



INDIA

- ❖ The benchmark 6.10% bond maturing in 2031 ended at 98.05 rupees, yielding 6.37%, compared with 98.12 rupees and a yield of 6.36% yesterday.
- ❖ At the conclusion of its two-day monetary policy meeting yesterday, the U.S. central bank said it will double the pace at which it scales back its monthly bond purchases by \$30 billion from January. That would put the Federal Reserve on track to winding down its asset purchase programme by March, instead of the earlier June-end schedule.
- ❖ The Fed also flagged three quarter-percentage-point interest rate hikes by the end of 2022 as the world's largest economy nears full-employment levels and the monetary authority seeks to curb inflation risks. The 10-year U.S. Treasury yield was at 1.451%.
- ❖ The government is scheduled to sell 240 billion rupees of bonds tomorrow, including the widely-accepted benchmark 2031 note. The Govt. aims to borrow 12.05 trillion rupees in this fiscal year, after borrowing 13.7 trillion rupees in the last fiscal, as the pandemic crippled its revenues and increased expenditure.
- ❖ Benchmark Brent crude futures rose 0.92% to \$74.56 a barrel after the Fed decision, amid data showing a decline in U.S. stockpiles last week. Higher global oil prices risk stoking inflation.
- ❖ The Indian rupee logged its biggest one-day rise against the U.S. currency in two weeks, aided by broad dollar decline despite a relatively hawkish Federal Reserve. Dollar sales by a large engineering and construction conglomerate also helped the local unit. The rupee was quoted at 76.09 against 76.23 yesterday.
- ❖ Asian equities ended mixed after the S&P 500 rose 1.6% yesterday amid less uncertainty over how the Fed will tackle inflation. India's benchmark BSE Sensex added 0.2%, snapping a four-day losing streak.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.54% vs 3.33% as on previous day, while that in the TREP segment increased to 3.82% vs 3.45% as on previous day.

GOI Yield	16-Dec	15-Dec	11-Nov	18-Nov
1 Year	4.160	4.170	4.040	4.080
5 Year	5.694	5.694	5.719	5.674
10 Year	6.375	6.364	6.368	6.346

AAA Bmk	16-Dec	15-Dec	11-Nov	18-Nov
1 Year	4.45	4.45	4.30	4.35
5 Year	5.98	5.98	6.00	6.00
10 Year	6.80	6.80	6.90	6.87

CD	16-Dec	15-Dec	11-Nov	18-Nov
3 Month	3.65	3.65	3.60	3.65
6 Month	3.95	3.95	3.90	3.95
1 Year	4.40	4.40	4.15	4.15

CP	16-Dec	15-Dec	11-Nov	18-Nov
3 Month	4.30	4.30	4.15	4.05
6 Month	4.75	4.75	4.60	4.60
1 Year	4.90	4.90	4.90	4.95

OIS Rate	16-Dec	15-Dec	11-Nov	18-Nov
1 Year	4.31	4.29	4.32	4.32
2 Year	4.82	4.78	4.87	4.85
3 Year	5.08	5.06	5.17	5.14
5 Year	5.37	5.35	5.52	5.47

	16-Dec	15-Dec	11-Nov	18-Nov
Sensex	57,901	57,788	59,920	59,636
Nifty	17,248	17,221	17,874	17,765
USD/INR	76.09	76.23	74.51	74.24
Gold (USD)	1,784	1,777	1,862	1,858
Oil (USD)	74.27	73.88	82.87	81.24

NDF	16-Dec	15-Dec	11-Nov	18-Nov
3 Month	76.95	77.08	75.06	74.92
1 Year	79.68	79.71	77.74	77.67
2 Year	83.28	83.16	81.34	81.11
3 Year	87.11	87.11	85.20	85.07

Market Observations

G-sec

- Yields ended largely unchanged today, amid thin volumes, after the U.S. monetary policy decision came in line with expectations, while investors awaited a domestic debt auction tomorrow.
- Higher activity seen in 2025 maturity SDLs.

Corporate Bonds

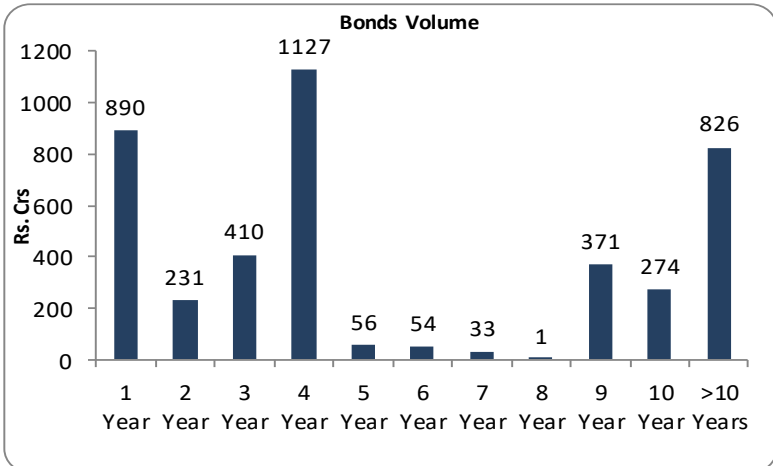
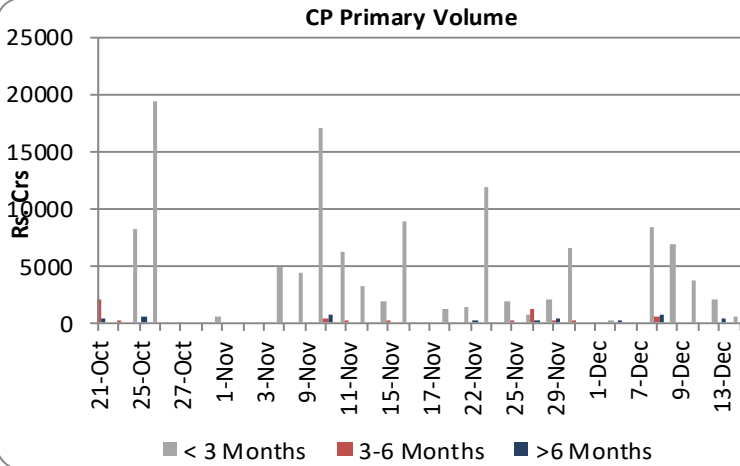
- Activity was witnessed across 2-5 year segments.

CD

- Major volumes traded were in the 3 month segment.

CP

- The 3month maturity papers were in demand.



10 Year Benchmarks	16-Dec	15-Dec	11-Nov	18-Nov
India	6.38	6.36	6.37	6.35
US	1.46	1.46	1.57	1.59
South Korea	2.15	2.17	2.34	2.34
Russia	8.52	8.57	8.03	8.33
Brazil	10.57	10.57	11.52	11.80
Germany	-0.33	-0.36	-0.23	-0.28
China	2.86	2.85	2.94	2.92

Top Traded Securities	Volume	16-Dec	15-Dec	11-Nov	18-Nov
5.15 GOI 2025	1,255	5.50	5.49	5.44	5.43
5.63 GOI 2026	245	5.69	5.69	5.72	5.67
5.74 GOI 2026	3,460	5.74	5.73	0.00	5.73
6.10 GOI 2031	15	6.37	6.36	6.37	6.35
6.64 GOI 2035	-	6.78	6.78	6.82	6.76
6.67 GOI 2035	-	6.77	6.76	6.79	6.75

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
8-Dec-21	4674	3760	915

EQUITY		
Gross Purchase	Gross Sales	Net Investment
9485	6341	3144

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
14159	10100	4059

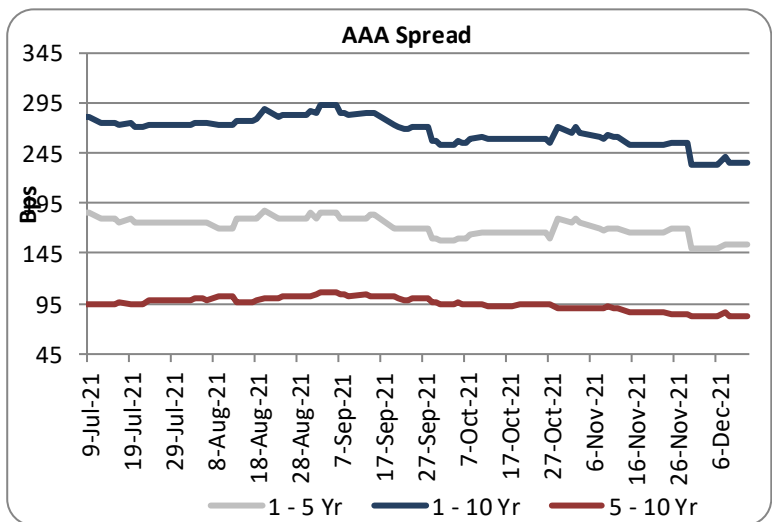
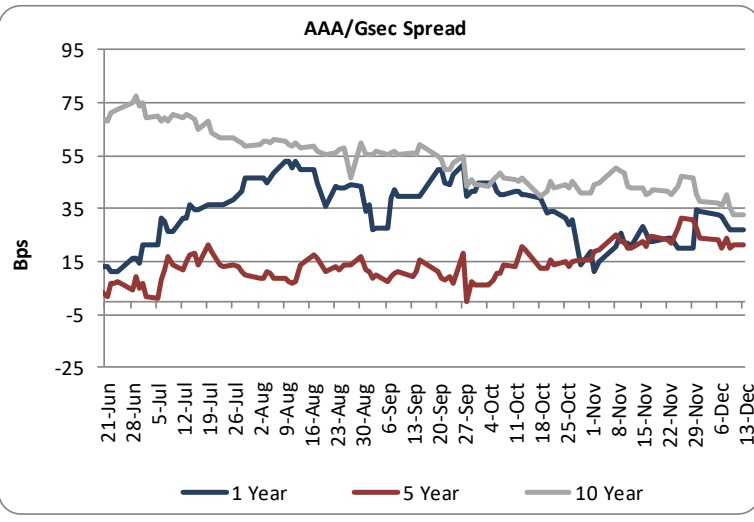
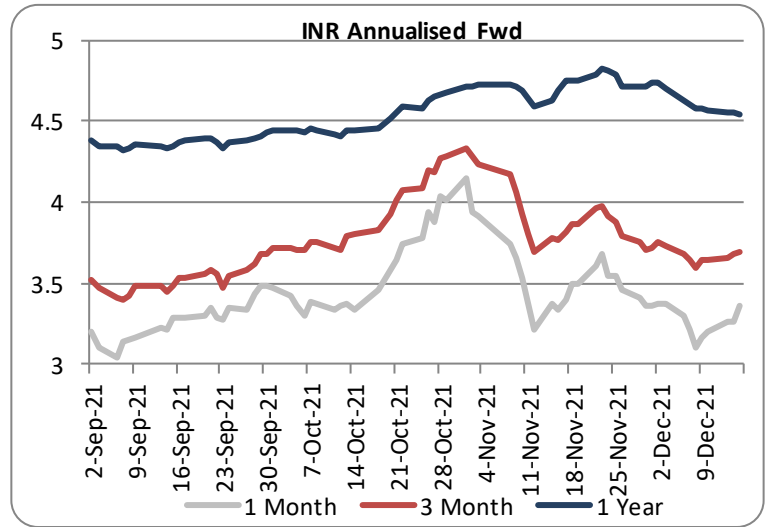
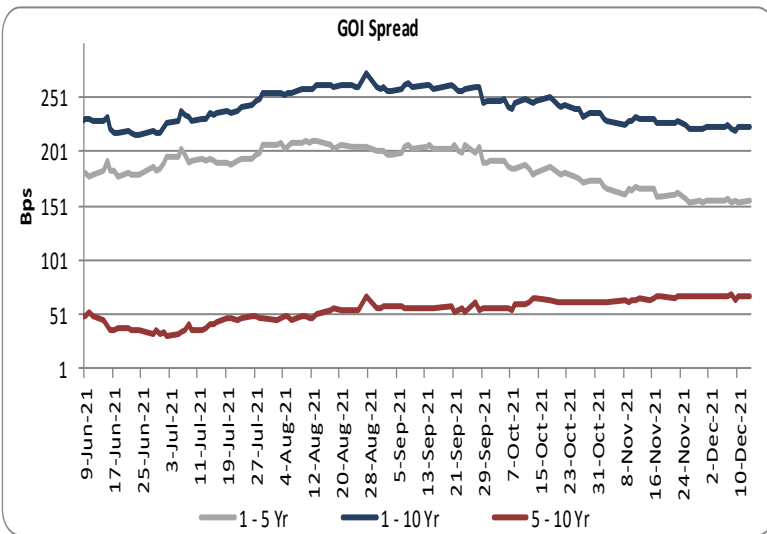
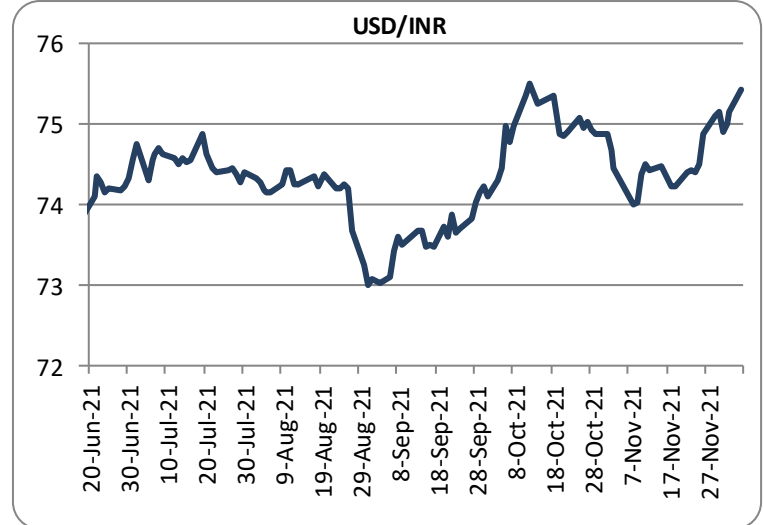
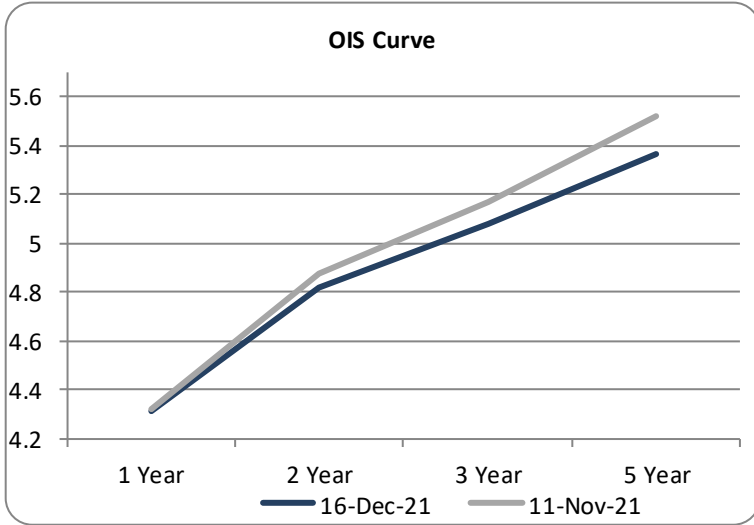
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
16-Dec-21	308	1069	-761

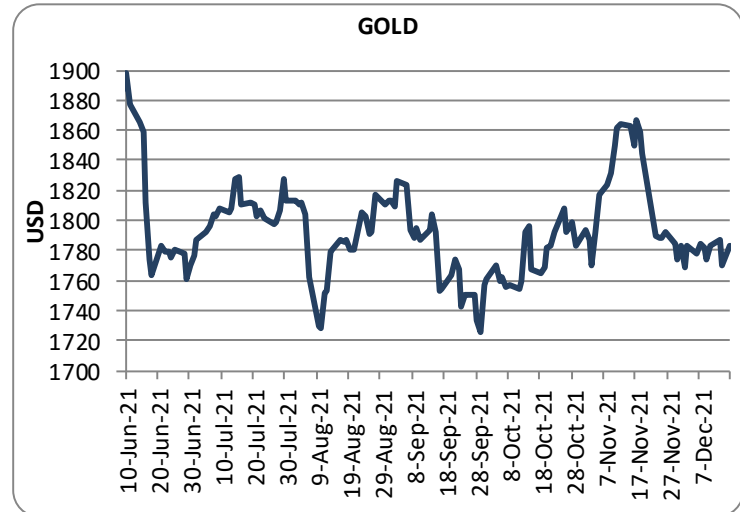
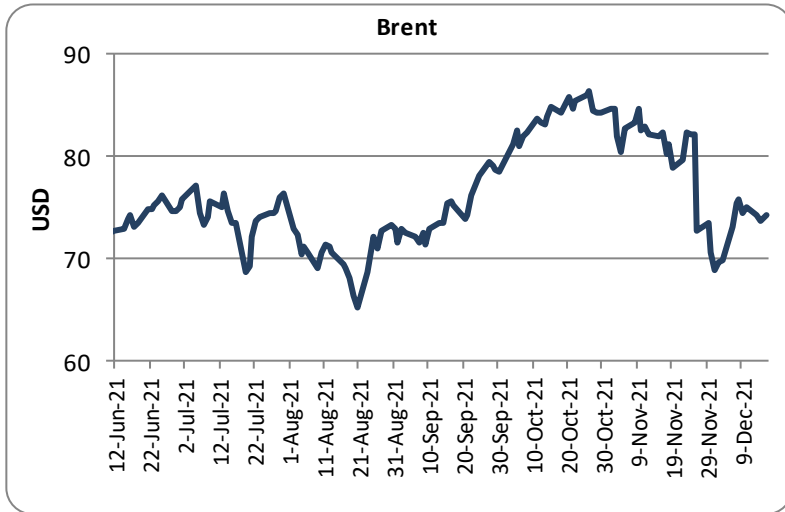
EQUITY		
Gross Purchase	Gross Sales	Net Investment
5894	8546	-2651

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
6202	9614	-3412

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 (%)	Nov-21	14.2	12.5
CPI (%)	Nov-21	4.9	4.5
IIP (%)	Oct-21	3.2	3.3
PMI Manufacturing	Nov-21	57.6	55.9
PMI Service	Nov-21	58.1	58.4

Economic Calender	Country	Date	Poll	Prior
Exports	Japan	16-Dec-21	21.20	9.40
Imports	Japan	16-Dec-21	40.00	26.70
Retail Sales	UK	17-Dec-21	4.20	(1.30)
GDP	UK	22-Dec-21	-	6.60
GDP Final	USA	22-Dec-21	2.10	2.10
CPI	Japan	24-Dec-21	-	0.10
Retail Sales	Japan	27-Dec-21	-	0.90
Unemployment Rate	Japan	28-Dec-21	-	2.70





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

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