



Indian government bond yields ended lower on Monday, tracking a sharp decline in their U.S. peers after softer-than-expected jobs data, and as the Indian government's surprise bond buyback announcement boosted demand.

India's benchmark 10-year yield ended at 7.1068%, the lowest since April 10, following its previous close of 7.1470%.

U.S. Treasury yields declined to multi-week lows on Friday after the world's largest economy created fewer jobs than expected in April, reinforcing expectations that the Federal Reserve will start cutting interest rates later this year.

U.S. rate futures are pricing between one-to-two rate cuts of 25 basis points each for 2024, likely starting in September or November. Before the jobs data, only one rate cut was expected.

India's short-tenor bond yields declined by 3-5 basis points on Monday after the Government of India said it would buy back securities worth 400 billion rupees (\$4.8 billion) on Friday, which will infuse funds into the banking system.

Oil prices rose on Monday due to continued Middle-East conflicts and as Saudi Arabia hiked June crude prices for most regions

The Indian rupee weakened 0.08% versus the U.S. dollar, and quoted at 83.4875 as dollar demand from local oil companies and other importers pressured the local currency even as most of its Asian peers gained.

Repo: The weighted average call rates in the interbank segment increased to 6.48% vs 6.16% as on the previous day while that the TREP segment increased to 6.39% vs 6.21% as on the previous day.

GOI Yield	6-May	3-May	29-Apr	5-Apr
1 Year	7.040	7.080	7.060	7.000
5 Year	7.098	7.154	7.197	7.081
10 Year	7.107	7.147	7.197	7.123

AAA Bmk	6-May	3-May	29-Apr	5-Apr
1 Year	7.72	7.75	7.70	7.75
5 Year	7.71	7.73	7.73	7.63
10 Year	7.55	7.55	7.55	7.52

CD	6-May	3-May	29-Apr	5-Apr
3 Month	7.20	7.20	7.25	7.30
6 Month	7.45	7.45	7.45	7.45
1 Year	7.65	7.65	7.65	7.55

CP	6-May	3-May	29-Apr	5-Apr
3 Month	7.30	7.30	7.35	7.40
6 Month	7.55	7.55	7.55	7.55
1 Year	7.75	7.75	7.75	7.65

OIS Rate	6-May	3-May	29-Apr	5-Apr
1 Year	6.80	6.85	6.88	6.79
2 Year	6.53	6.54	6.64	6.50
3 Year	6.49	6.53	6.60	6.45
5 Year	6.46	6.51	6.58	6.40

	6-May	3-May	29-Apr	5-Apr
Sensex	73,896	73,878	74,671	74,248
Nifty	22,443	22,476	22,643	22,514
USD/INR	83.49	83.42	83.47	83.30
Gold (USD)	2,317	2,302	2,334	2,330
Oil (USD)	83.60	82.96	88.40	91.17

NDF	6-May	3-May	29-Apr	5-Apr
3 Month	83.75	83.64	83.69	83.54
1 Year	84.92	84.76	84.82	84.67
2 Year	86.97	86.76	86.82	86.82
3 Year	89.32	89.11	89.17	89.27

## Market Observations

### G-sec

- Demand was seen in JFM 2025 SDLs @7.20 and mid 2025 SDLs @7.33 levels. Major sellers were private banks.

- Demand was seen in 14 to 18-year MH @7.46 levels.

### Corporate Bonds

- major activity was seen in the MMY segment and in the 2026-2029 segment.

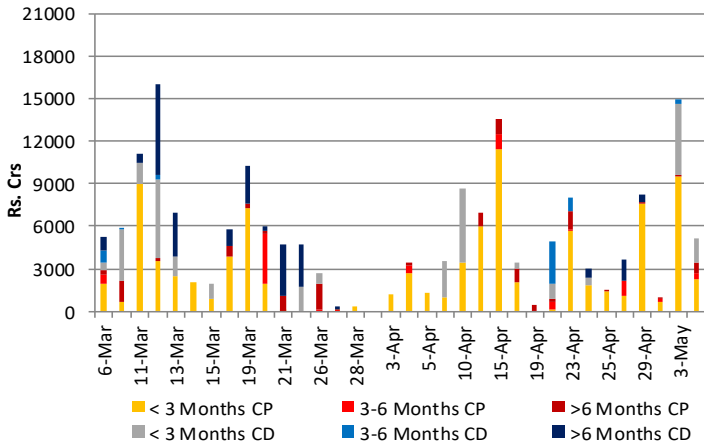
- Mutual funds were active on the buying as well as selling side.

### CP/CD

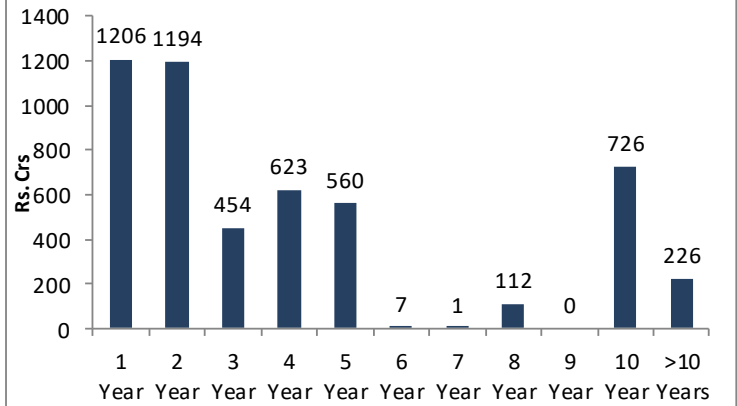
- Activity was seen in the shorter to 6-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	6-May	3-May	29-Apr	5-Apr
India	7.11	7.15	7.20	7.12
US	4.49	4.50	4.61	4.38
South Korea	3.61	3.61	3.71	3.43
Russia	14.63	14.58	14.41	14.21
Brazil	11.46	11.46	11.64	11.20
Germany	2.46	2.51	2.53	2.40
China	2.32	2.31	2.21	2.29

Top Traded Securities	Volume	23-Apr	22-Apr	16-Apr	22-Mar
7.26 2033	280	#N/A	#N/A	#N/A	#N/A
7.06 2028	450	#N/A	#N/A	#N/A	#N/A
7.62 2039	-	7.19	7.22	7.21	7.12
7.30 2053	1,015	#N/A	#N/A	#N/A	7.14
6.64 2035	15	7.23	7.20	7.21	7.14
7.40 2035	-	7.22	7.16	7.21	7.14

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
3-May-24	13352	11624	1728

EQUITY	Gross Purchase	Gross Sales	Net Investment
	7025	7902	-877

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
20376	19525	851

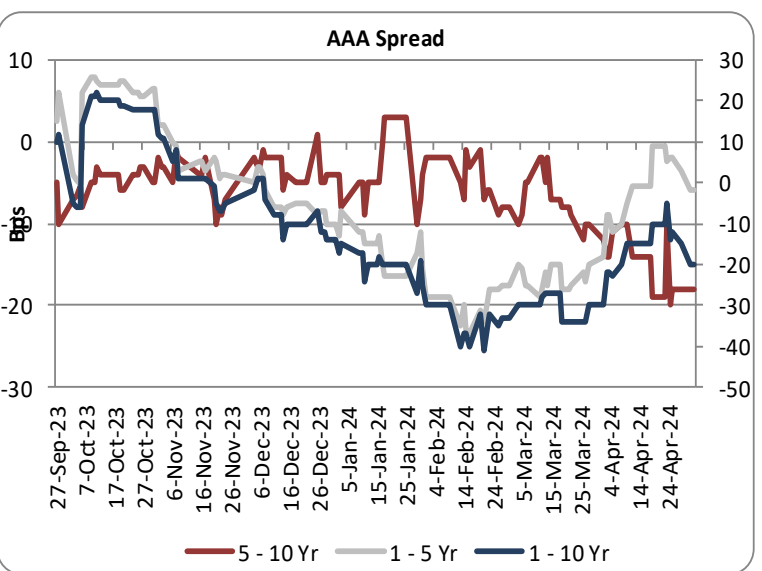
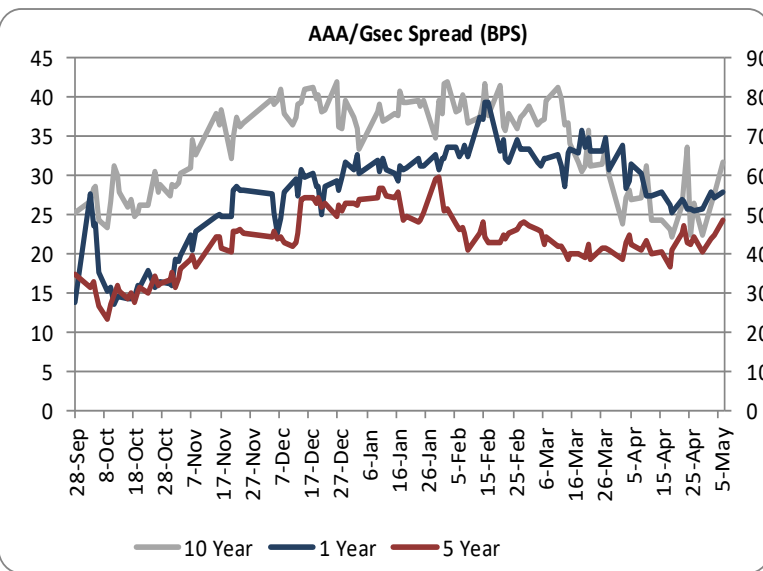
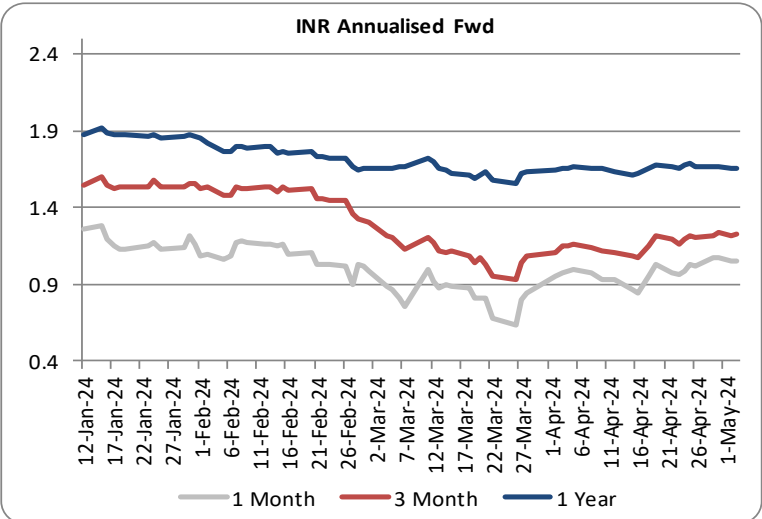
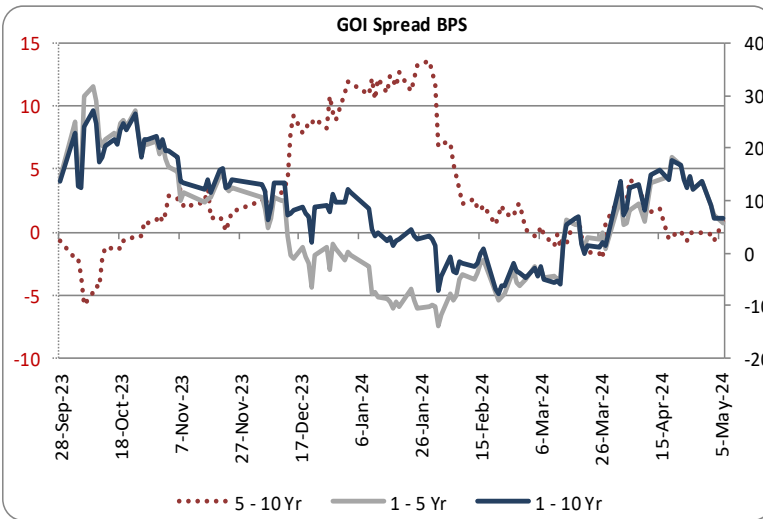
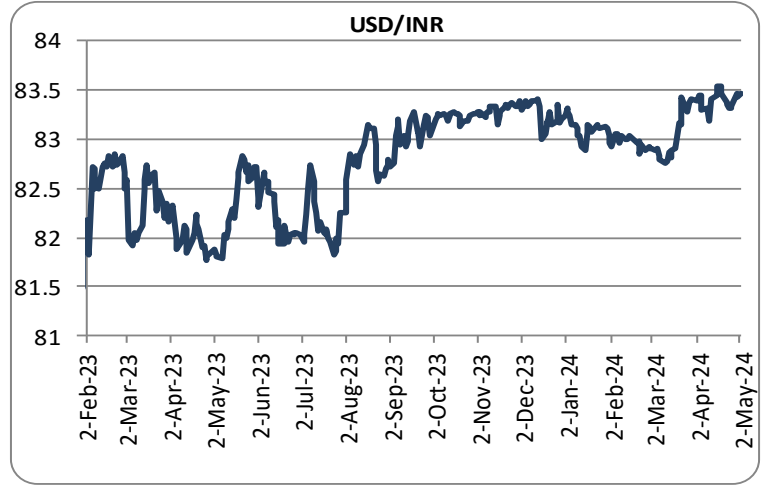
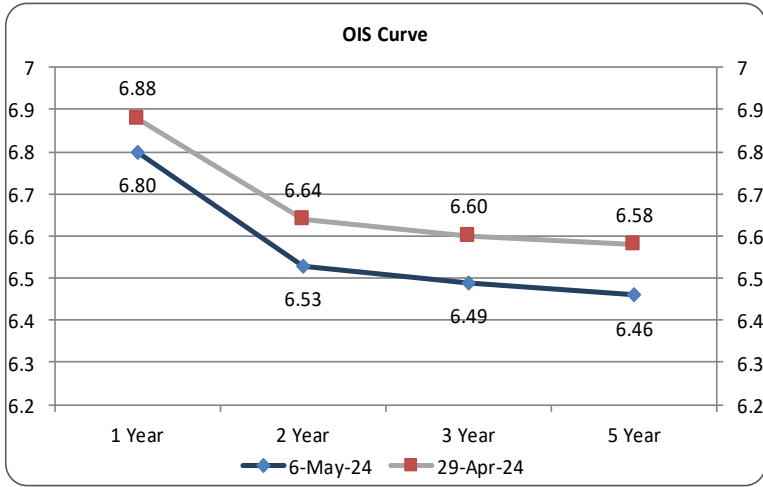
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
6-May-24	3592	2773	819

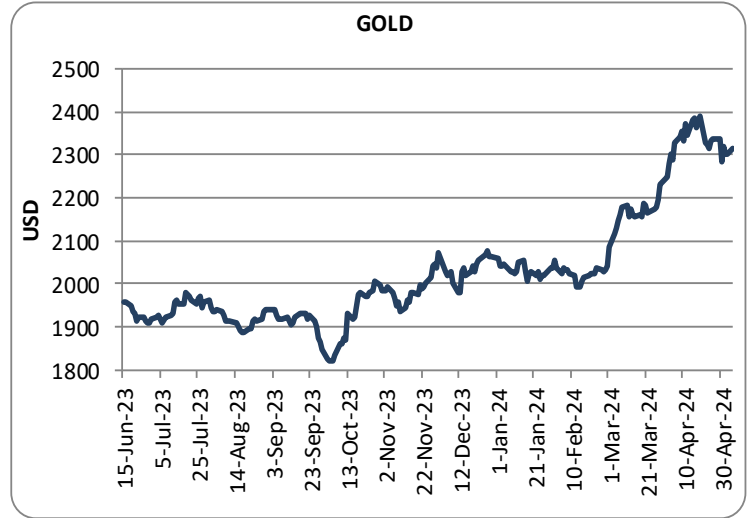
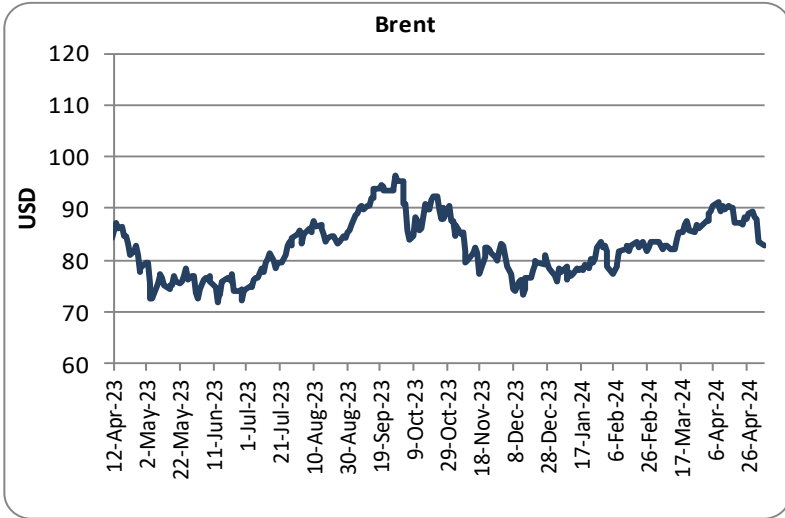
EQUITY	Gross Purchase	Gross Sales	Net Investment
	17678	19816	-2138

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
21270	22588	-1319

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-23	8.4	8.1
CAD (\$ Bn)	Dec-23	-10.5	-11.4
Trade Deficit (\$ Bn)	Dec-23	-71.6	-61.0
WPI (%)	Mar-24	0.5	0.2
CPI (%)	Mar-24	4.9	5.1
IIP (%)	Feb-24	5.7	4.1
PMI Manufacturing	Apr-24	58.8	59.1
PMI Service	Apr-24	60.8	61.2

Economic Calender	Country	Date	Poll	Prior
Unemployment Rate	Euro Zone	3-May-24	6.5	6.5
Unemployment Rate	USA	03-May-24	3.80	3.80
RBA Cash Rate	Australia	07-May-24	4.35	4.35
Industrial Production	Germany	08-May-24	-	(4.76)
BOE Bank Rate	UK	09-May-24	5.25	5.25
GDP YY Q1	UK	10-May-24	-	(0.20)
Industrial Output	India	10-May-24	-	5.70
CPI	China	11-May-24	-	0.10





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

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