



INDIA

Indian government bond yields ended lower on Thursday as easing U.S. inflation increased bets of the Federal Reserve not raising interest rates at its June meeting.

The 10-year benchmark 7.26% 2033 bond yield ended at 7.0234%, after closing at 7.0405% in the previous session.

U.S. Treasury yields fell on Wednesday, as the inflation data provided relief to some investors who were concerned that price pressures may have been stronger than expected. The 10-year U.S. benchmark bond was last at 3.4066%, while the two-year note was at 3.8848%.

Market participants now await local inflation data and the federal debt auction, both due on Friday, for further cues.

India's inflation likely cooled to an 18-month low in April to 4.80%, below the Reserve Bank of India's (RBI) upper tolerance limit for the second consecutive month.

Easing local inflation may push the India benchmark bond yield below the 7% mark but it may not sustain at that level for longer.

The Indian government aims to raise 390 billion rupees (\$4.77 billion) on Friday. The auction includes 120 billion rupees of liquid 2036 paper.

The Indian rupee weakened 0.13% to 82.09 per U.S. dollar, weighed down by broad strength in the dollar index.

Repo: The weighted average call rates in the interbank segment decreased to 6.75% vs 6.78% as on the previous day while that the TREP segment remained the same at 6.76% vs 6.76% as on the previous day.

GOI Yield	11-May	10-May	3-May	13-Apr
1 Year	6.970	7.015	6.975	6.980
5 Year	6.968	6.983	6.933	7.050
10 Year	7.023	7.041	7.006	7.225

AAA Bmk	11-May	10-May	3-May	13-Apr
1 Year	7.45	7.45	7.42	7.60
5 Year	7.48	7.48	7.50	7.55
10 Year	7.50	7.50	7.52	7.58

CD	11-May	10-May	3-May	13-Apr
3 Month	7.15	7.15	7.10	7.00
6 Month	7.35	7.35	7.30	7.25
1 Year	7.50	7.50	7.45	7.50

CP	11-May	10-May	3-May	13-Apr
3 Month	7.25	7.25	7.15	7.10
6 Month	7.45	7.45	7.35	7.35
1 Year	7.60	7.60	7.55	7.60

OIS Rate	11-May	10-May	3-May	13-Apr
1 Year	6.60	6.63	6.57	6.59
2 Year	6.22	6.25	6.17	6.20
3 Year	6.06	6.08	6.01	6.12
5 Year	6.02	6.05	5.99	6.12

	11-May	10-May	3-May	13-Apr
Sensex	61,905	61,940	61,193	60,431
Nifty	18,297	18,315	18,090	17,828
USD/INR	82.09	81.99	81.82	81.85
Gold (USD)	2,036	2,030	2,039	2,040
Oil (USD)	76.19	76.41	72.33	86.09

NDF	11-May	10-May	3-May	13-Apr
3 Month	82.44	82.29	82.14	82.08
1 Year	83.83	83.62	83.52	83.47
2 Year	86.23	85.98	85.94	86.07
3 Year	89.07	88.78	88.84	89.37

Market Observations

G-sec

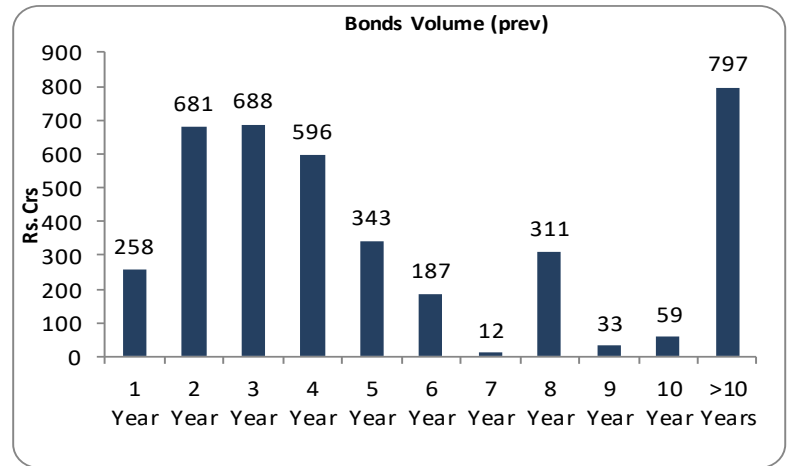
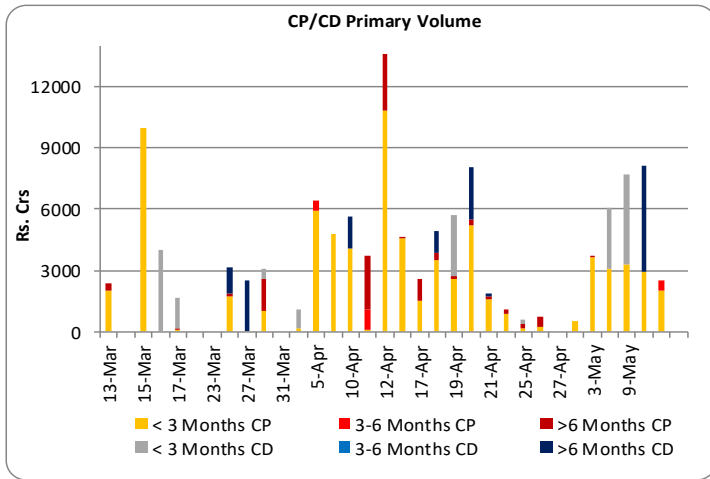
- Demand was seen in 3-month t-bill by MFs @6.92 level.
- Longer t-bill switch was reported between banks.
- Demand was seen for 2027 and 2028 maturity SDLs @7.25 to 7.28 levels by banks.

Corporate Bonds

- 2025 segment was the most active with Mutual funds being the active participants.
- Levels were flat from yesterday. Market participants are awaiting India CPI data.

CP/CD

- Demand was seen across all the segments.



10 Year Benchmarks	11-May	10-May	3-May	13-Apr
India	7.02	7.04	7.01	7.23
US	3.40	3.44	3.40	3.45
South Korea	3.29	3.34	3.33	3.27
Russia	10.67	10.66	10.61	10.54
Brazil	12.29	12.33	12.20	12.36
Germany	2.23	2.30	2.25	2.37
China	2.71	2.73	2.79	2.84

Top Traded Securities	Volume	11-May	10-May	3-May	13-Apr
5.74 2026	90	6.94	6.97	6.91	7.01
7.38 2027	-	6.97	6.98	6.93	7.05
7.10 2029	5	7.03	7.03	6.98	7.13
6.54 2032	-	7.09	7.11	7.07	7.25
7.26 2032	-	7.08	7.09	7.06	7.23
7.54 2036	10	7.14	7.14	7.12	7.36

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
9-May-23	5045	4658	386

EQUITY			
MF	Gross Purchase	Gross Sales	Net Investment
9-May-23	5336	5311	25

TOTAL (Rs.Crs)			
MF	Gross Purchase	Gross Sales	Net Investment
9-May-23	10380	9969	411

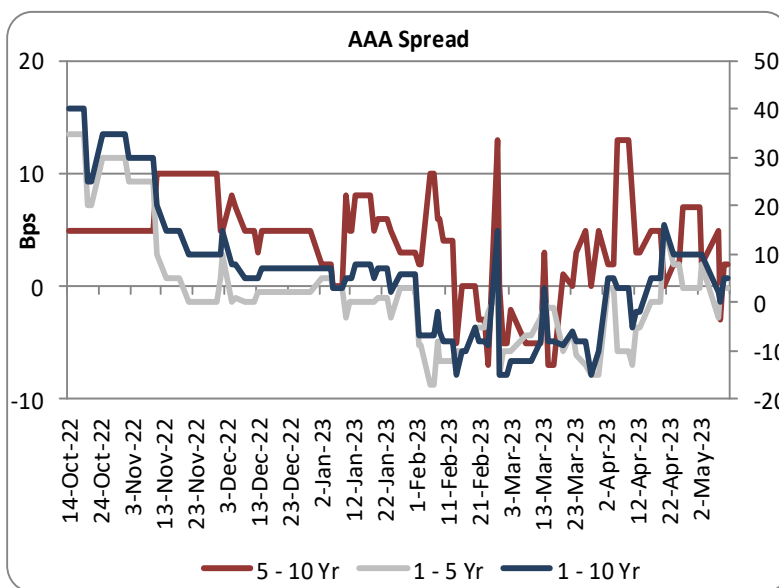
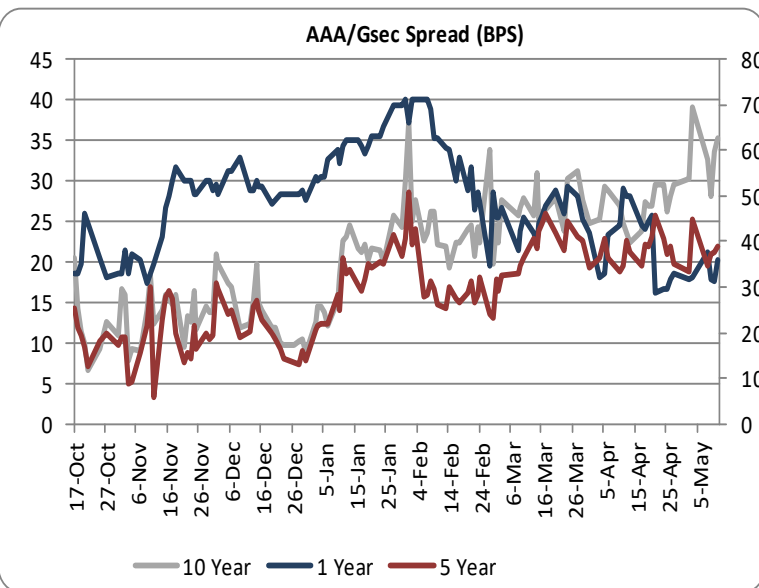
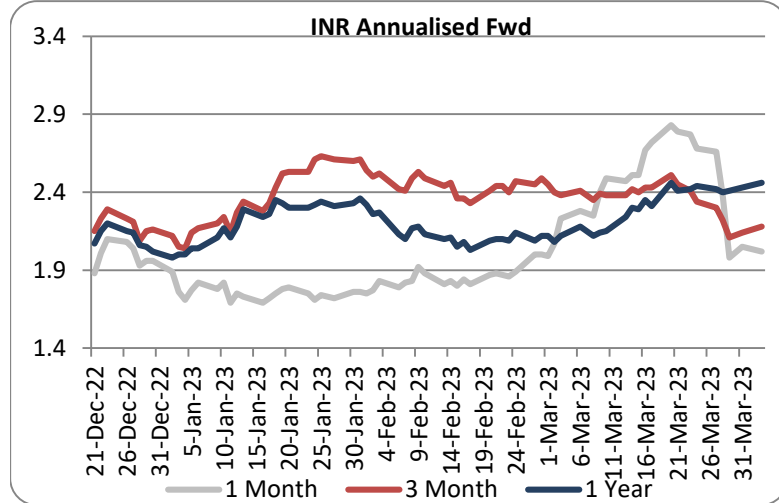
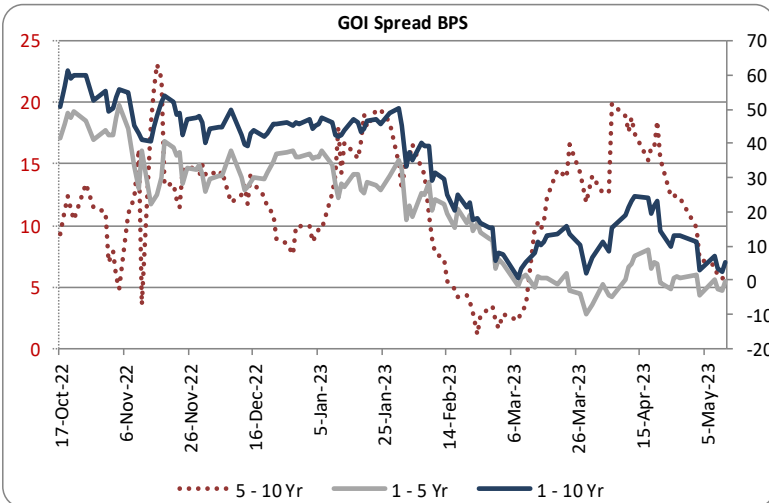
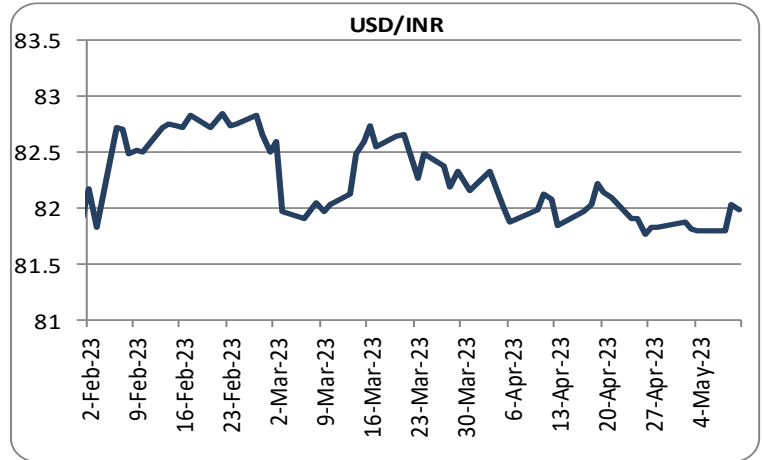
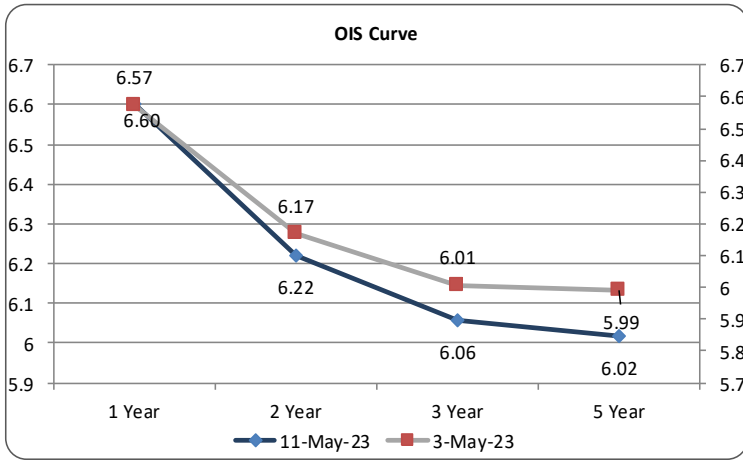
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
11-May-23	917	104	813

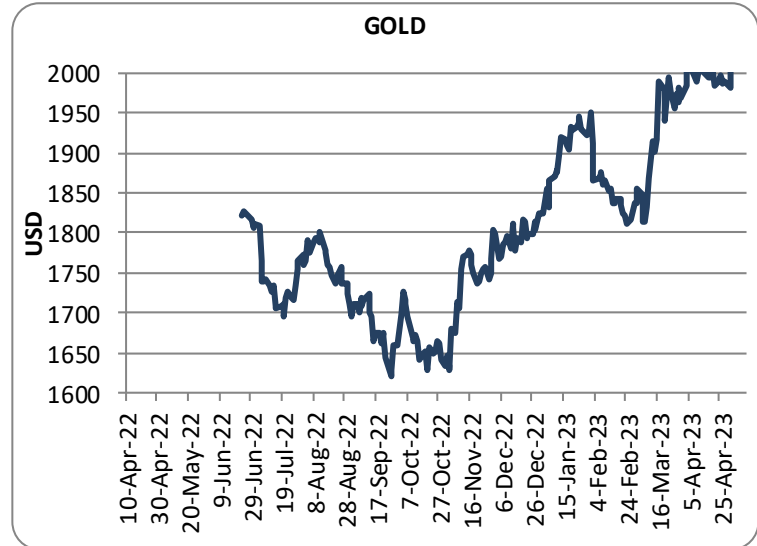
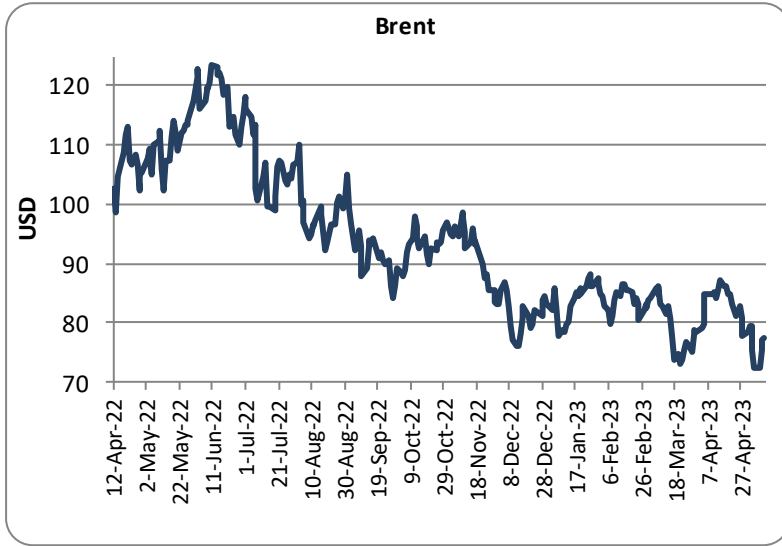
EQUITY			
FII	Gross Purchase	Gross Sales	Net Investment
11-May-23	8128	5832	2296

TOTAL (Rs. Crs)			
FII	Gross Purchase	Gross Sales	Net Investment
11-May-23	9044	5936	3108

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 (%)	Mar-23	1.3	3.9
CPI (%)	Mar-23	5.7	6.4
IIP (%)	Feb-23	5.6	5.2
PMI Manufacturing	Apr-23	57.2	56.4
PMI Service	Apr-23	62	57.8

Economic Calender	Country	Date	Poll	Prior
CPI	China	11-May-23	-	7.20
GDP	UK	12-May-23	0.20	0.60
CPI	India	12-May-23	4.80	5.66
WPI	India	15-May-23	(0.20)	1.34
Industrial Output	China	16-May-23	10.10	3.90
Exports	Japan	18-May-23	-	4.30
Unemployment Rate	Australia	18-May-23	3.50	3.50
CPI	UK	24-May-23	-	10.10





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

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