



INDIA

Indian government bond yields ended marginally higher on Wednesday, tracking the rise in their U.S. counterparts after hotter-than-expected inflation data in the world's largest economy.

The benchmark 10-year yield ended at 7.0405%, following its previous close of 7.0274%.

U.S. yields rose, with the 10-year yield around 4.15%, after data showed U.S. consumer prices increased in February, topping analyst forecasts and indicating price pressures could remain sticky.

Although the CPI rose 0.4% in February, in line with forecasts, the 3.2% year-on-year gain came in just ahead of an expected 3.1% increase.

Following the data, investors further reduced the odds of the Federal Reserve lowering interest rates in May -- with some also raising doubts over a move in June -- and await the central bank's policy decision next week for fresh cues on the outlook for rate cuts.

Locally, India's retail inflation for February was at 5.09% in February, slightly ahead of expectations but largely unchanged from January.

Government bonds continue to find strong support as foreign inflows persists. Foreign investors have bought bonds of over 835 billion rupees (about \$10 billion) on a net basis since the announcement of index inclusion in September.

The Indian rupee weakened 0.12% versus the U.S. dollar, and quoted at 82.84 per dollar, pressured by foreign outflows and weakness in regional peers following hotter-than-expected inflation data in the U.S.

Repo: The weighted average call rates in the interbank segment decreased to 6.49% vs 6.51% as on the previous day while that the TREP segment decreased to 6.31% vs 6.46% as on the previous day.

GOI Yield	13-Mar	12-Mar	6-Mar	14-Feb
1 Year	7.100	7.080	7.080	7.130
5 Year	7.052	7.030	7.050	7.093
10 Year	7.041	7.027	7.055	7.111

AAA Bmk	13-Mar	12-Mar	6-Mar	14-Feb
1 Year	7.80	7.83	7.85	8.00
5 Year	7.58	7.57	7.60	7.70
10 Year	7.53	7.55	7.55	7.63

CD	13-Mar	12-Mar	6-Mar	14-Feb
3 Month	7.62	7.62	7.65	7.85
6 Month	6.65	7.70	7.70	7.90
1 Year	7.65	7.65	7.75	7.90

CP	13-Mar	12-Mar	6-Mar	14-Feb
3 Month	7.80	7.80	7.80	8.00
6 Month	7.85	7.85	7.85	8.00
1 Year	7.85	7.85	7.90	8.00

OIS Rate	13-Mar	12-Mar	6-Mar	14-Feb
1 Year	6.72	6.71	6.72	6.75
2 Year	6.39	6.37	6.41	6.45
3 Year	6.35	6.32	6.36	6.41
5 Year	6.28	6.27	6.32	6.39

	13-Mar	12-Mar	6-Mar	14-Feb
Sensex	72,762	73,668	74,086	71,823
Nifty	21,998	22,336	22,474	21,840
USD/INR	82.86	82.77	82.82	83.03
Gold (USD)	2,163	2,158	2,148	1,992
Oil (USD)	83.04	81.92	82.96	81.60

NDF	13-Mar	12-Mar	6-Mar	14-Feb
3 Month	83.04	82.84	82.92	83.32
1 Year	84.19	84.14	84.17	84.48
2 Year	86.43	86.30	86.33	86.65
3 Year	89.10	88.95	88.78	89.30

**Market Observations**

**G-sec**

- T-bill cut off was in line with market expectations. Demand was seen in 3-month t-bill by Mutual funds at 6.86 centric levels.
- Demand was seen in 2026 G-sec by foreign banks @7.03 levels. Major sellers were private banks.
- Demand was seen in 10 to 12 year SDLs @7.3650 levels.

**Corporate Bonds**

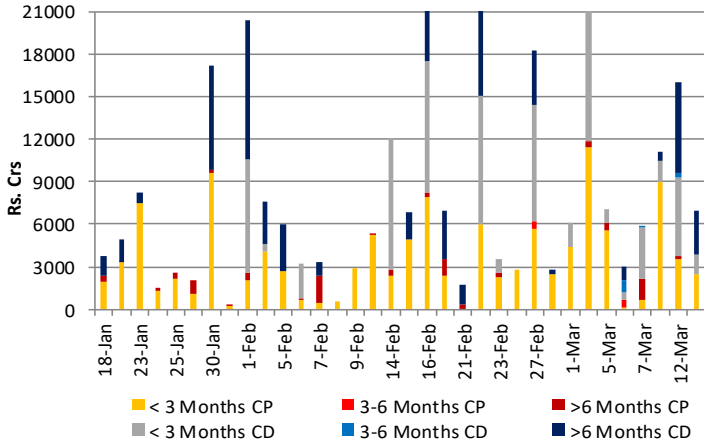
- Major activity was seen in 2025-2026 segment.
- Mutual funds were active on both sides.

**CP/CD**

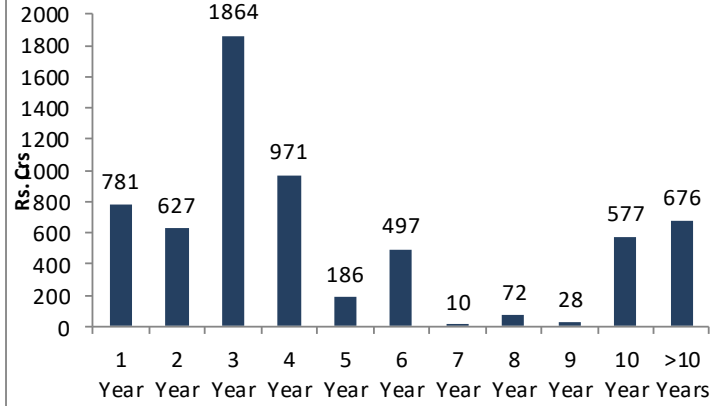
- Major activity was seen in the 3-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	13-Mar	12-Mar	6-Mar	14-Feb
India	7.04	7.03	7.05	7.11
US	4.17	4.16	4.10	4.27
South Korea	3.34	3.34	3.38	3.51
Russia	13.34	13.30	13.19	12.50
Brazil	10.72	10.72	10.65	10.79
Germany	2.33	2.33	2.33	2.35
China	2.34	2.36	2.28	2.46

Top Traded Securities	Volume	5-Mar	4-Mar	27-Feb	5-Feb
7.26 2033	125	7.09	7.10	7.10	7.12
7.06 2028	555	7.07	7.08	7.07	7.04
7.62 2039	-	7.10	7.10	7.10	7.11
7.30 2053	840	7.12	7.12	7.16	7.16
6.64 2035	45	7.13	7.11	7.12	7.13
7.40 2035	760	7.14	7.11	7.12	7.10

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
11-Mar-24	8179	6167	2012

EQUITY	Gross Purchase	Gross Sales	Net Investment
	8083	13557	-5474

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
16262	19724	-3462

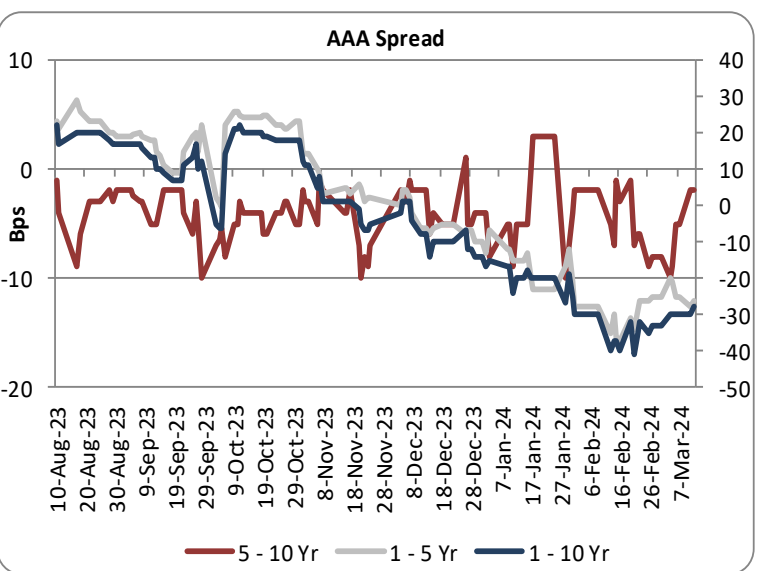
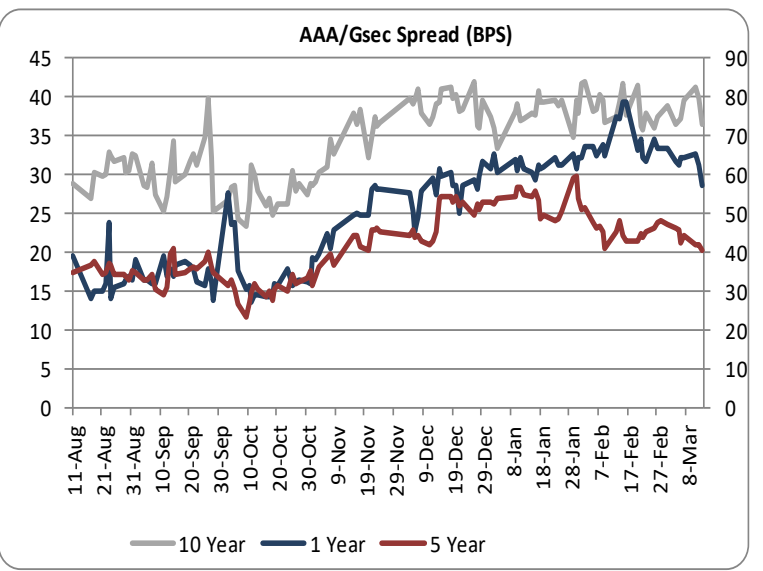
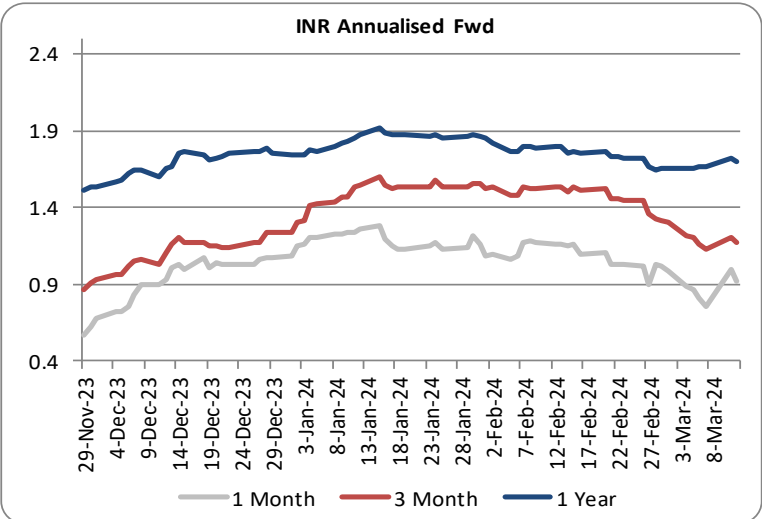
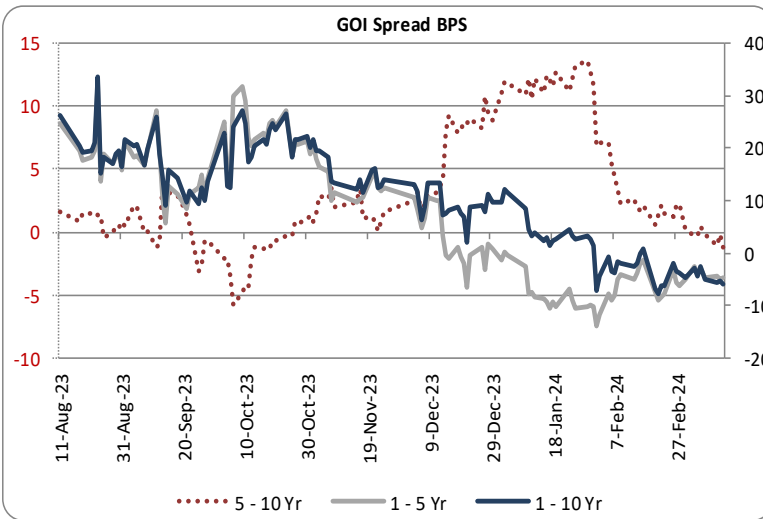
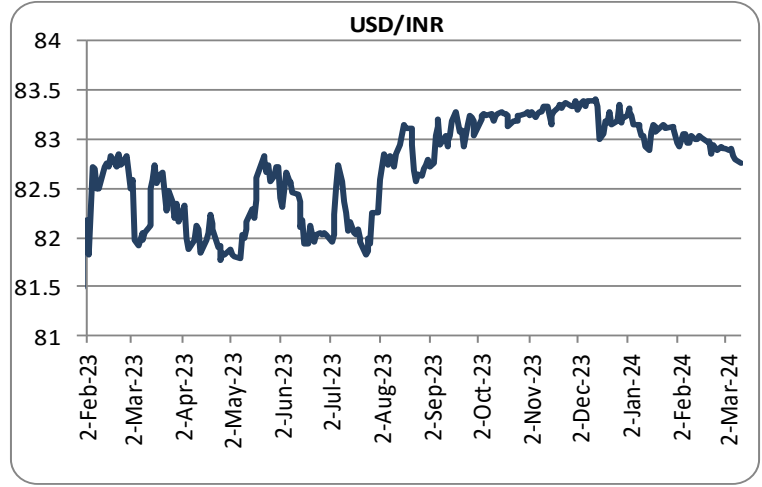
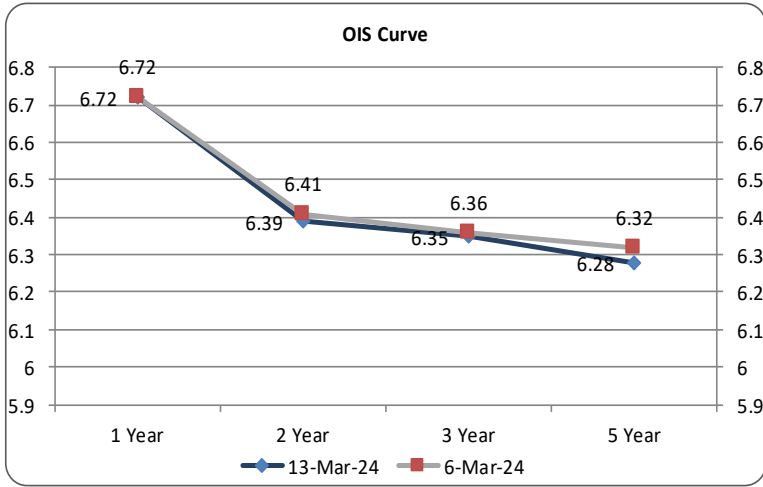
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
13-Mar-24	4115	1638	2477

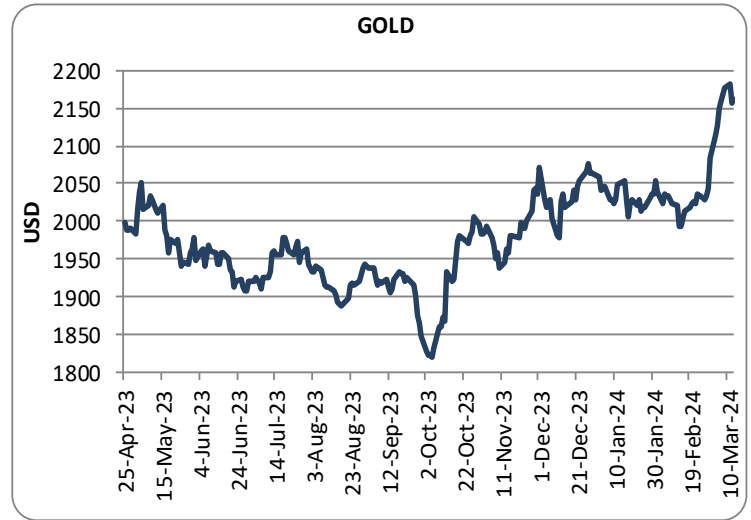
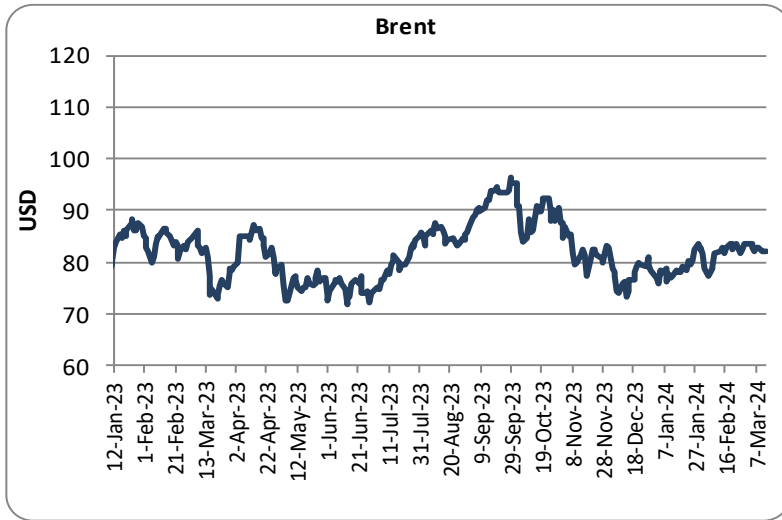
EQUITY	Gross Purchase	Gross Sales	Net Investment
	15246	15362	-116

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
19361	16999	2361

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-23	8.4	8.1
CAD (\$ Bn)	Sep-23	-8.3	-9.2
Trade Deficit (\$ Bn)	Sep-23	-61.0	-56.6
WPI (%)	Jan-24	0.3	0.7
CPI (%)	Feb-24	5.1	5.1
IIP (%)	Jan-24	3.8	4.2
PMI Manufacturing	Feb-24	56.9	56.5
PMI Service	Feb-24	60.6	61.8

Economic Calender	Country	Date	Poll	Prior
CPI	Germany	12-Mar-24	0	2.5
CPI	India	12-Mar-24	5.02	5.10
CPI	USA	12-Mar-24	3.10	3.10
Industrial Output	UK	13-Mar-24	0.70	0.60
WPI	India	14-Mar-24	0.25	0.27
CPI	Euro Zone	18-Mar-24	-	2.60
Cash Rate	Australia	19-Mar-24	-	4.35
CPI	Canada	19-Mar-24	-	2.90





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

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