



## INDIA

- ❖ The benchmark 6.10% bond maturing in 2031 ended at 96.91 rupees, yielding 6.54%, a two-year high, compared with 97.02 rupees and a yield of 6.53% yesterday. The 10-year yield rose nine basis points this week, after falling one basis point last week.
- ❖ The rupee was quoted at 74.31 today compared with 74.49 at close yesterday, tracking a rebound in regional equities. The unit had risen 2.3% in the last two weeks.
- ❖ The benchmark BSE Sensex and the broader NSE index ended 0.24% and 0.38% higher, respectively. The indices rose 2.56% and 2.64%, respectively, this week, which is their best weekly gain in four months.
- ❖ The benchmark Brent crude contract was \$82.90 a barrel, hovering close to a more-than-six-week high and up 6.6 % for the week, amid unrest in Kazakhstan that raised concerns of a potential disruption in crude supplies. India imports about 85% of its crude oil requirements, and rising oil prices pose inflation risks for the country
- ❖ The federal government raised 245 billion rupees via a sale of sovereign notes today. The central bank devolved 44 billion rupees of notes on primary dealers. The RBI had not accepted bids for 170 billion rupees of bonds at last week's auction and devolved 73 billion rupees of the stock on primary dealers at an auction on Dec. 24 to keep yields in check
- ❖ Government aims to raise 12.05 trillion rupees via borrowings this fiscal, after raising over 13 trillion rupees in the last financial year. The RBI has bought debt in the first half of this fiscal through various open market operations to ensure New Delhi's borrowing cost remains capped. However, it has stopped debt purchases since October and has been withdrawing liquidity through multiple variable rate reverse repo operations.
- ❖ The central bank has kept the key repo rate at record low 4% since May 2020 while maintaining an accommodative stance and has been looking through several above target inflation readings to support growth.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.26% vs 3.21% as on day before yesterday, while that in the TREP segment increased to 3.36% vs 3.17% as on day before yesterday

### Market Observations

#### G-sec

- Higher activity seen in up to 1 year maturity papers.
- Mutual funds seen selling 2027 maturity SDL's.
- Auction cut off on Gsec came in line with market expectations.5.74% GOI 2026 devolved on PDS's.

#### Corporate Bonds

- Demand was seen across the yield curve.

#### CP

- The 1-3 month segment was most active.

#### CD

- 1- 3 month maturity papers were in demand.

GOI Yield	7-Jan	5-Jan	1-Dec	10-Dec
1 Year	4.320	4.220	4.120	4.140
5 Year	5.907	5.850	5.680	5.686
10 Year	6.542	6.508	6.353	6.370

AAA Bmk	7-Jan	5-Jan	1-Dec	10-Dec
1 Year	4.80	4.75	4.50	4.45
5 Year	6.28	6.22	6.00	5.98
10 Year	7.00	6.95	6.83	6.80

CD	7-Jan	5-Jan	1-Dec	10-Dec
3 Month	3.85	3.55	3.65	3.65
6 Month	4.30	4.00	3.95	3.95
1 Year	4.60	4.55	4.40	4.40

CP	7-Jan	5-Jan	1-Dec	10-Dec
3 Month	4.05	3.90	4.00	4.00
6 Month	4.60	4.50	4.55	4.65
1 Year	5.00	4.95	4.85	4.80

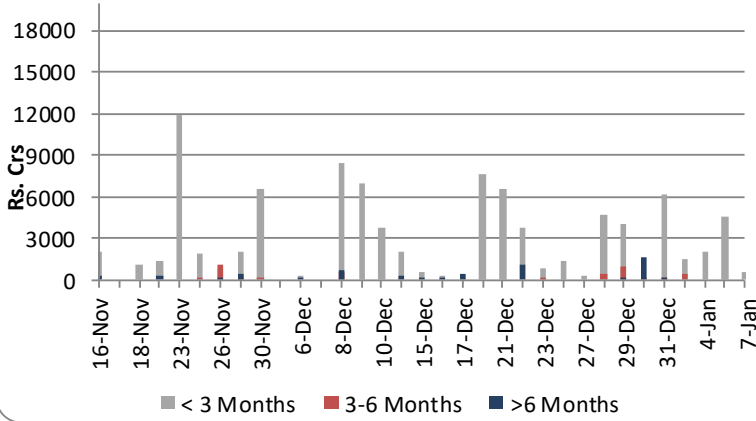
OIS Rate	7-Jan	5-Jan	1-Dec	10-Dec
1 Year	4.37	4.38	4.24	4.25
2 Year	4.90	4.90	4.74	4.76
3 Year	5.23	5.25	5.02	5.03
5 Year	5.58	5.55	5.33	5.33

	7-Jan	5-Jan	1-Dec	10-Dec
Sensex	59,745	60,223	57,685	58,787
Nifty	17,813	17,925	17,167	17,511
USD/INR	74.31	74.36	74.91	75.77
Gold (USD)	1,791	1,810	1,783	1,783
Oil (USD)	82.65	80.80	68.87	75.15

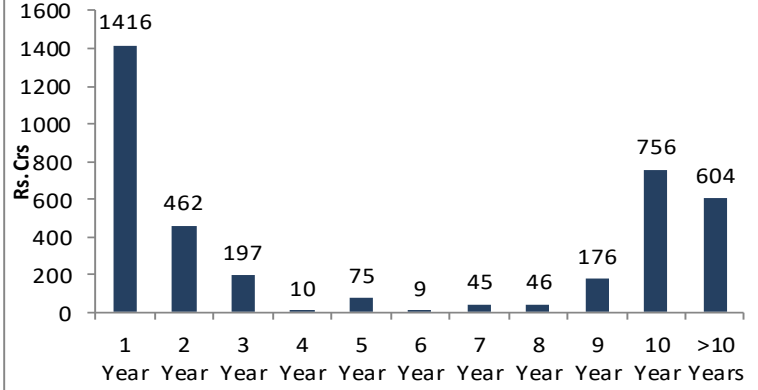
NDF	7-Jan	5-Jan	1-Dec	10-Dec
3 Month	75.22	75.26	75.79	76.42
1 Year	77.76	77.81	78.52	79.29
2 Year	81.35	81.45	82.31	82.74
3 Year	85.08	85.34	86.10	86.54



**CP Primary Volume**



**Bonds Volume**



10 Year Benchmarks	7-Jan	5-Jan	1-Dec	10-Dec
India	6.54	6.51	6.35	6.37
US	1.73	1.70	1.40	1.48
South Korea	2.46	2.38	2.18	2.20
Russia	8.44	8.37	8.35	8.54
Brazil	10.99	11.30	11.46	10.52
Germany	-0.06	-0.12	-0.33	-0.35
China	2.82	2.81	2.88	2.85

Top Traded Securities	Volume	7-Jan	5-Jan	1-Dec	10-Dec
5.15 GOI 2025	1,570	5.78	5.71	5.44	5.47
5.63 GOI 2026	1,375	5.91	5.85	5.68	5.69
5.74 GOI 2026	3,525	5.99	5.93	5.72	5.71
6.10 GOI 2031	195	6.54	6.51	6.35	6.37
6.64 GOI 2035	-	7.02	6.98	6.77	6.78
6.67 GOI 2035	30	7.02	6.98	6.75	6.76

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
5-Jan-22	4507	3369	1138

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
5-Jan-22	5343	4174	1169

TOTAL (Rs.Crs)			
	Gross Purchase	Gross Sales	Net Investment
5-Jan-22	9850	7543	2306

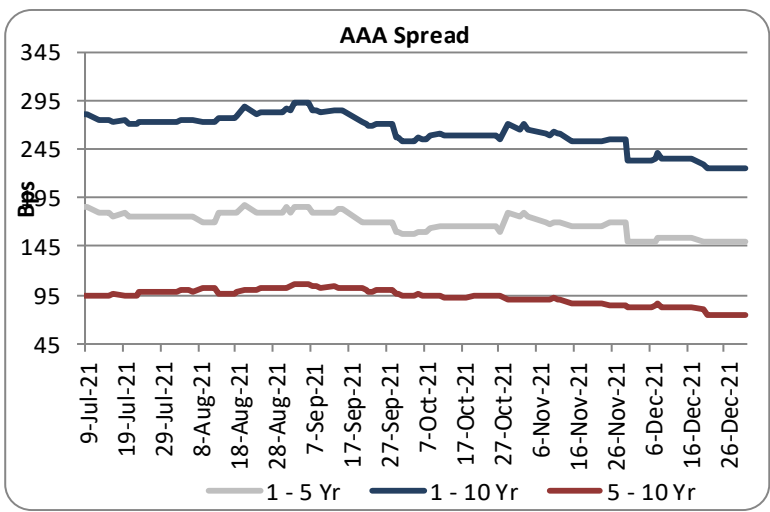
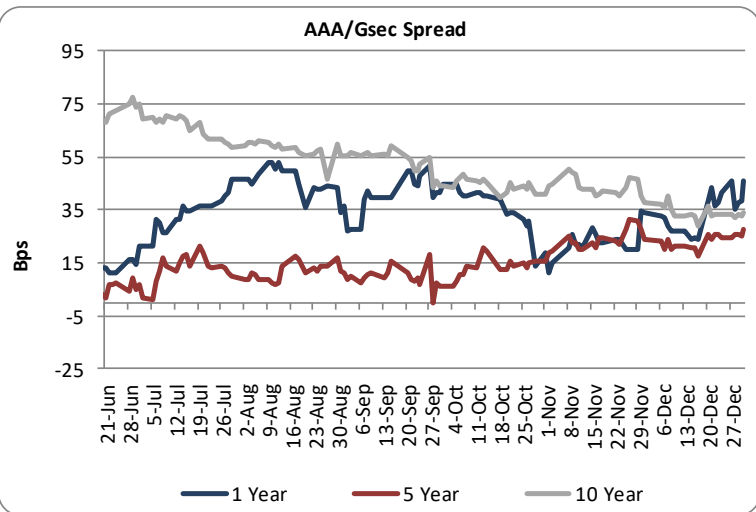
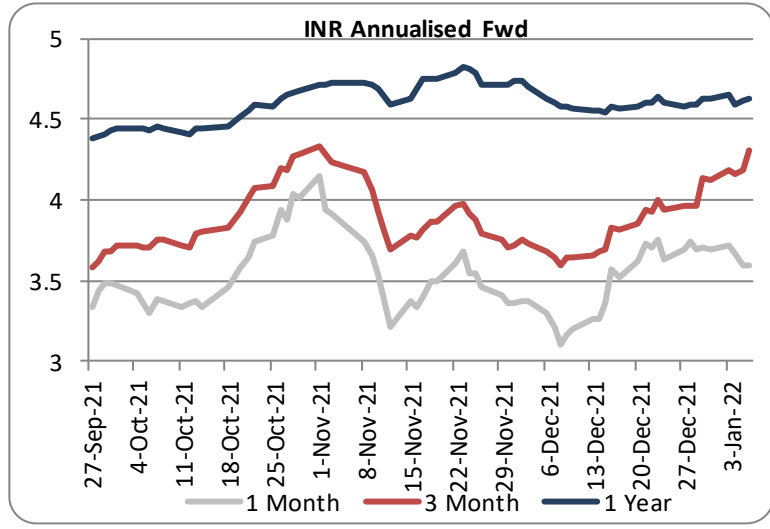
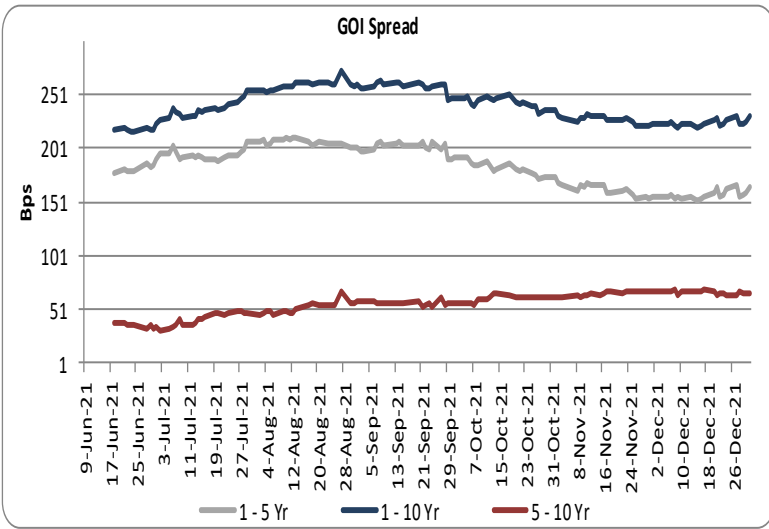
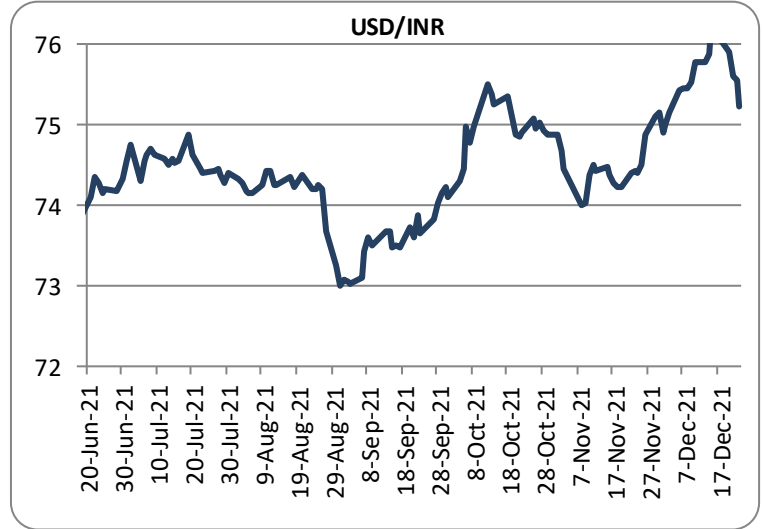
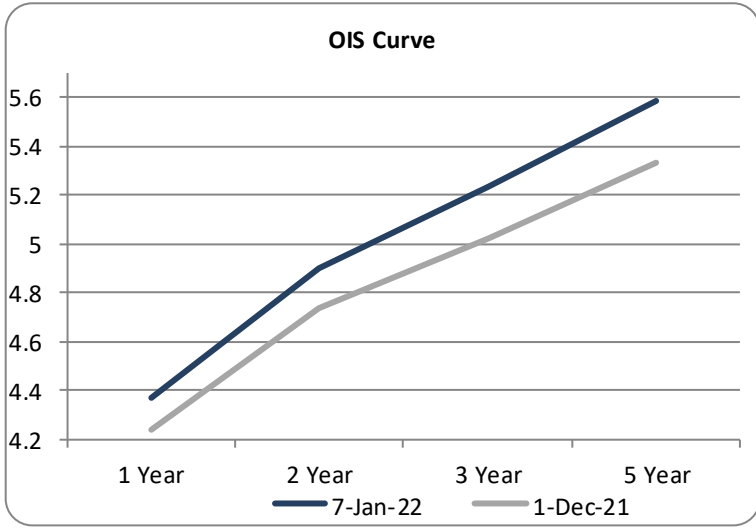
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
7-Jan-22	408	100	308

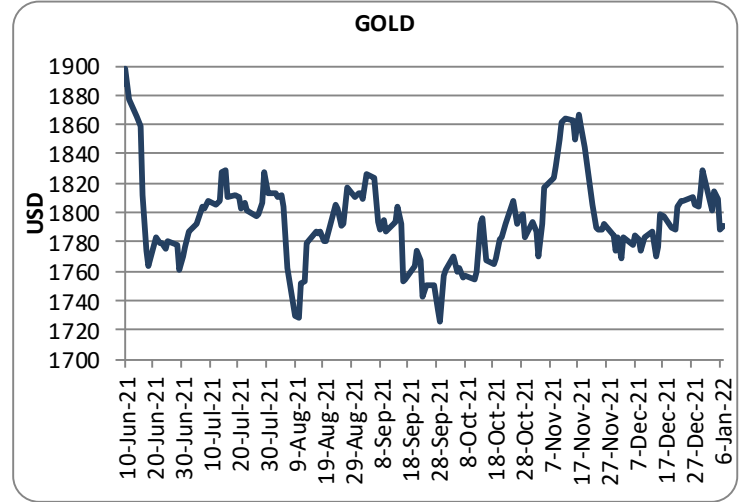
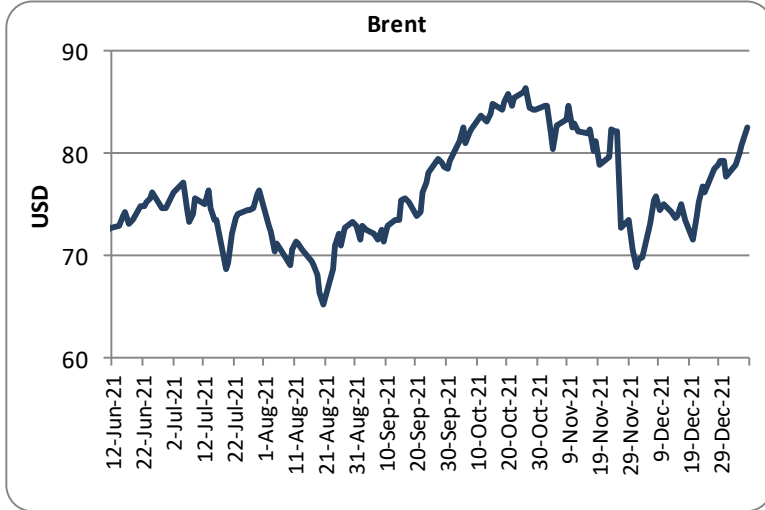
EQUITY			
	Gross Purchase	Gross Sales	Net Investment
7-Jan-22	6607	8304	-1697

TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
7-Jan-22	7015	8405	-1389

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quarterly (%)	Sep-21	8.4	20.1
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Nov-21	14.2	12.5
CPI (%)	Nov-21	4.9	4.5
IIP (%)	Oct-21	3.2	3.3
PMI Manufacturing	Dec-21	55.5	57.6
PMI Service	Dec-21	55.5	58.1

Economic Calender	Country	Date	Poll	Prior
Unemployment Rate	Japan	28-Dec-21	2.70	2.70
Unemployment Rate	Russia	29-Dec-21	-	4.30
Industrial Output	South Korea	30-Dec-21	3.20	4.50
Industrial Output	Brazil	06-Jan-22	-	(7.80)
Retail Sales	Euro Zone	07-Jan-22	5.60	1.40
CPI	China	10-Jan-22	-	2.30
Unemployment Rate	Euro Zone	10-Jan-22	-	7.30
CPI	Russia	10-Jan-22	8.20	8.40





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

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