888.95	18,017.20
USD/INR	75.45	75.44	74.68	74.39
Gold (USD)	1,785.05	1,784.04	1,787.28	1,849.57
Oil (USD)	75.71	75.44	84.72	82.64

NDF	8-Dec	7-Dec	2-Nov	10-Nov
3 Month	76.01	75.99	75.54	75.20
1 Year	78.93	78.91	78.24	77.90
2 Year	82.55	82.34	81.98	81.56
3 Year	86.39	86.36	85.95	85.46

Market Observations

G-sec

- Yields ended little changed in a thinly traded session today, as investors awaited the monetary policy decision, due on Wednesday.
- Mutual funds seen buying 2-3 year maturity papers.

Corporate Bonds

- Activity was witnessed across all segments.

CD

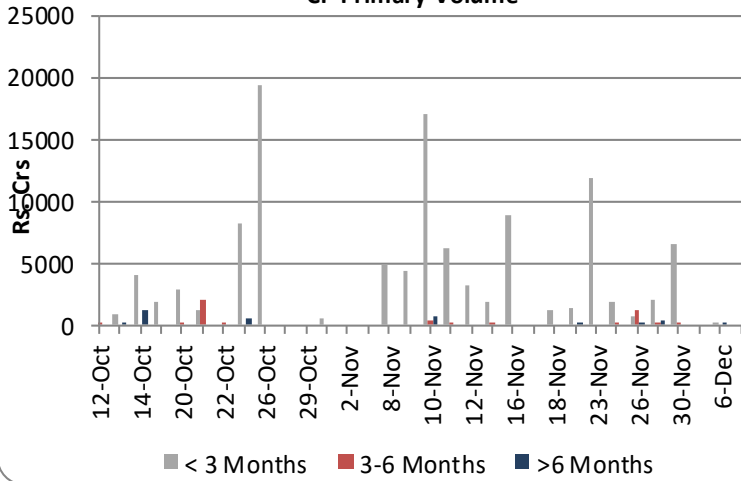
- Major volumes traded were in the 3 month segment.

CP

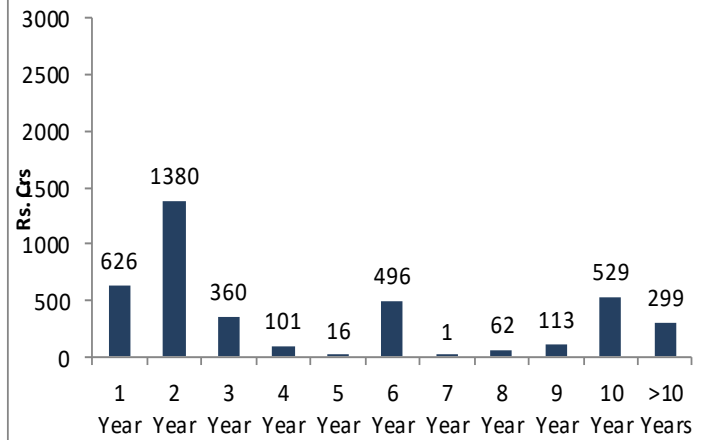
- Levels were unchanged as volumes traded were thin pre-policy.



CP Primary Volume



Bonds Volume



10 Year Benchmarks	8-Dec	7-Dec	2-Nov	10-Nov
India	6.35	6.39	6.36	6.34
US	1.47	1.48	1.55	1.57
South Korea	2.19	2.24	2.48	2.31
Russia	8.55	8.59	8.32	8.02
Brazil	11.00	11.00	12.25	11.52
Germany	-0.37	-0.38	-0.16	-0.25
China	2.86	2.86	2.93	2.91

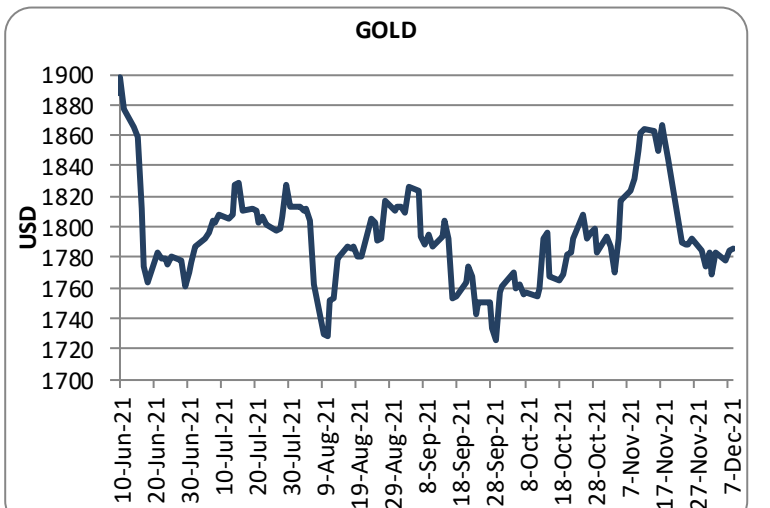
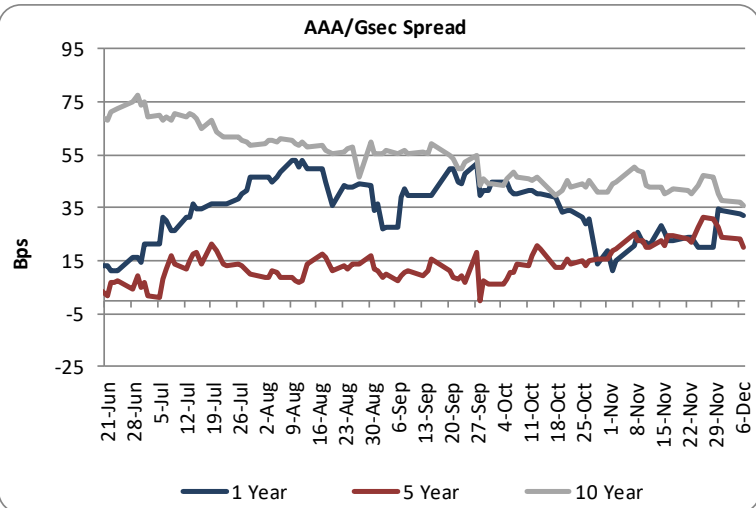
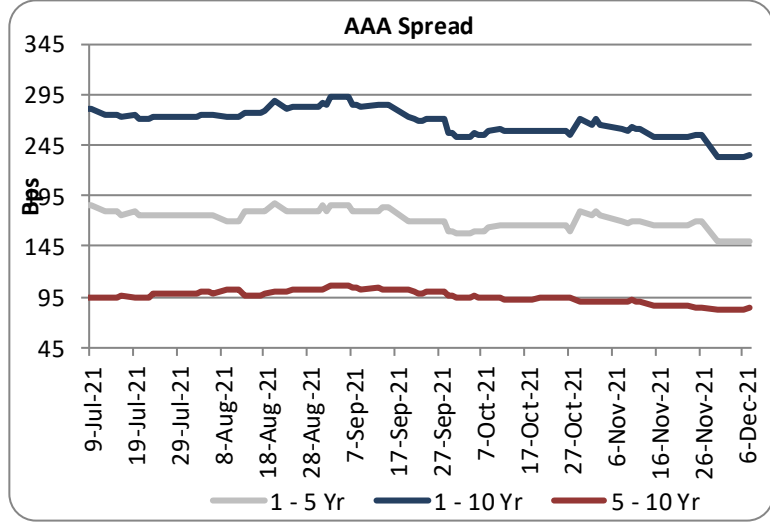
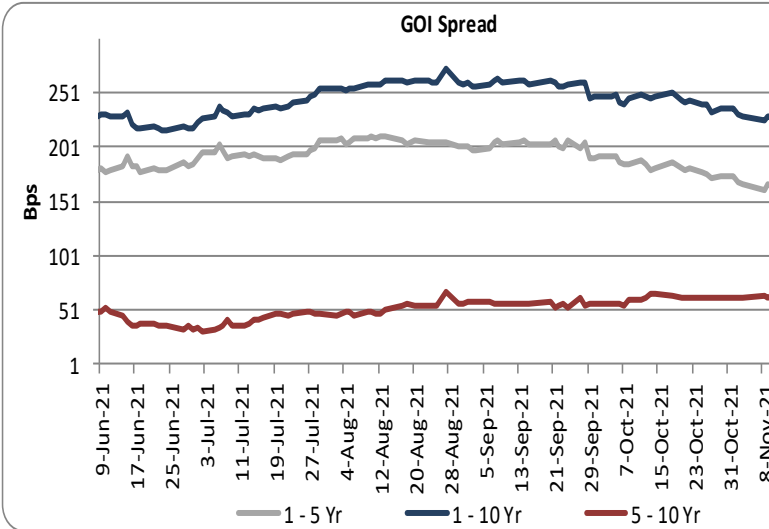
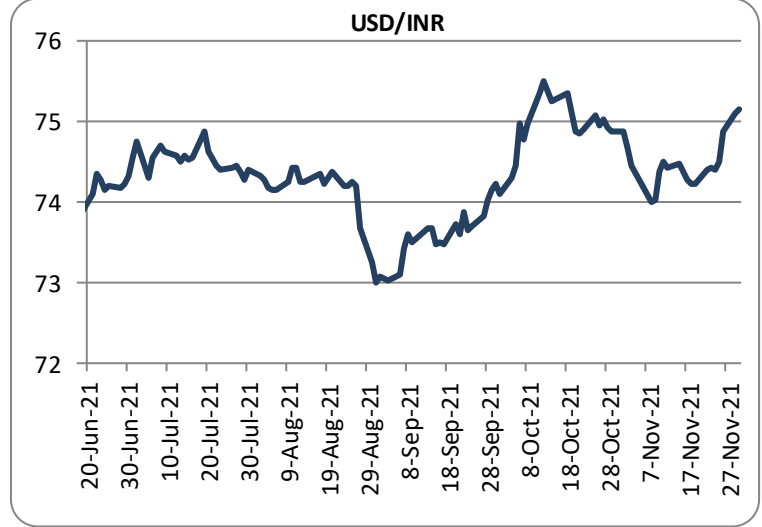
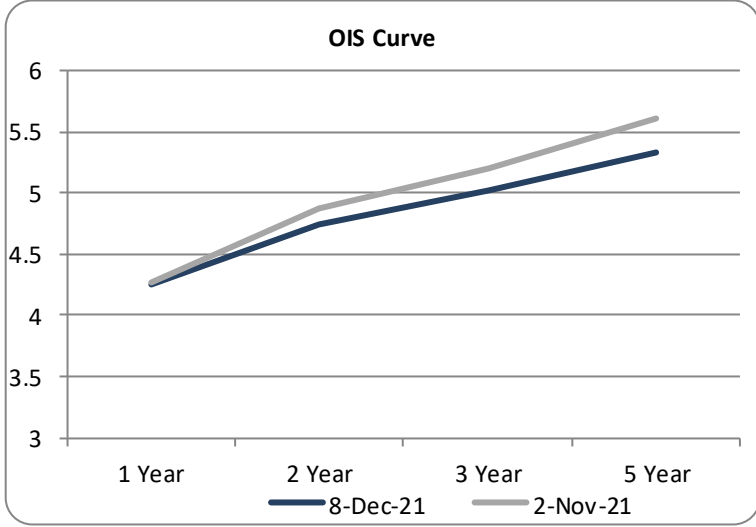
Top Traded Securities	Volume	8-Dec	7-Dec	2-Nov	10-Nov
5.63 GOI 2026	7,625	5.66	5.72	5.73	5.69
6.64 GOI 2035	760	6.77	6.79	6.85	6.79
6.10 GOI 2031	17,740	6.35	6.39	6.36	6.34
5.15 GOI 2025	125	5.44	5.49	5.43	5.42
4.26 GOI 2023	-	#N/A	#N/A	4.46	#N/A
6.18 GOI 2024	640	5.07	#N/A	5.13	5.07
7.26 GOI 2029	105	6.25	6.29	6.33	6.26

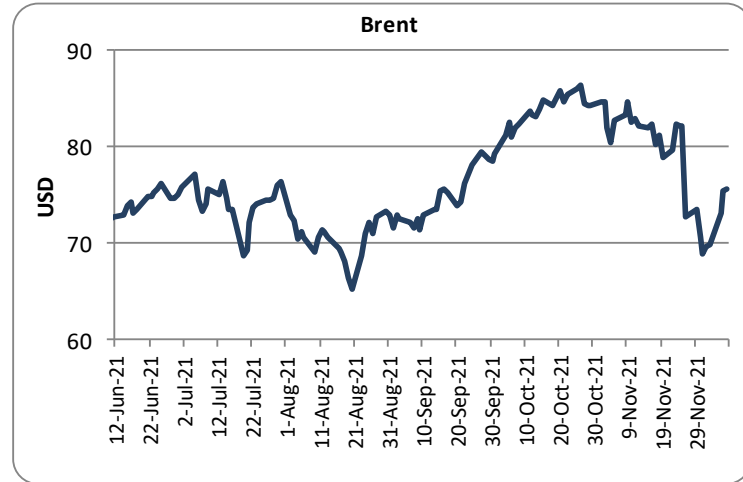
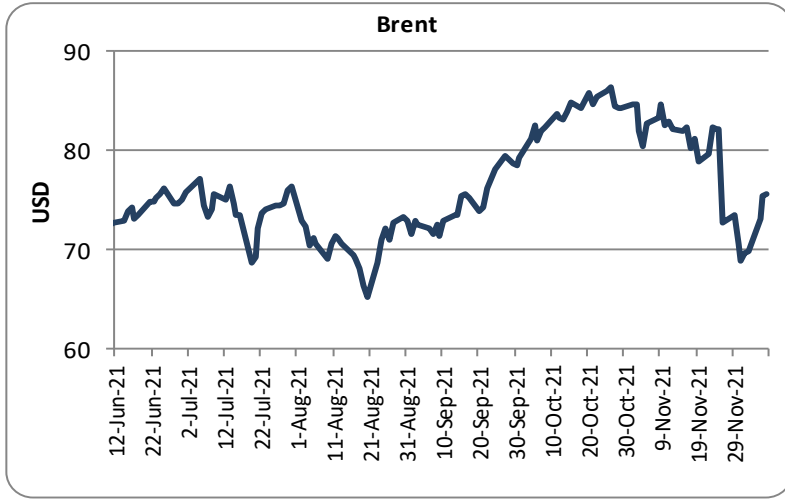
MF	DEBT			EQUITY			TOTAL (Rs.Crs)		
	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
2-Dec-21	2770.45	2368.11	402.34	3763.09	3581.92	181.17	6533.54	5950.03	583.51

FII	DEBT			EQUITY			TOTAL (Rs. Crs)		
	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
8-Dec-21	132.27	577.6	-445.33	7268.47	9379.68	-2111.21	7400.74	9957.28	-2556.54

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-21	8.4	20.1
CAD (\$ Bn)	Jun-21	6.5	-8.1
Trade Deficit (\$ Bn)	Jun-21	-30.7	-41.7
WPI (%)	Oct-21	12.5	10.7
CPI (%)	Oct-21	4.5	4.4
IIP (%)	Sep-21	3.1	12.0
PMI Manufacturing	Nov-21	57.6	55.9
PMI Service	Nov-21	58.1	58.4

Economic Calender	Country	Date	Poll	Prior
CPI	China	09-Dec-21	2.50	1.50
CPI	Denmark	10-Dec-21	-	3.00
GDP Estimate YoY	UK	10-Dec-21	4.90	5.30
Industrial Output	UK	10-Dec-21	2.20	2.90
CPI	USA	10-Dec-21	6.80	6.20
WPI	India	14-Dec-21	-	12.54
Industrial Output	China	15-Dec-21	-	3.50
CPI	UK	15-Dec-21	-	4.20





Sources: Reserve Bank of India, Bloomberg, Reuters, CCIL and FIMMDA.

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