



# BONDWATCH

Daily

April 11, 2023

INDIA

Indian government bond yields ended largely unchanged on Tuesday as traders waited for domestic, as well as U.S. inflation data due later in the week to gauge the future interest rate trajectories in both countries.

The 10-year benchmark 7.26% 2032 bond yield ended at 7.2224% after closing at 7.2313% on Monday.

India's consumer inflation likely eased in March to 5.80% due to softer food price rises, dipping below the Reserve Bank of India's (RBI) upper tolerance limit of 6% for the first time in 2023. The data, due on Wednesday, will follow the RBI's surprise move last week of holding its key interest rate steady at 6.50% after six consecutive hikes. Most market participants were expecting a raise of 25 bps.

US Consumer price inflation for March is set to be released on Wednesday and it would be the last set before the Federal Reserve's policy decision due on May 3. It will play a crucial role in the Fed's rate hike decision, with the odds of a 25 bps hike rising to over 70%.

Meanwhile, four Indian states raised 58 billion rupees (\$706.43 million) through sale of bonds at cutoff yields which were largely along the expected lines.

Traders also await central government bond sale due on Thursday, wherein it aims to raise 390 billion rupees through sale of debt which includes a new three-year as well as a seven-year paper.

The Indian rupee weakened 0.18% versus the U.S. dollar, and quoted at 82.1250 per dollar on likely corporate outflows and importer demand for the greenback.

Repo: The weighted average call rates in the interbank segment decreased to 6.31% vs 6.32% as on the previous day while that the TREP segment decreased to 6.28% vs 6.29% as on the previous day.

GOI Yield	11-Apr	10-Apr	5-Apr	10-Mar
1 Year	7.010	7.040	7.190	7.380
5 Year	7.047	7.043	7.148	7.398
10 Year	7.222	7.231	7.275	7.432

AAA Bmk	11-Apr	10-Apr	5-Apr	10-Mar
1 Year	7.65	7.60	7.65	7.97
5 Year	7.52	7.50	7.68	7.90
10 Year	7.60	7.63	7.70	7.85

CD	11-Apr	10-Apr	5-Apr	10-Mar
3 Month	7.05	7.05	7.20	7.45
6 Month	7.25	7.25	7.40	7.65
1 Year	7.50	7.50	7.50	7.85

CP	11-Apr	10-Apr	5-Apr	10-Mar
3 Month	7.10	7.10	7.30	8.00
6 Month	7.30	7.30	7.50	8.20
1 Year	7.60	7.60	7.60	8.30

OIS Rate	11-Apr	10-Apr	5-Apr	10-Mar
1 Year	6.60	6.59	6.81	7.02
2 Year	6.20	6.17	6.39	6.67
3 Year	6.11	6.08	6.28	6.57
5 Year	6.13	6.11	6.28	6.56

	11-Apr	10-Apr	5-Apr	10-Mar
Sensex	60,158	59,847	59,689	59,135
Nifty	17,722	17,624	17,557	17,413
USD/INR	82.13	81.98	82.00	82.04
Gold (USD)	2,001	1,990	2,020	1,868
Oil (USD)	84.04	84.18	84.99	82.78

NDF	11-Apr	10-Apr	5-Apr	10-Mar
3 Month	82.53	82.40	82.40	82.54
1 Year	84.11	83.96	84.03	83.91
2 Year	86.51	86.40	86.82	85.98
3 Year	89.64	89.70	89.32	88.80

## Market Observations

G-sec

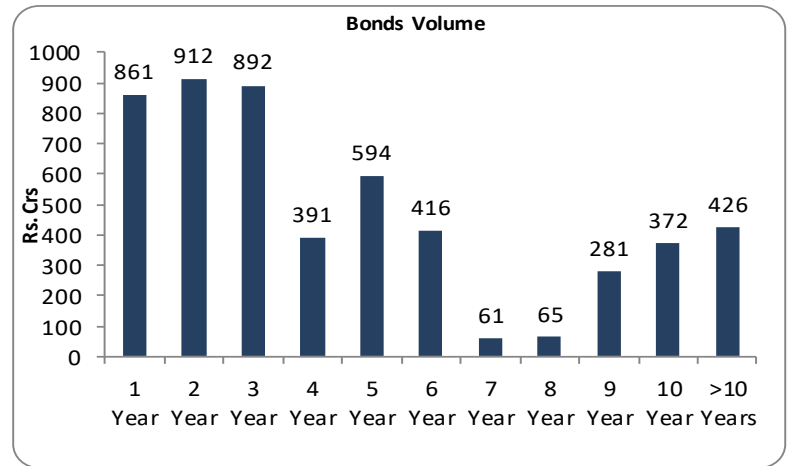
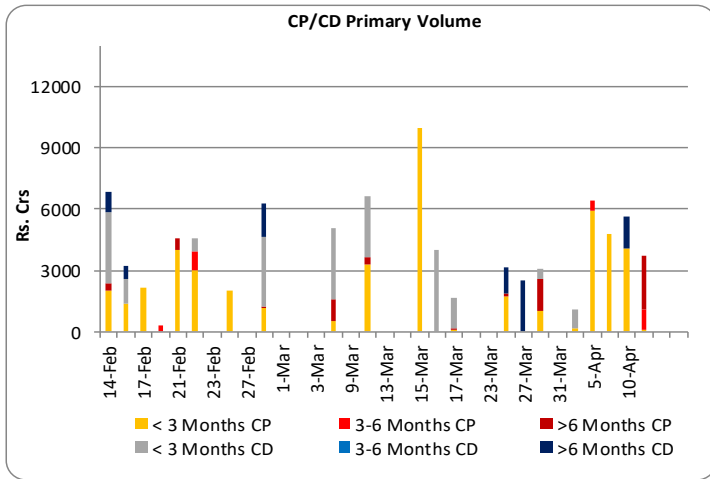
- Market was active in 1year tbill.
- Demand was seen by banks @7.02 levels.

Corporate Bonds

- MF's were active up to 3-year segment.
- Banks were on the selling side and MF's were on the buying side.
- In the longer segment insurance companies were selling and pension funds were on the buying side.

CP/CD

- Demand was seen in 3-month and 1-year segment.



10 Year Benchmarks	11-Apr	10-Apr	5-Apr	10-Mar
India	7.22	7.23	7.27	7.43
US	3.40	3.42	3.29	3.70
South Korea	3.26	3.24	3.33	3.58
Russia	10.47	10.47	10.44	10.92
Brazil	12.75	12.80	12.60	13.18
Germany	2.26	2.18	2.18	2.50
China	2.83	2.85	2.87	2.88

Top Traded Securities	Volume	11-Apr	10-Apr	5-Apr	10-Mar
5.74 2026	185	7.04	7.02	7.14	7.39
7.38 2027	-	7.04	7.04	7.15	7.40
7.10 2029	-	7.14	7.14	7.19	7.42
6.54 2032	-	7.25	7.25	7.29	7.45
7.26 2032	-	7.22	7.23	7.28	7.43
7.54 2036	-	7.35	7.34	7.33	7.49

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
5-Apr-23	5289	6380	-1091

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
5-Apr-23	8611	4694	3916

TOTAL (Rs.Crs)			
	Gross Purchase	Gross Sales	Net Investment
5-Apr-23	13900	11074	2826

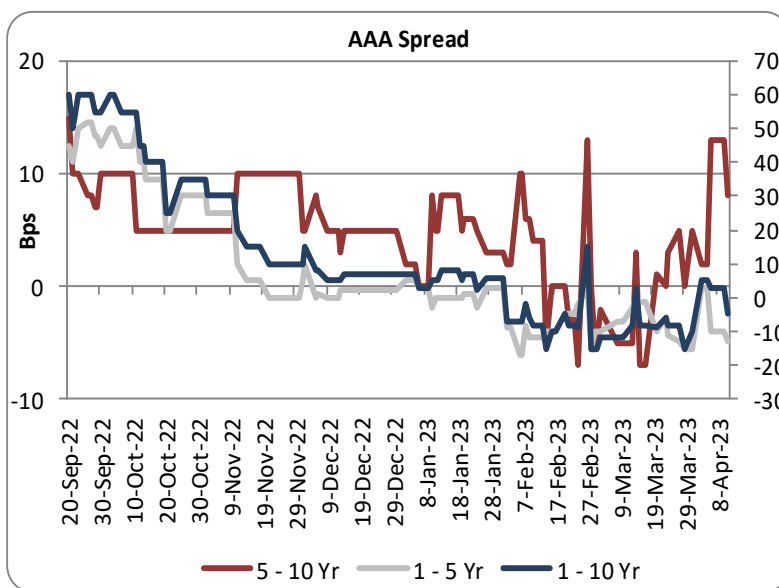
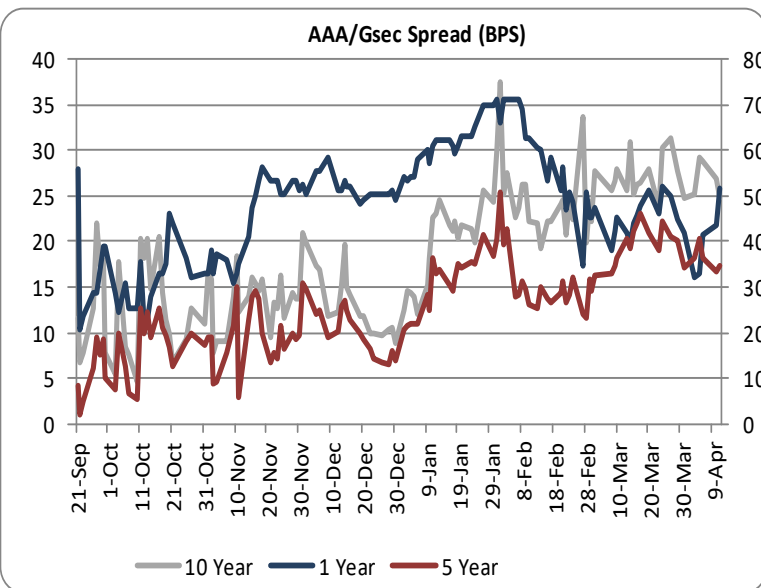
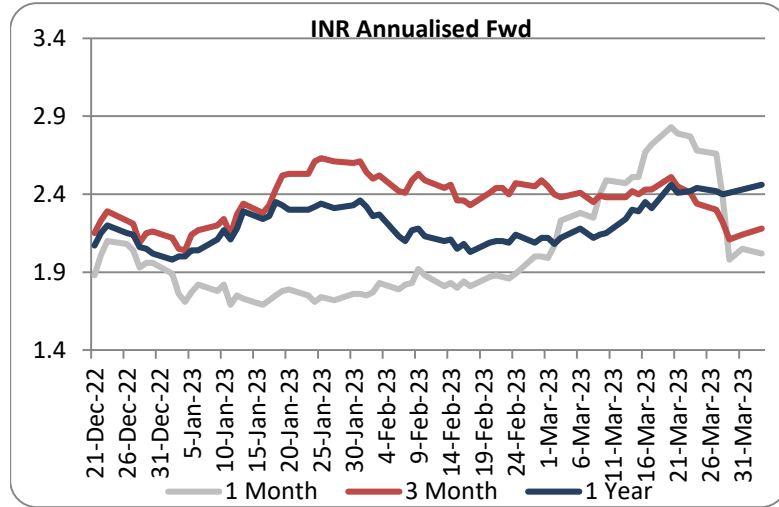
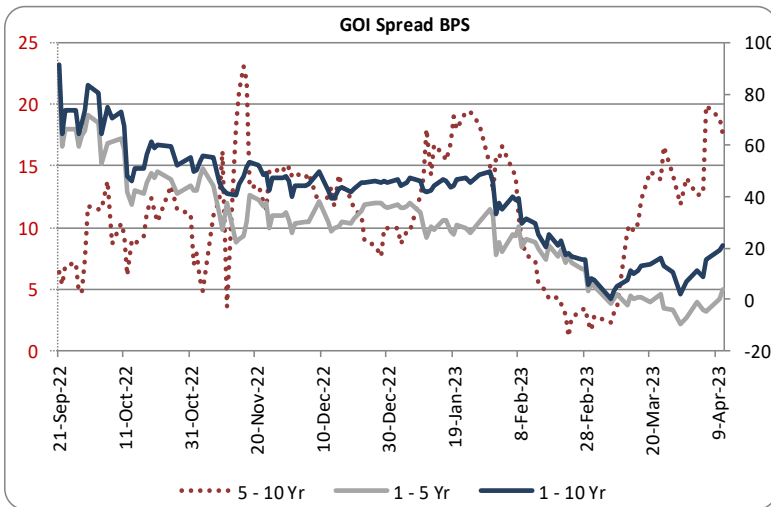
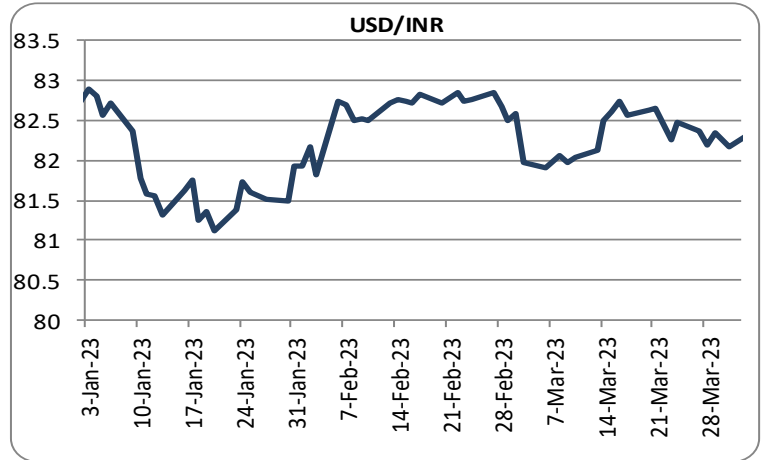
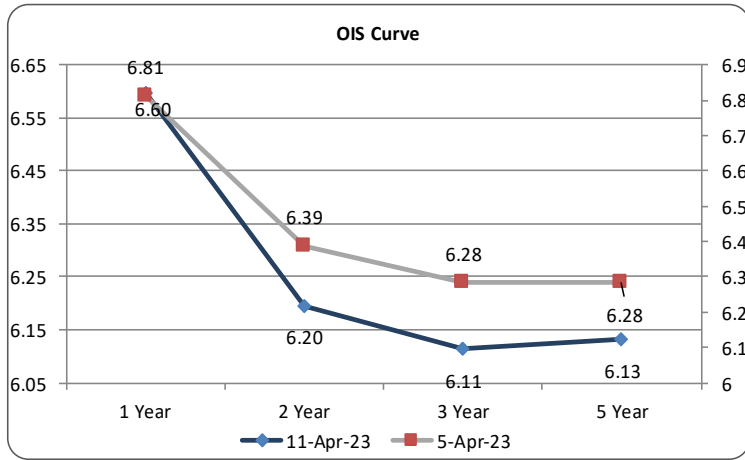
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
11-Apr-23	937	171	765

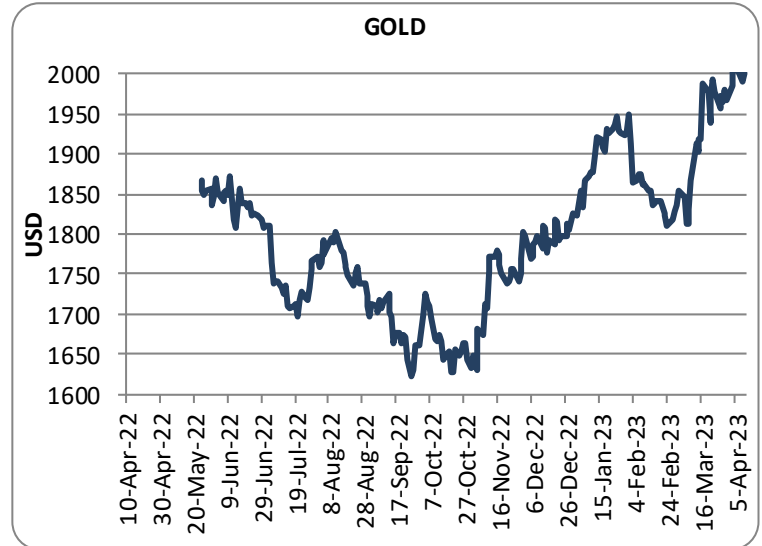
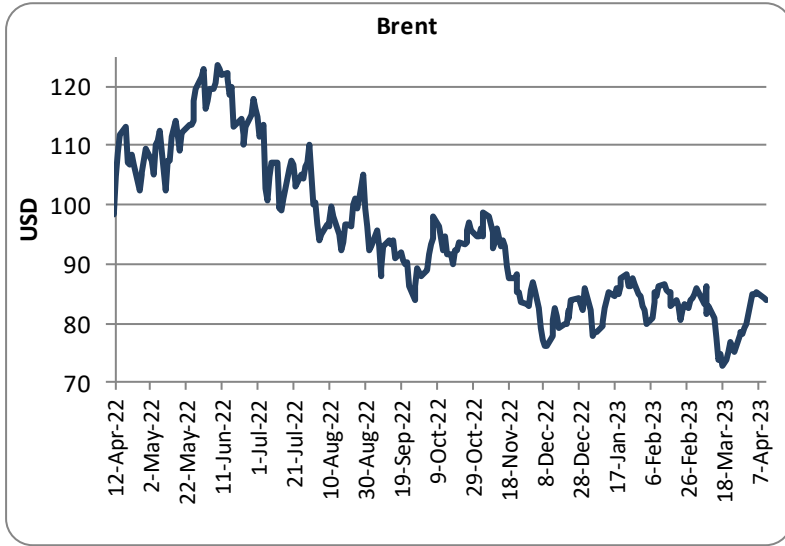
EQUITY			
	Gross Purchase	Gross Sales	Net Investment
11-Apr-23	4383	2999	1383

TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
11-Apr-23	5319	3170	2149

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-22	4.4	6.3
CAD (\$ Bn)	Dec-22	-18.2	-30.9
Trade Deficit (\$ Bn)	Dec-22	-72.7	-78.3
WPI (%)	Feb-23	3.9	4.7
CPI (%)	Feb-23	6.4	6.5
IIP (%)	Jan-23	5.2	4.3
PMI Manufacturing	Mar-23	56.4	55.3
PMI Service	Mar-23	57.8	59.4

Economic Calender	Country	Date	Poll	Prior
CPI	India	12-Apr-23	-	6.44
Industrial Output	India	12-Apr-23	-	5.20
CPI	USA	12-Apr-23	-	6.00
CPI	Russia	12-Apr-23	3.40	11.00
GDP	UK	13-Apr-23	0.30	-
WPI	India	14-Apr-23	1.87	3.85
Industrial Output	China	18-Apr-23	-	2.40
CPI	UK	19-Apr-23	-	10.40





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

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