



Indian government bond yields ended lower on Wednesday, tracking a fall in their U.S. peers and oil prices, and as market participants took comfort from easing domestic core inflation. Investors also await the U.S. Federal Reserve's monetary policy decision and commentary on growth and inflation.

The benchmark 10-year bond yield ended at 7.2581%, after ending the previous session at 7.2745%.

U.S. Treasury yields edged lower on Tuesday after inflation data reinforced views that the Fed will hold rates steady when it announces its policy decision on Wednesday.

The U.S. core consumer price index (CPI) rose 0.3% in November after climbing 0.2% in the prior month.

India's November retail inflation rose at its fastest pace in three months due to higher food prices, strengthening expectations that the Reserve Bank of India (RBI) will not ease interest rates anytime soon.

Annual retail inflation rose to 5.55% from 4.87% in the previous month, but was below the 5.70% forecast by market participants. However, core inflation, which excludes volatile food and energy prices, was estimated at 4.05%-4.2% in November, compared to 4.20%-4.28% in October.

Oil prices extended losses on Wednesday, after falling more than 3% on Tuesday to six-month lows on oversupply and demand concerns.

The Indian rupee weakened 0.02% versus the U.S. dollar, and quoted at 83.40, as an uptick in the dollar index pressured the local unit ahead of the U.S. Federal Reserve's monetary policy decision later in the day.

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

Market Observations

G-sec

- T-bill cut off was 1 to 2 bps higher than market expectations in all the maturities.

-Size demand was seen in 2025 maturity SDLs @7.45 centric level by private banks.

Corporate Bonds

- Mutual funds were active on both sides in 2024-25 segment.

- Major activity was seen up to 3-year papers.

CP/CD

- Demand was seen in the 3-month segment.

GOI Yield	13-Dec	12-Dec	6-Dec	16-Nov
1 Year	7.185	7.140	7.190	7.095
5 Year	7.218	7.239	7.239	7.198
10 Year	7.258	7.275	7.253	7.236

AAA Bmk	13-Dec	12-Dec	6-Dec	16-Nov
1 Year	7.86	7.86	7.77	7.72
5 Year	7.80	7.80	7.81	7.77
10 Year	7.78	7.78	7.78	7.73

CD	13-Dec	12-Dec	6-Dec	16-Nov
3 Month	7.45	7.45	7.35	7.25
6 Month	7.75	7.75	7.65	7.50
1 Year	7.90	7.90	7.85	7.70

CP	13-Dec	12-Dec	6-Dec	16-Nov
3 Month	7.65	7.65	7.80	7.45
6 Month	8.00	8.00	8.00	7.70
1 Year	8.05	8.05	8.15	7.95

OIS Rate	13-Dec	12-Dec	6-Dec	16-Nov
1 Year	6.85	6.87	6.85	6.85
2 Year	6.53	6.57	6.54	6.53
3 Year	6.48	6.51	6.49	6.49
5 Year	6.44	6.48	6.45	6.45

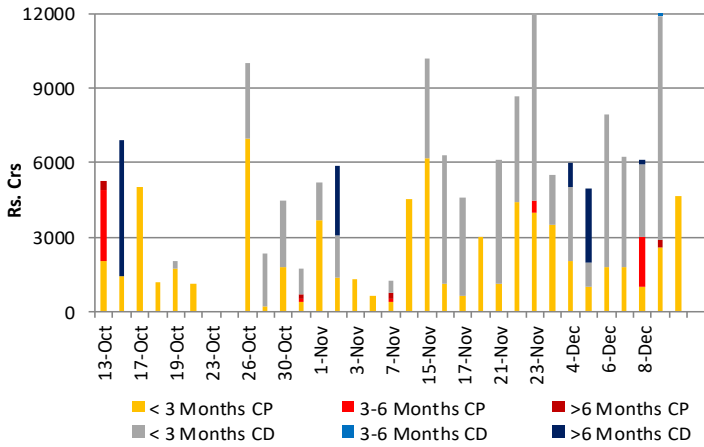
	13-Dec	12-Dec	6-Dec	16-Nov
Sensex	69,585	69,551	69,654	65,982
Nifty	20,926	20,906	20,938	19,765
USD/INR	83.40	83.39	83.33	83.23
Gold (USD)	1,982	1,979	2,025	1,981
Oil (USD)	73.23	73.24	74.30	77.42

10 Year Benchmarks	13-Dec	12-Dec	6-Dec	16-Nov
India	7.26	7.28	7.25	7.23
US	4.19	4.21	4.12	4.45
South Korea	3.52	3.53	3.52	3.81
Russia	12.66	12.63	12.42	12.02
Brazil	10.91	10.91	10.91	11.17
Germany	2.19	2.23	2.21	2.59
China	2.66	2.66	2.69	2.66

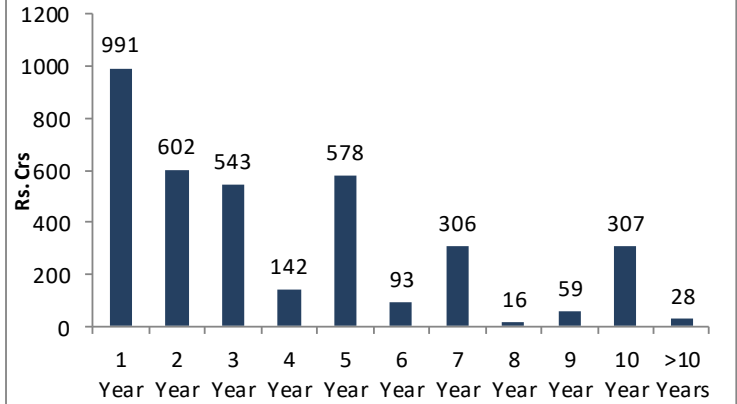
NDF	13-Dec	12-Dec	6-Dec	16-Nov
3 Month	83.65	83.62	83.55	83.39
1 Year	84.85	84.81	84.74	84.51
2 Year	87.24	87.09	87.10	86.59
3 Year	90.10	89.89	89.95	88.99



CP/CD Primary Volume



Bonds Volume (prev.)



10 Year Benchmarks	13-Dec	12-Dec	6-Dec	16-Nov
India	7.26	7.28	7.25	7.23
US	4.19	4.21	4.12	4.45
South Korea	3.52	3.53	3.52	3.81
Russia	12.66	12.63	12.42	12.02
Brazil	10.91	10.91	10.91	11.17
Germany	2.19	2.23	2.21	2.59
China	2.66	2.66	2.69	2.66

Top Traded Securities	Volume	16-Nov	15-Nov	9-Nov	18-Oct
7.26 2033	1,060	#N/A	#N/A	#N/A	#N/A
7.06 2028	600	#N/A	#N/A	#N/A	#N/A
7.62 2039	-	7.30	7.29	7.36	7.42
7.30 2053	250	#N/A	#N/A	7.35	7.43
6.64 2035	80	7.33	7.33	7.39	7.44
7.40 2035	440	7.35	7.33	7.35	7.44

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
8-Dec-23	6782	6209	573

	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
8-Dec-23	6745	5494	1251

	TOTAL (Rs.Crs)		
	Gross Purchase	Gross Sales	Net Investment
8-Dec-23	13527	11702	1825

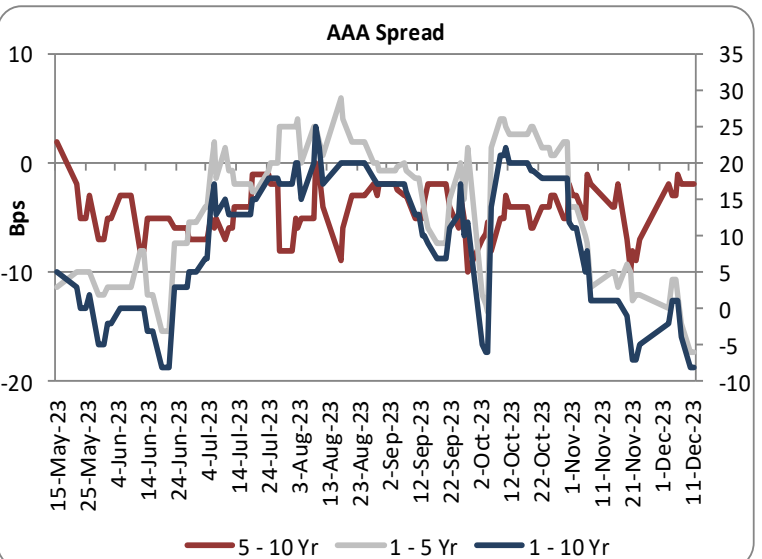
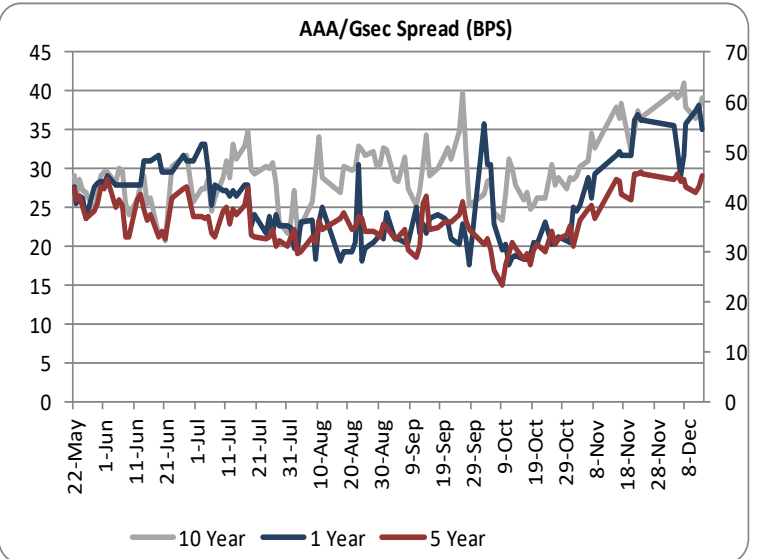
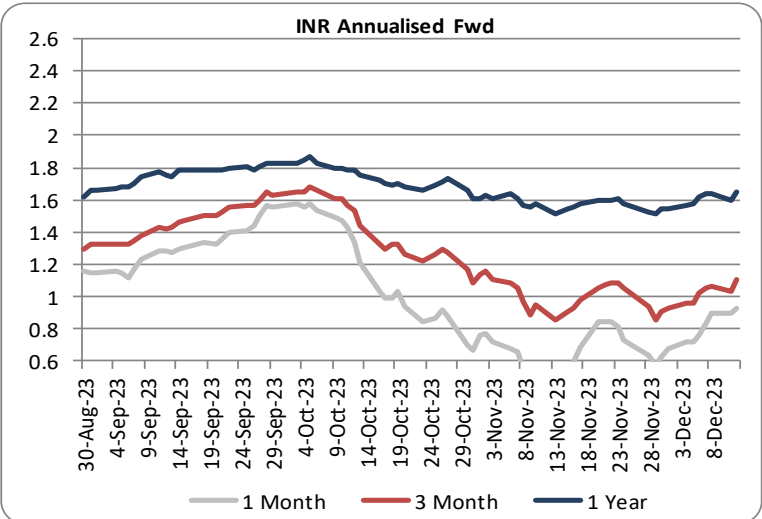
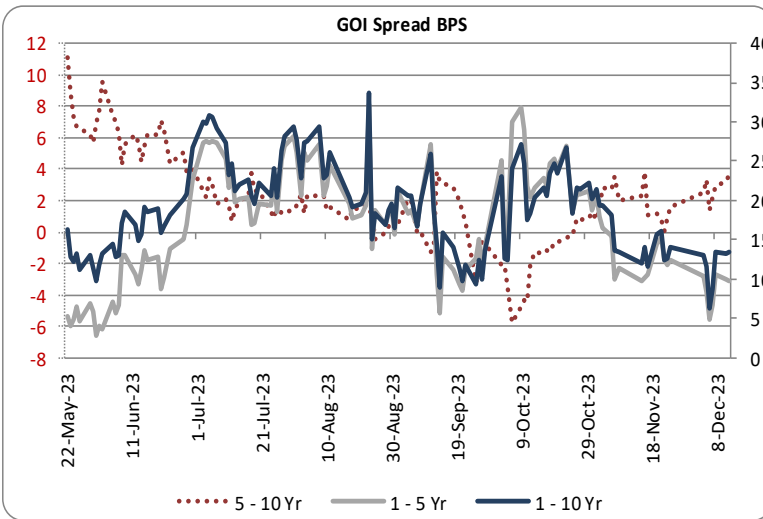
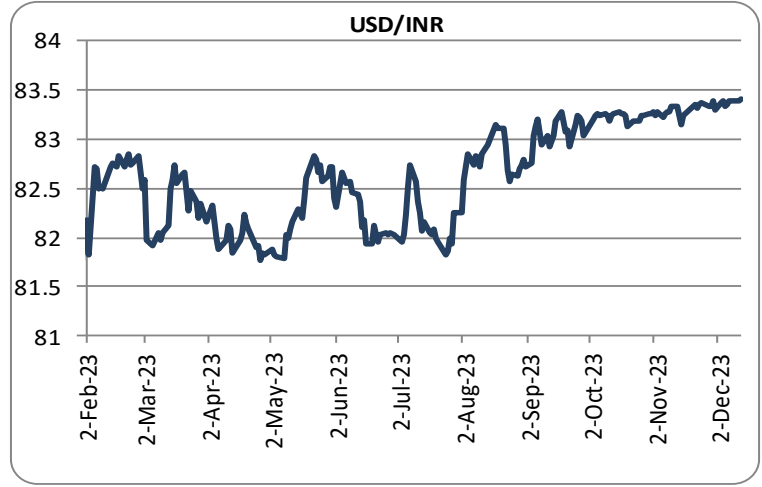
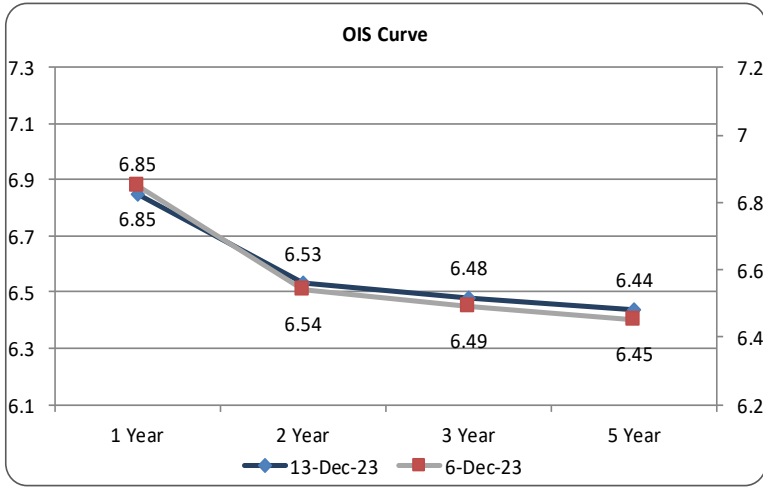
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
13-Dec-23	1495	874	622

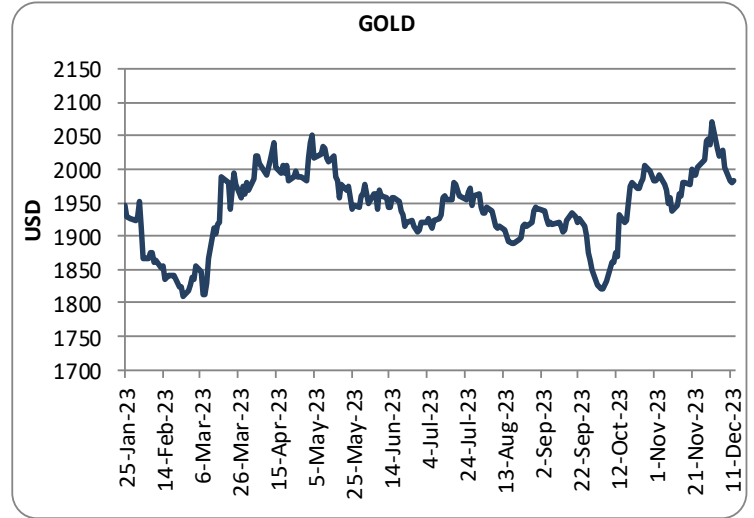
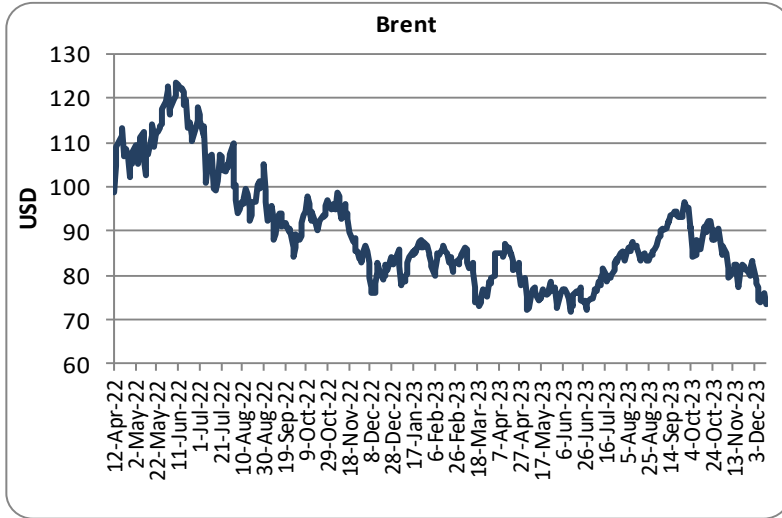
	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
13-Dec-23	17039	14451	2588

	TOTAL (Rs. Crs)		
	Gross Purchase	Gross Sales	Net Investment
13-Dec-23	18535	15325	3210

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-23	7.6	7.8
CAD (\$ Bn)	Jun-23	-9.2	-1.3
Trade Deficit (\$ Bn)	Jun-23	-56.6	-52.6
WPI (%)	Oct-23	-0.5	-0.3
CPI (%)	Nov-23	5.6	4.9
IIP (%)	Oct-23	11.7	5.8
PMI Manufacturing	Nov-23	56	55.5
PMI Service	Nov-23	56.9	58.4

Economic Calender	Country	Date	Poll	Prior
CPI	Japan	5-Dec-23	3.7	3.8
Retail Sales	Euro Zone	06-Dec-23	(0.90)	(2.90)
Industrial Production	Germany	07-Dec-23	-	(3.86)
Repo Rate	India	08-Dec-23	6.50	6.50
Unemployment Rate	USA	08-Dec-23	3.90	3.90
Unemployment Rate	UK	12-Dec-23	-	4.20
CPI	India	12-Dec-23	-	4.87
Industrial Output	India	12-Dec-23	-	5.80





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

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