



- ❖ The benchmark 6.54% bond maturing in 2032 ended at 95.76 rupees, yielding 7.15%, the highest since May 28, 2019, against Friday's close of 95.96 rupees and 7.12%.
- ❖ The U.S. 10-year Treasury yield hit a fresh three-year high of 2.78% as expectation of aggressive policy normalisation by the Federal Reserve gained strength, while market awaited U.S. inflation data which is expected to have risen further to 8.5% on-year in March.
- ❖ Bond market sentiment had already turned sharply bearish after India's Monetary Policy Committee tweaked the so-called Liquidity Adjustment Facility corridor to the pre-pandemic level of 50 basis points by introducing a Standing Deposit Facility to absorb excess cash from lenders at a rate of 3.75%.
- ❖ India's retail inflation data for March is due tomorrow. The print is expected to have risen to 6.5% in March, the highest since November 2020, as food prices have risen further.
- ❖ The central bank hiked the limit for banks' investment under the so-called held to maturity category by 100 basis points to 23%, but did not provide any firm commitment towards purchase of debt in the midst of record supply from the government.
- ❖ The government is scheduled to borrow 8.45 trillion rupees in April-September. It has lined up a 330-billion-rupee sale this week, which includes the benchmark note as well as a new seven-year paper.
- ❖ The benchmark Brent crude oil contract was trading 2.2% lower at \$100.50 per barrel.
- ❖ The Indian rupee weakened today as refiners stepped up dollar purchases ahead of U.S. headline inflation data this week, which kept regional risk assets on the edge on bets a higher-than-forecast reading may trigger quicker monetary steps from the Federal Reserve. The rupee ended at 75.95 a dollar, as of 3:30 p.m., compared with 75.90 Friday.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.43% vs 3.33% as on previous day while that in the TREP segment increased to 3.54% vs 3.34% as on previous day.

### Market Observations

#### G-sec

- Bond yields rose for a second consecutive session as hints of withdrawal of accommodation by the country's rate-setting panel coupled with the persistent rise in U.S. Treasury rates dampened investor sentiment.
- Participants have been covering short positions aggressively as we approach a holiday truncated week.

#### Corporate Bonds

- 1-3year segment witnessed most activity.
- Mutual Funds were active. Yields are up by 30-40 BPS post policy.

#### CP/CD

- Demand was witnessed in the 3-month segment.

GOI Yield	11-Apr	8-Apr	4-Apr	11-Mar
1 Year	4.700	4.680	4.540	4.640
5 Year	6.538	6.465	6.162	6.080
10 Year	7.149	7.119	6.898	6.855

AAA Bmk	11-Apr	8-Apr	4-Apr	11-Mar
1 Year	5.25	5.15	5.00	5.10
5 Year	6.55	6.50	6.40	6.45
10 Year	7.15	7.15	7.08	7.12

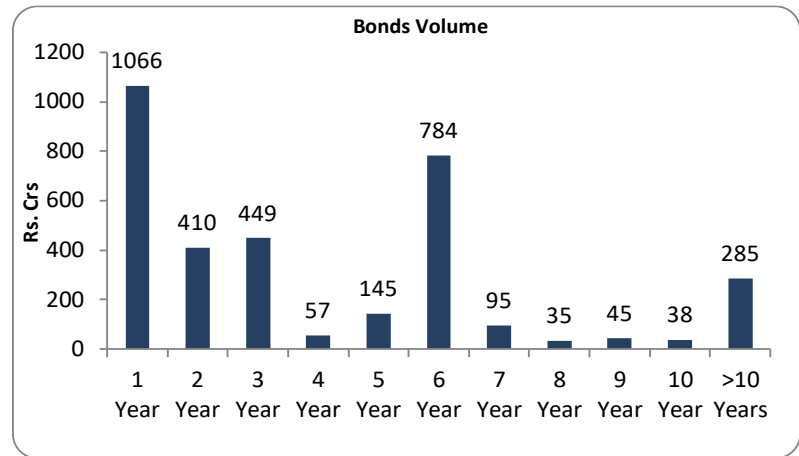
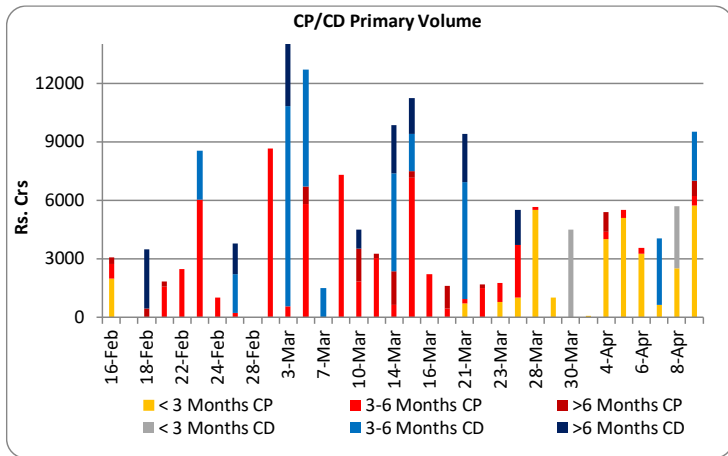
CD	11-Apr	8-Apr	4-Apr	11-Mar
3 Month	4.10	4.10	3.70	4.05
6 Month	4.65	4.65	4.35	4.56
1 Year	5.00	5.00	4.75	4.96

CP	11-Apr	8-Apr	4-Apr	11-Mar
3 Month	4.45	4.45	4.30	4.20
6 Month	4.80	4.80	4.65	4.77
1 Year	5.25	5.25	5.10	5.25

OIS Rate	11-Apr	8-Apr	4-Apr	11-Mar
1 Year	4.92	4.73	4.51	4.54
2 Year	5.68	5.43	5.12	5.13
3 Year	6.06	5.84	5.54	5.52
5 Year	6.41	6.17	6.03	5.94

	11-Apr	8-Apr	4-Apr	11-Mar
Sensex	58,965	59,447	60,612	55,550
Nifty	17,675	17,784	18,053	16,630
USD/INR	75.95	75.90	75.54	76.59
Gold (USD)	1,951	1,946	1,932	1,985
Oil (USD)	98.53	102.78	107.53	112.67

NDF	11-Apr	8-Apr	4-Apr	11-Mar
3 Month	76.67	76.70	76.11	77.53
1 Year	78.92	78.85	78.26	79.85
2 Year	82.32	82.33	81.50	83.22
3 Year	85.50	85.58	84.51	86.79



10 Year Benchmarks	11-Apr	8-Apr	4-Apr	11-Mar
India	7.15	7.12	6.90	6.86
US	2.76	2.70	2.39	2.00
South Korea	3.30	3.17	3.07	2.70
Russia	10.65	10.87	11.65	12.46
Brazil	11.86	11.86	11.22	12.09
Germany	0.81	0.71	0.52	0.27
China	2.81	2.79	2.82	2.83

Top Traded Securities	Volume	11-Apr	8-Apr	4-Apr	11-Mar
5.15 GOI 2025	2775	6.19	6.17	5.87	#N/A
5.63 GOI 2026	55	6.32	6.30	6.06	6.08
5.74 GOI 2026	3790	6.54	6.47	6.16	6.17
6.54 GOI 2032	30	7.15	7.12	6.90	6.86
6.64 GOI 2035	0	7.36	7.33	7.21	7.18
6.67 GOI 2035	0	7.36	7.34	7.19	7.17

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
8-Apr-22	1054	1016	38

EQUITY		
Gross Purchase	Gross Sales	Net Investment
99	1659	-1560

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
1153	2675	-1523

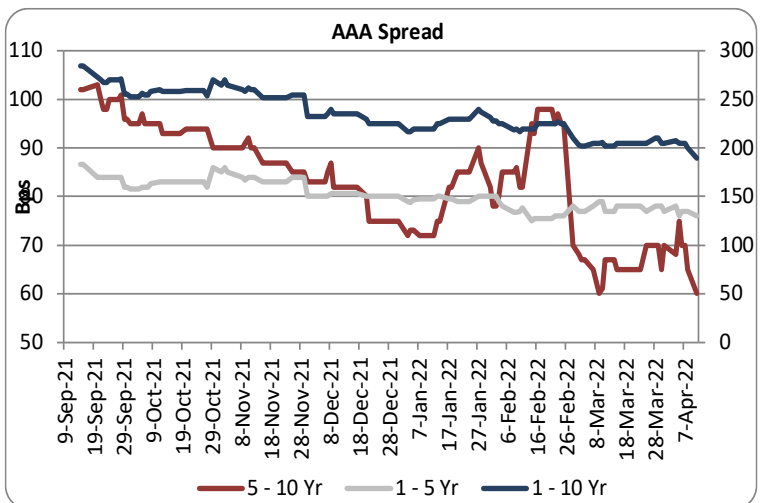
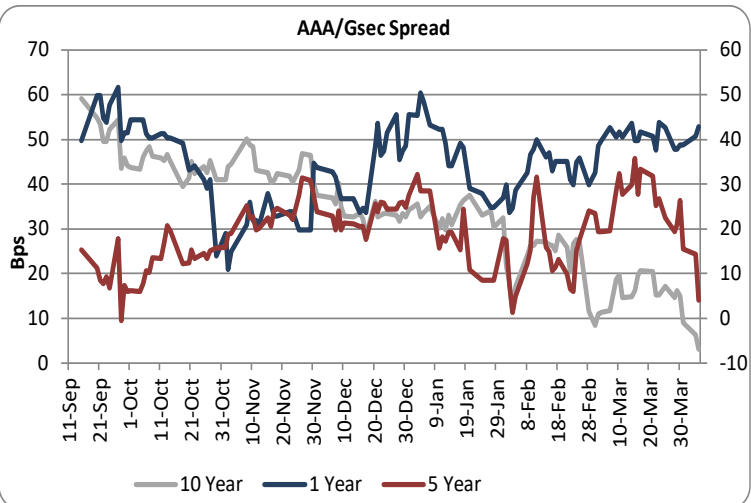
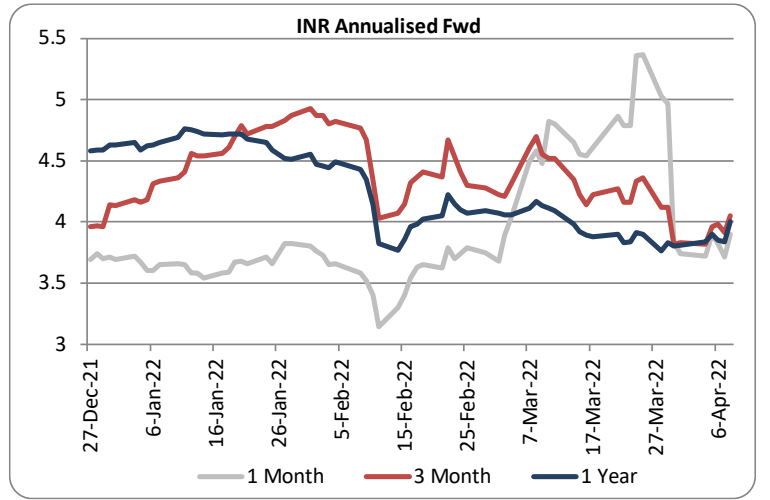
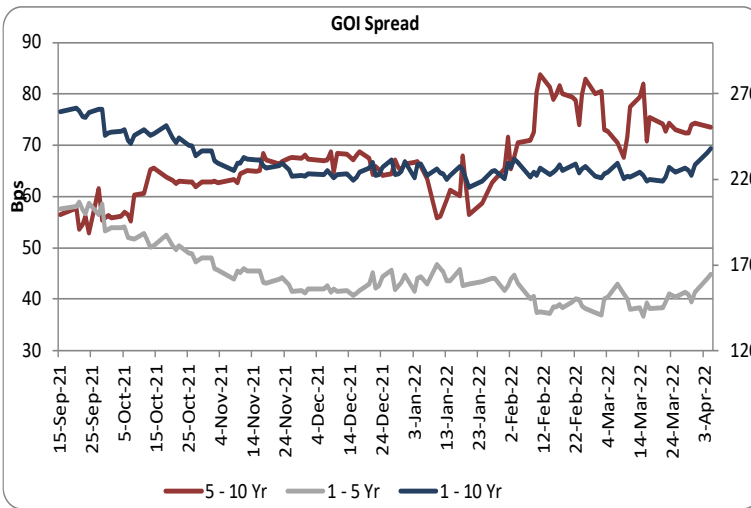
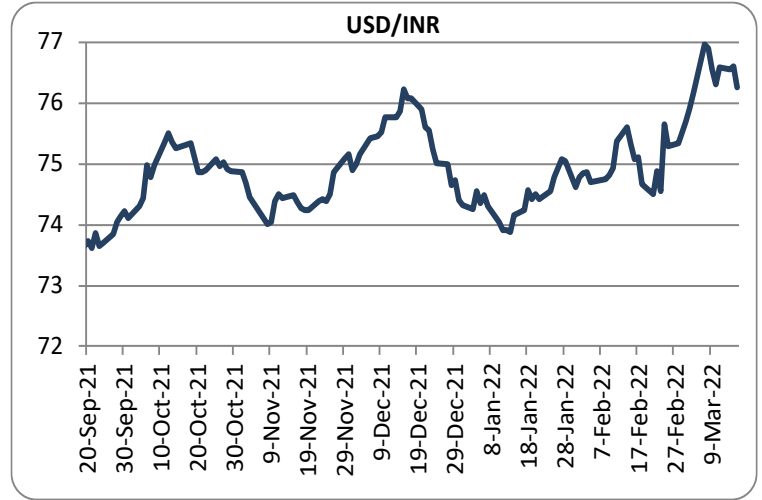
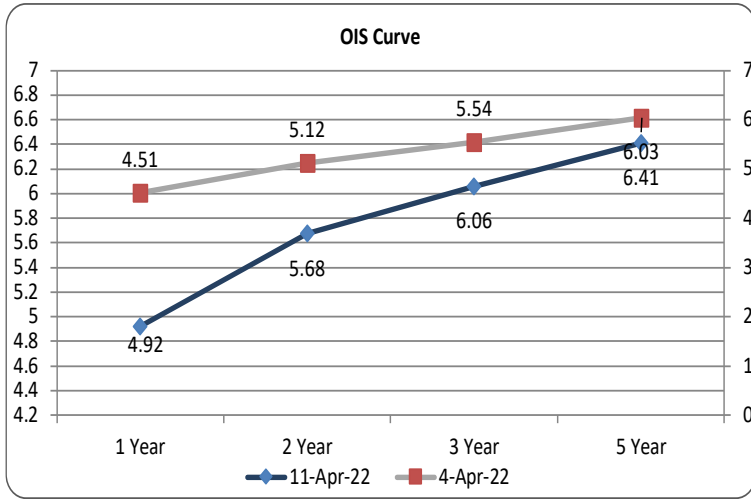
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
11-Apr-22	581	627	-46

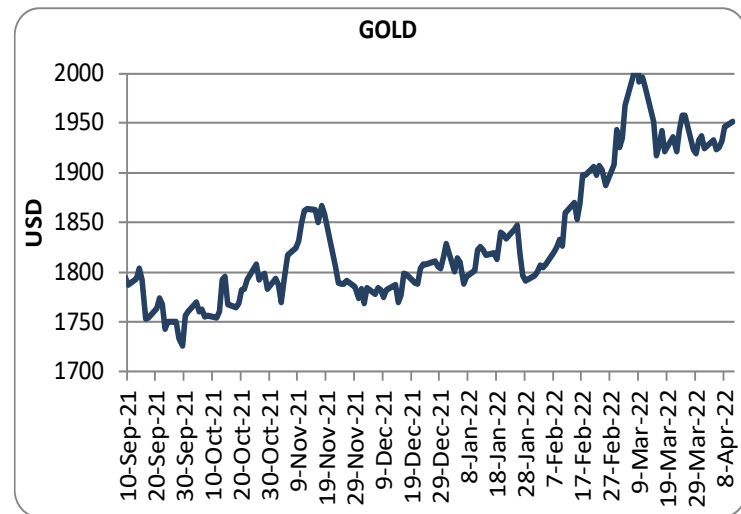
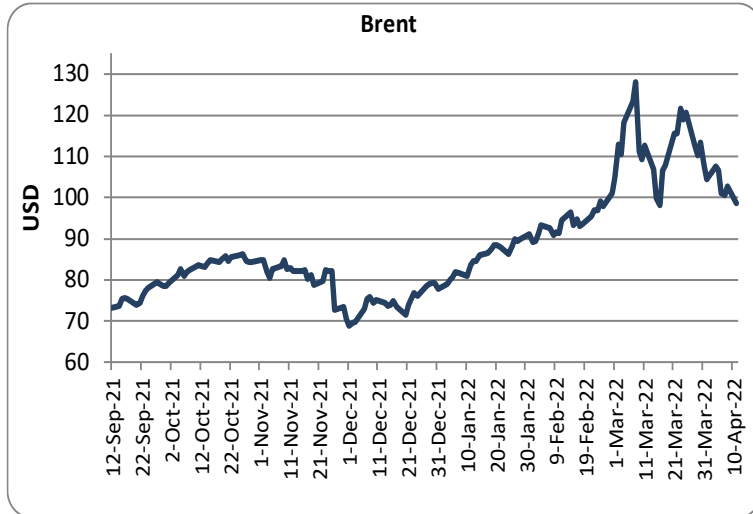
EQUITY		
Gross Purchase	Gross Sales	Net Investment
9562	9958	-395

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
10143	10584	-441

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-21	5.4	8.4
CAD (\$ Bn)	Dec-21	-23.0	-9.9
Trade Deficit (\$ Bn)	Dec-21	-60.4	-44.4
WPI (%)	Feb-22	13.1	13.0
CPI (%)	Feb-22	6.1	6.0
IIP (%)	Jan-22	1.3	0.4
PMI Manufacturing	Mar-22	54	54.9
PMI Service	Mar-22	53.6	51.8

Economic Calendar	Country	Date	Poll	Prior
Unemployment Rate	UK	12-Apr-22	-	3.90
CPI	India	12-Apr-22	6.35	6.07
CPI	USA	12-Apr-22	8.50	7.90
Core CPI	USA	12-Apr-22	6.60	6.40
CPI	UK	13-Apr-22	6.70	6.20
WPI	India	14-Apr-22	13.00	13.11
GDP	China	18-Apr-22	-	4.00
Industrial Output	China	18-Apr-22	-	7.50





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

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