



INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 97.96 rupees, yielding 6.83%, its highest since Feb. 4, and against 98.04 rupees and a yield of 6.81% yesterday.
- ❖ Data released yesterday showed India's trade deficit in February widened to \$21.19 billion from \$17.42 billion in the previous month, and sharply up from \$13.12 billion a year earlier.
- ❖ Crude prices surged for a fourth straight day as trade disruption and shipping problems due to sanctions imposed on Russia over the Ukraine crisis aggravated supply concerns. Benchmark Brent futures rose above \$118 a barrel today, for the first time since February, 2013. The contract was last 2.60% higher at \$115.87 per barrel.
- ❖ India's central bank last month left benchmark rates unchanged for a tenth straight policy meeting and retained its accommodative stance to boost growth of the Covid-ravaged economy, while ensuring inflation remains within target going forward.
- ❖ India aims to borrow a record 14.95 trillion rupees through bonds in the next financial year, after it skipped borrowing 780 billion rupees in this fiscal by cancelling some debt auctions. The central bank, which bought bonds from the secondary market early this year to ensure that the government's borrowing cost remains capped, has halted its debt purchases since October.
- ❖ The Indian rupee ended at an over-two-month low against the dollar as crude oil prices surged to their highest levels in 10 years, accentuating worries about domestic inflation and wider trade deficits. The rupee was quoted at 75.91 per dollar, the lowest since Dec. 17, against 75.70 yesterday. The rupee has stayed above 76 in the last few sessions, despite the recent volatility, thanks to the Reserve Bank of India's dollar sales to prevent one-way moves on the local unit.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.28% vs 3.27% as on previous day while that in the TREP segment remained unchanged at 3.25% as on previous day.

Market Observations

G-sec

- Bond yields settled higher as investors remained cautious due to a continuous rally in crude oil prices amid the steadily worsening Russia-Ukraine crisis.
- Mutual funds seen buying 2025/26 maturity SDLs.

Corporate Bonds

- Major traction was witnessed in the 1–3-year segment.
- Mutual Funds have been facing redemption pressures.
- Banks, Pensions and Corporates seen on the buying side.

CP/CD

- Demand was seen in the 1year and 3-month maturity paper.
- NBFC CPs have witnessed very low traction lately.
- CD issuances have risen in the last few trading sessions.
- Banking system liquidity widens above INR8 trillion amid government spending but surplus will narrow next week due to higher expected credit offtake and indirect tax outflows.

GOI Yield	3-Mar	2-Mar	24-Feb	1-Feb
1 Year	4.610	4.620	4.500	4.550
5 Year	6.113	6.025	5.961	6.131
10 Year	6.844	6.829	6.760	6.846

AAA Brnk	3-Mar	2-Mar	24-Feb	1-Feb
1 Year	5.05	5.00	4.90	4.90
5 Year	6.40	6.35	6.20	6.40
10 Year	7.07	7.03	7.15	7.18

CD	3-Mar	2-Mar	24-Feb	1-Feb
3 Month	3.95	3.90	3.85	3.95
6 Month	4.46	4.40	4.30	4.15
1 Year	4.86	4.80	4.80	4.80

CP	3-Mar	2-Mar	24-Feb	1-Feb
3 Month	4.10	4.05	4.00	4.22
6 Month	4.66	4.60	4.55	4.82
1 Year	5.16	5.10	5.00	5.23

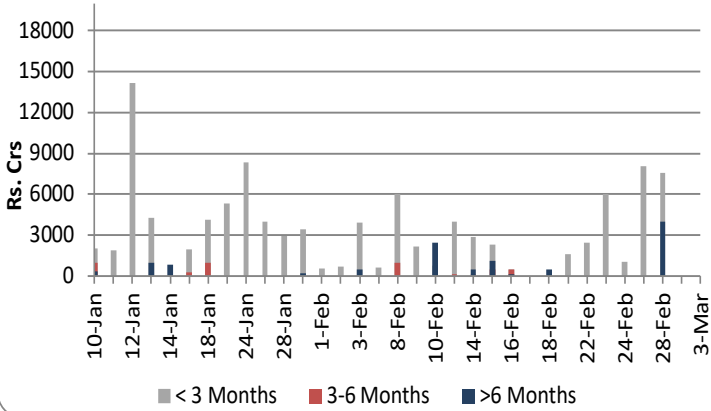
OIS Rate	3-Mar	2-Mar	24-Feb	1-Feb
1 Year	4.39	4.35	4.33	4.51
2 Year	4.94	4.90	4.87	5.07
3 Year	5.36	5.33	5.32	5.44
5 Year	5.83	5.79	5.80	5.76

	3-Mar	2-Mar	24-Feb	1-Feb
Sensex	55,103	55,469	54,530	58,863
Nifty	16,498	16,606	16,248	17,577
USD/INR	75.91	75.70	75.65	74.79
Gold (USD)	1,927	1,926	1,903	1,801
Oil (USD)	113.03	112.93	99.08	89.16

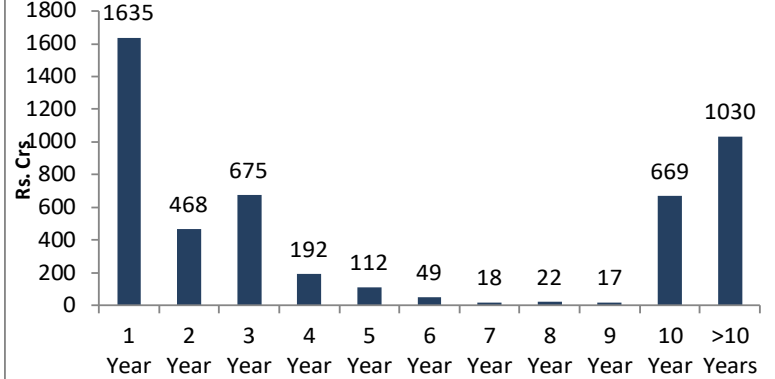
NDF	3-Mar	2-Mar	24-Feb	1-Feb
3 Month	76.55	76.21	76.23	75.60
1 Year	78.79	78.55	78.44	77.99
2 Year	82.20	82.08	81.95	81.38
3 Year	86.05	85.73	85.37	85.43



CP Primary Volume



Bonds Volume



10 Year Benchmarks	3-Mar	2-Mar	24-Feb	1-Feb
India	6.83	6.81	6.76	6.83
US	1.88	1.88	1.97	1.79
South Korea	2.65	2.61	2.62	2.59
Russia	13.93	12.93	12.67	9.44
Brazil	11.63	11.33	11.54	11.29
Germany	0.07	0.01	0.17	0.04
China	2.84	2.83	2.81	2.72

Top Traded Securities	Volume	3-Mar	2-Mar	24-Feb	1-Feb
5.15 GOI 2025	4025	#N/A	5.82	5.78	5.90
5.63 GOI 2026	445	6.04	6.02	5.96	6.00
5.74 GOI 2026	8430	6.11	6.10	6.05	6.13
6.10 GOI 2031	0	6.84	6.83	6.79	6.85
6.64 GOI 2035	0	7.14	7.09	7.05	7.26
6.67 GOI 2035	0	7.11	7.08	7.02	7.26

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
2-Mar-22	1268	582	686

EQUITY		
Gross Purchase	Gross Sales	Net Investment
723	2910	-2187

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
1991	3492	-1501

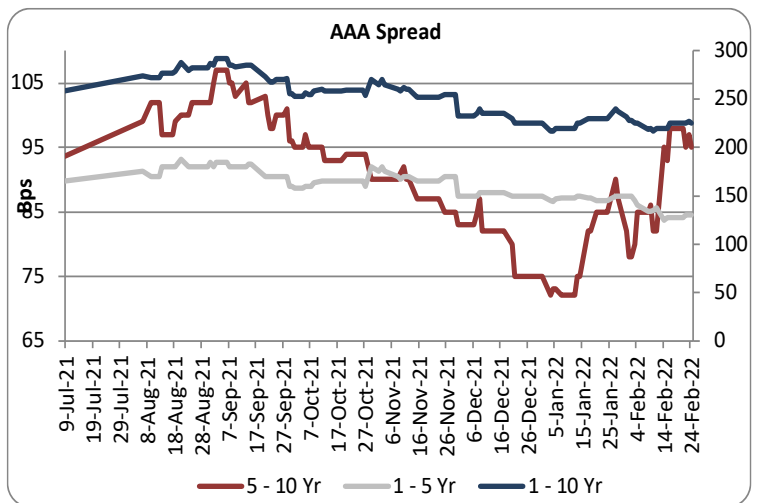
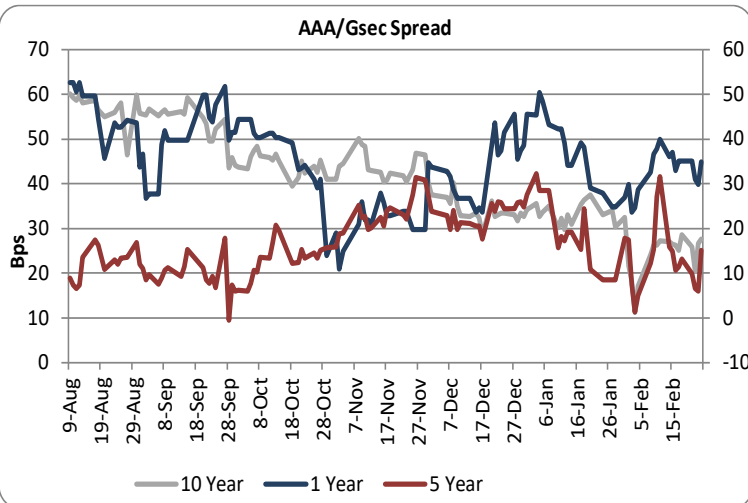
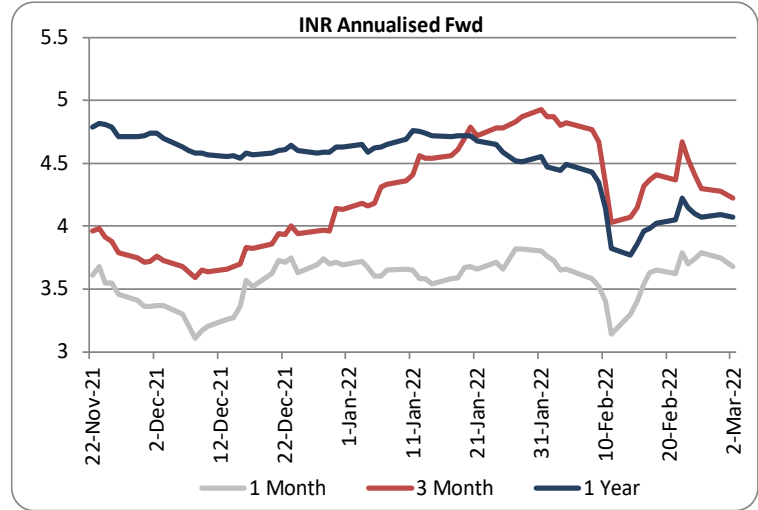
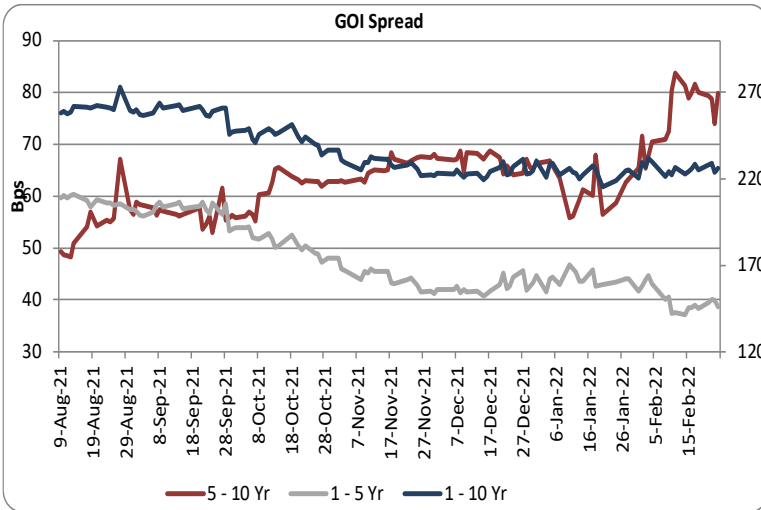
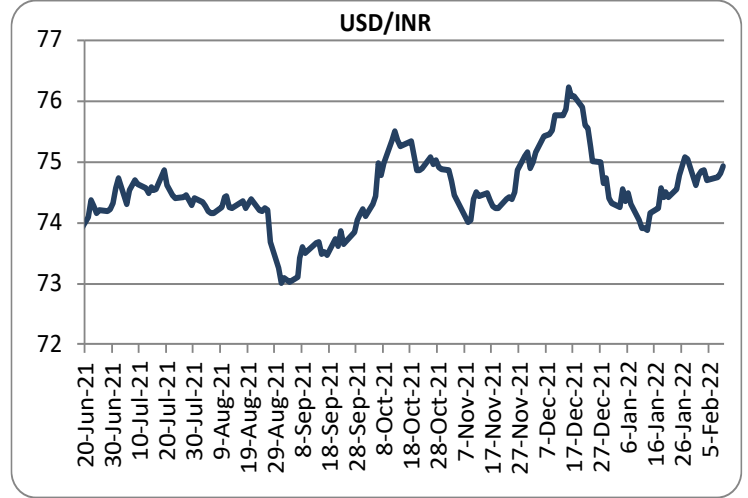
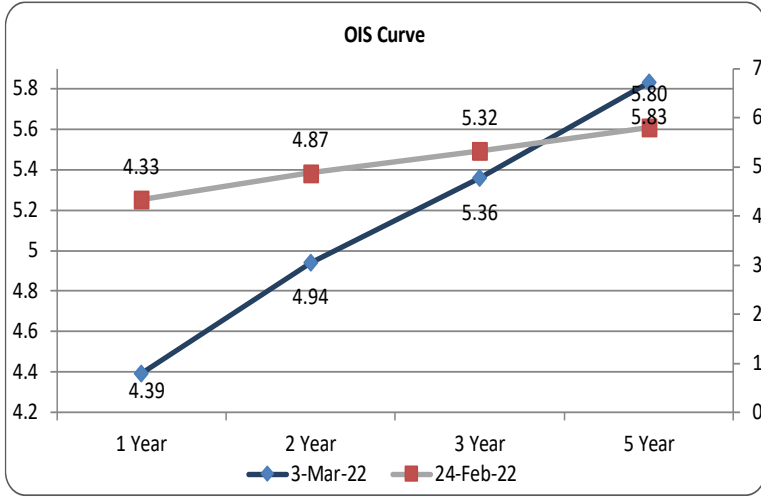
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
3-Mar-22	910	2379	-1469

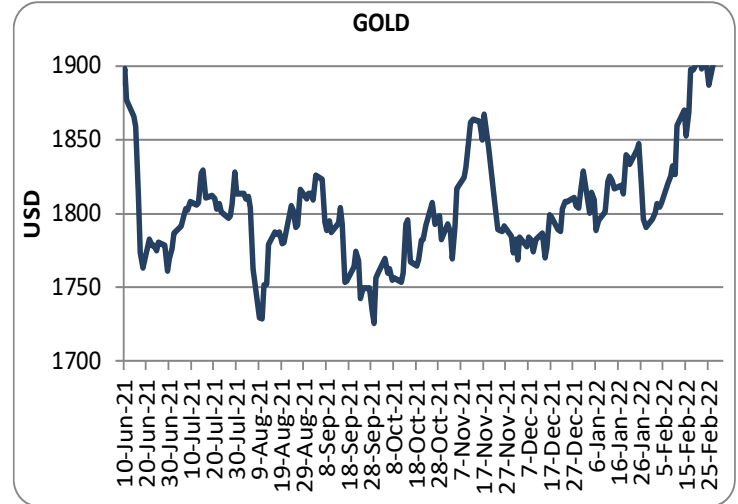
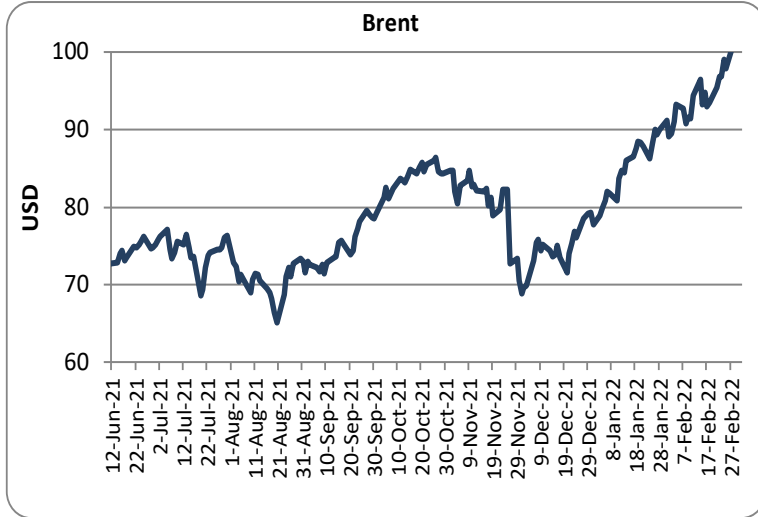
EQUITY		
Gross Purchase	Gross Sales	Net Investment
12879	16935	-4056

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
13789	19314	-5525

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-21	5.4	8.4
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Jan-22	13.0	13.6
CPI (%)	Jan-22	6.0	5.7
IIP (%)	Dec-21	0.4	1.4
PMI Manufacturing	Feb-22	54.9	54
PMI Service	Jan-22	51.5	55.5

Economic Calender	Country	Date	Poll	Prior
Retail Sales	Japan	28-Feb-22	1.40	1.20
Exports	Thailand	28-Feb-22	-	23.00
GDP	Switzerland	28-Feb-22	-	4.10
GDP	India	28-Feb-22	6.00	8.40
Unemployment Rate	EuroZone	03-Mar-22	7.00	7.00
CPI	Phillippines	04-Mar-22	-	3.00
GDP	Brazil	04-Mar-22	-	4.00
Unemployment Rate	USA	04-Mar-22	3.90	4.00





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

LKP SECURITIES LTD., 203, Embassy Centre, Nariman Point, Mumbai- 400021

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