



INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 98.05 rupees, yielding 6.81%, against 97.96 rupees, and a yield of 6.83%, its highest since Feb. 4, yesterday. The 10-year yield rose six basis points this week after surging nine basis points last week.
- ❖ The benchmark Brent contract was 1.05% higher at \$111.62. The oil market has rallied of late on fears that Western sanctions on Moscow following its attack on Ukraine will disrupt shipments from Russia. However, benchmark Brent futures, which touched \$119.84 a barrel yesterday, the highest since April, 2012, declined today amid the possibility of the U.S. and Iran agreeing to a nuclear deal soon, that could add more than a million barrels per day of oil in the global energy markets.
- ❖ India's government is watching the emerging geopolitical situation in Ukraine closely, a government official said today, even as a surge in crude oil prices raises prospects of excise duty cuts.
- ❖ The RBI, 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 logged its worst week against the dollar in five months as intensifying geopolitical risks due to the Russia-Ukraine conflict sent crude oil surging to multi-year highs, accelerating portfolio outflows from the country's capital markets. The rupee ended at 76.16 per dollar today, its lowest since Dec. 15, and against 75.91 yesterday, besides logging a fourth straight day of losses. For the week, it fell 1.2%, its biggest decline since Oct. 8, 2021, and extended last week's 0.8% drop.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.31% vs 3.28% as on previous day while that in the TREP segment increased to 3.38% vs 3.25% as on previous day.

Market Observations

G-sec

- Bond yields jumped this week tracking a sharp rally in crude oil prices triggered by the worsening conflict between Russia and Ukraine, but lack of debt supply capped a sell-off.
- Insurance companies seen buying longer end gilt due to attractive yield.

Corporate Bonds

- Major traction was witnessed in the 1–3-year segment mainly by corporates.
- A Mutual Fund bought bank semi liquid papers.

CP/CD

- Demand was seen in the 3month and 6month papers in Manufacturing as well as NBFC CPs.
- CDs also saw major demand in the 3- and 6-month segment.
- Yesterday CD issuances were much higher as participants rolled over papers maturing to meet funding requirements.
- CD rates have been rangebound amidst a banking system liquidity surplus so far.

| GOI Yield | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|-----------|-------|-------|--------|-------|
| 1 Year | 4.600 | 4.610 | 4.490 | 4.610 |
| 5 Year | 6.113 | 6.113 | 5.935 | 6.227 |
| 10 Year | 6.840 | 6.844 | 6.765 | 6.881 |

| AAA Brnk | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|----------|-------|-------|--------|-------|
| 1 Year | 5.05 | 5.05 | 4.90 | 4.90 |
| 5 Year | 6.40 | 6.40 | 6.20 | 6.40 |
| 10 Year | 7.07 | 7.07 | 7.15 | 7.18 |

| CD | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|---------|-------|-------|--------|-------|
| 3 Month | 3.95 | 3.95 | 3.85 | 4.02 |
| 6 Month | 4.46 | 4.46 | 4.30 | 4.25 |
| 1 Year | 4.86 | 4.86 | 4.80 | 4.90 |

| CP | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|---------|-------|-------|--------|-------|
| 3 Month | 4.10 | 4.10 | 4.00 | 4.10 |
| 6 Month | 4.66 | 4.66 | 4.55 | 4.55 |
| 1 Year | 5.16 | 5.16 | 5.00 | 5.05 |

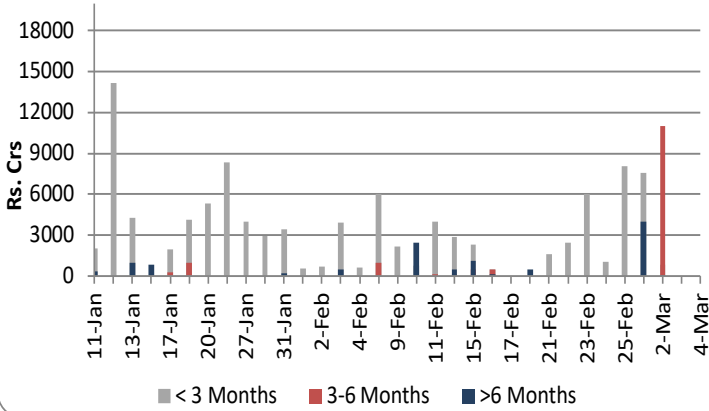
| OIS Rate | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|----------|-------|-------|--------|-------|
| 1 Year | 4.40 | 4.39 | 4.30 | 4.53 |
| 2 Year | 4.94 | 4.94 | 4.85 | 5.13 |
| 3 Year | 5.37 | 5.36 | 5.28 | 5.50 |
| 5 Year | 5.79 | 5.83 | 5.76 | 5.85 |

| | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|------------|--------|--------|--------|--------|
| Sensex | 54,334 | 55,103 | 55,859 | 59,558 |
| Nifty | 16,245 | 16,498 | 16,658 | 17,780 |
| USD/INR | 76.16 | 75.91 | 75.29 | 74.84 |
| Gold (USD) | 1,946 | 1,935 | 1,888 | 1,806 |
| Oil (USD) | 112.71 | 110.46 | 97.93 | 89.47 |

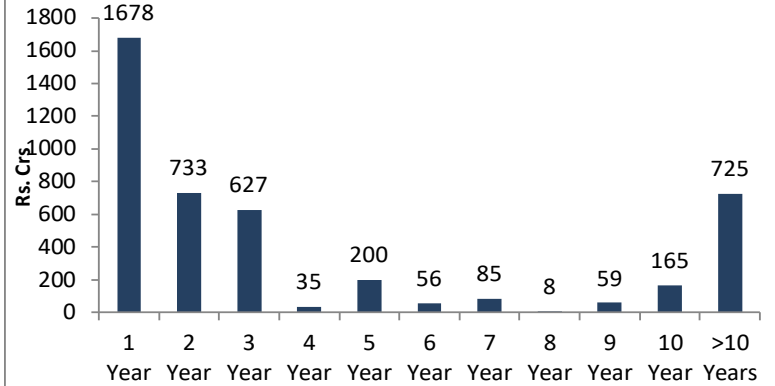
| NDF | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|---------|-------|-------|--------|-------|
| 3 Month | 77.06 | 76.54 | 75.90 | 75.57 |
| 1 Year | 79.36 | 78.87 | 77.95 | 78.09 |
| 2 Year | 83.18 | 82.48 | 81.46 | 81.44 |
| 3 Year | 85.85 | 86.11 | 84.91 | 85.39 |



CP Primary Volume



Bonds Volume



| 10 Year Benchmarks | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|--------------------|-------|-------|--------|-------|
| India | 6.82 | 6.83 | 6.75 | 6.88 |
| US | 1.78 | 1.84 | 1.97 | 1.77 |
| South Korea | 2.66 | 2.65 | 2.67 | 2.59 |
| Russia | 13.94 | 13.93 | 12.46 | 9.40 |
| Brazil | 11.42 | 11.42 | 11.32 | 11.16 |
| Germany | -0.03 | 0.02 | 0.22 | 0.04 |
| China | 2.83 | 2.84 | 2.79 | 2.72 |

| Top Traded Securities | Volume | 4-Mar | 3-Mar | 25-Feb | 2-Feb |
|-----------------------|--------|-------|-------|--------|-------|
| 5.15 GOI 2025 | 1435 | 5.85 | #N/A | 5.76 | #N/A |
| 5.63 GOI 2026 | 95 | 6.03 | 6.04 | 5.94 | 6.08 |
| 5.74 GOI 2026 | 4050 | 6.11 | 6.11 | 6.01 | 6.23 |
| 6.10 GOI 2031 | 20 | 6.84 | 6.84 | 6.77 | 6.91 |
| 6.64 GOI 2035 | 0 | 7.15 | 7.14 | 7.02 | 7.28 |
| 6.67 GOI 2035 | 5 | 7.12 | 7.11 | 6.99 | 7.32 |

| 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 |

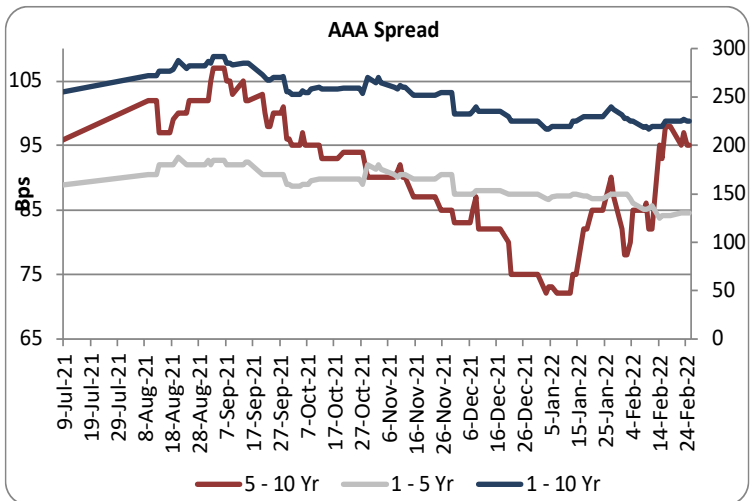
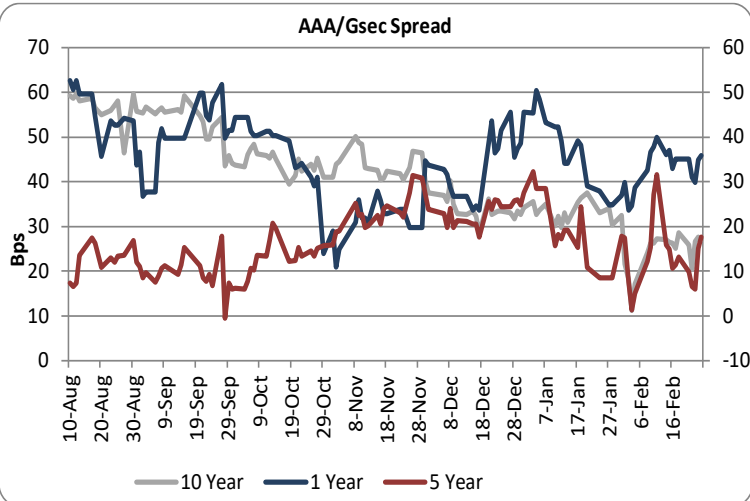
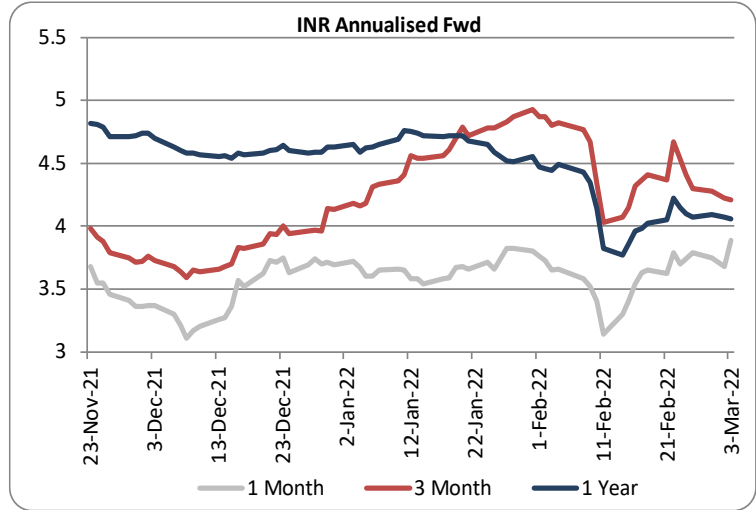
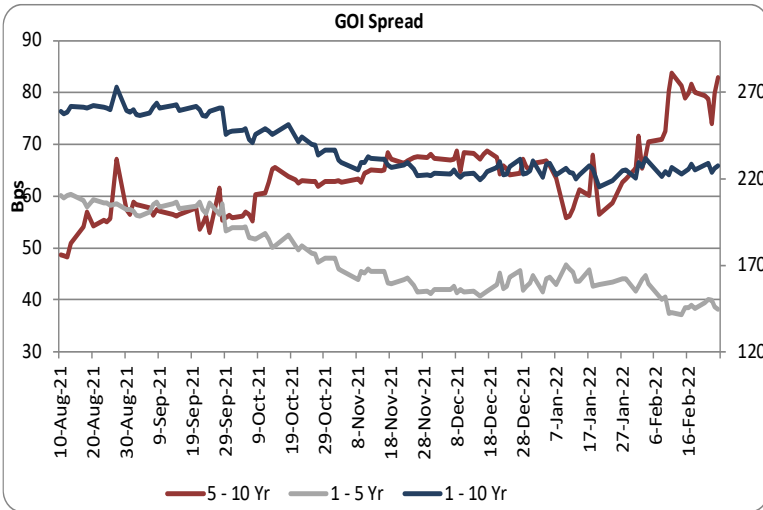
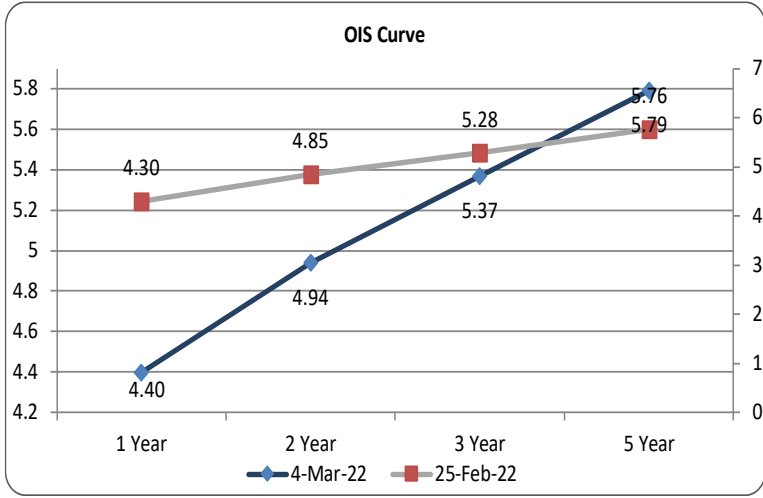
| DEBT | | | |
|----------|----------------|-------------|----------------|
| FII | Gross Purchase | Gross Sales | Net Investment |
| 4-Mar-22 | 145 | 404 | -259 |

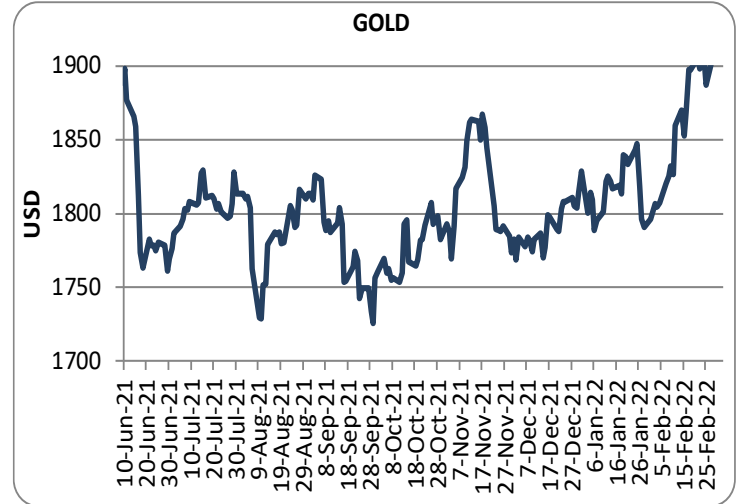
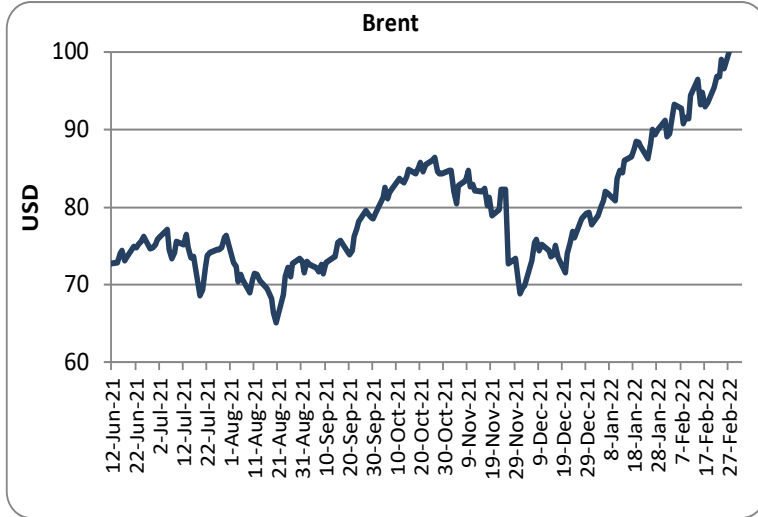
| EQUITY | | |
|----------------|-------------|----------------|
| Gross Purchase | Gross Sales | Net Investment |
| 7093 | 13623 | -6531 |

| TOTAL (Rs. Crs) | | |
|-----------------|-------------|----------------|
| Gross Purchase | Gross Sales | Net Investment |
| 7238 | 14027 | -6789 |

| 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 | Feb-22 | 51.8 | 51.5 |

| Economic Calendar | Country | Date | Poll | Prior |
|-------------------|----------------|-----------|-------|--------|
| Exports | China | 07-Mar-22 | 15.00 | 20.90 |
| Unemployment Rate | Czech Republic | 08-Mar-22 | 3.60 | 3.60 |
| GDP Revised | Euro Zone | 08-Mar-22 | 4.60 | 4.60 |
| CPI | China | 09-Mar-22 | 0.80 | 0.90 |
| Retail Sales | Brazil | 10-Mar-22 | - | (2.90) |
| Industrial Output | UK | 11-Mar-22 | - | 0.40 |
| Industrial Output | India | 11-Mar-22 | - | 0.40 |
| CPI | India | 14-Mar-22 | - | 6.01 |





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

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