



INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 settled at 99.08 rupees, yielding 6.67%, lowest since Jan. 25, versus 98.86 rupees, and a yield of 6.70% on Friday. The benchmark note had hit an intraday low of 98.68 rupees earlier, yielding 6.72%, following a surge in crude oil prices on rising geopolitical tensions between Russia and Ukraine. Retail inflation rate accelerated to 6.01% in January from a year earlier and quickened for the fourth straight month, today government data showed vs previously 5.59%.
- ❖ Reserve Bank of India Governor Shaktikanta Das said that inclusion of Indian bonds in global indices is a work in progress and the nation is moving towards it, while the central bank is internally working on the government's borrowing programme for the next financial year, and would deal with it when the time comes.
- ❖ Bond market participants also expect the Govt. to cancel its debt auction, scheduled for this week. The government is due to sell bonds totalling 240 billion rupees this week and 230 billion rupees next week. The government has cancelled bond auctions worth 540 billion rupees so far this fiscal.
- ❖ Earlier today, bond yields had moved higher as the benchmark crude contract surged to its highest level since October 2014 amid heightened risks of military action by Russia in Ukraine, threatening disruption in global fuel supplies. Brent crude was trading 3% higher at \$94.05 per barrel, after touching the day's peak of \$96.16.
- ❖ The Indian rupee ended at a near-two-month low against the dollar, logging a fifth consecutive daily drop, as mounting geopolitical tensions between Russia and Ukraine triggered losses in regional equities and sent crude oil prices to multi-year highs. The rupee ended at 75.61 per dollar, its lowest since Dec. 20, compared with 75.38 on Friday.
- ❖ Repo: The weighted average call rates in the interbank segment decreased to 3.27% vs 3.28% as on previous day while that in the TREP segment increased to 3.37% vs 3.28% as on previous day.

Market Observations

G-sec

- Bond yields slipped for the sixth consecutive session, as the central bank governor's comments on borrowing and index inclusion aided sentiment, even as traders awaited domestic headline inflation data
- Higher demand seen in 2025 to 2027 maturity.

Corporate Bonds

- The 1-5-year segment witnessed most activity.
- Mutual Funds were the most active participants.

CP

- Demand was seen in the 3month segment.

CD

- Secondary CD activity was seen in the shorter end of the curve. Spread between India's one-year and five-year overnight indexed swap rate widens in last few sessions, as central bank's surprisingly dovish policy led to receiving in shorter-end. Rising U.S. Treasury yields and oil prices may limit any major fall in five-year OIS.

GOI Yield	14-Feb	11-Feb	8-Feb	14-Jan
1 Year	4.440	4.450	4.620	4.360
5 Year	5.855	5.877	6.123	5.970
10 Year	6.668	6.714	6.832	6.582

AAA Brnk	14-Feb	11-Feb	8-Feb	14-Jan
1 Year	4.85	4.90	5.00	4.75
5 Year	6.10	6.28	6.34	6.25
10 Year	7.05	7.10	7.19	7.00

CD	14-Feb	11-Feb	8-Feb	14-Jan
3 Month	3.80	3.83	4.02	3.80
6 Month	3.90	3.99	4.25	4.00
1 Year	4.75	4.76	4.90	4.55

CP	14-Feb	11-Feb	8-Feb	14-Jan
3 Month	3.85	3.90	4.10	4.07
6 Month	4.25	4.35	4.55	4.67
1 Year	4.85	4.83	5.05	5.08

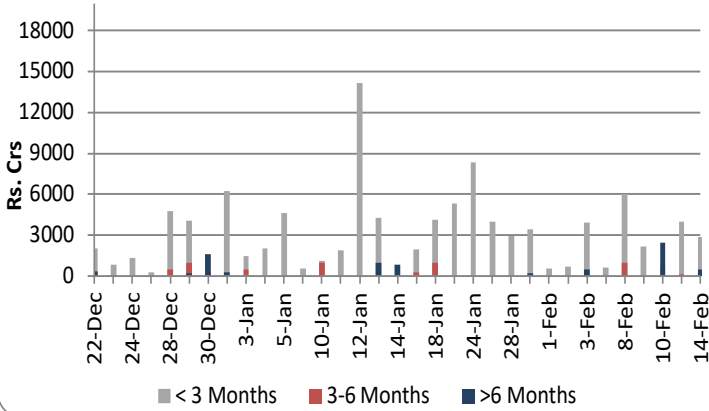
OIS Rate	14-Feb	11-Feb	8-Feb	14-Jan
1 Year	4.31	4.35	4.56	4.34
2 Year	4.82	4.89	5.13	4.85
3 Year	5.24	5.28	5.47	5.22
5 Year	5.66	5.73	5.86	5.55

	14-Feb	11-Feb	8-Feb	14-Jan
Sensex	56,406	58,153	57,809	61,223
Nifty	16,843	17,375	17,267	18,256
USD/INR	75.61	75.38	74.75	74.15
Gold (USD)	1,855	1,860	1,825	1,817
Oil (USD)	94.53	94.44	90.78	86.06

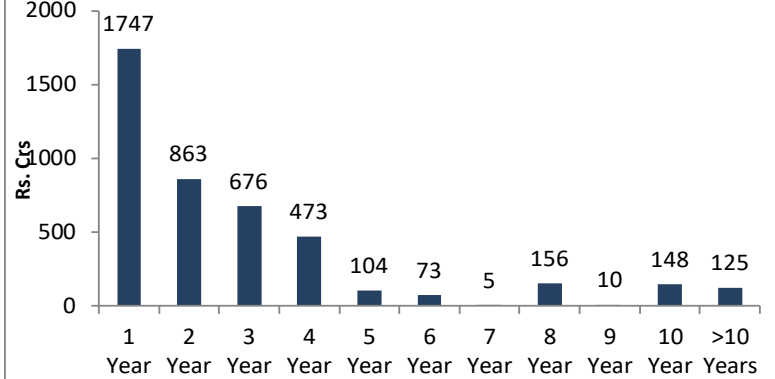
NDF	14-Feb	11-Feb	8-Feb	14-Jan
3 Month	76.38	76.18	75.52	75.02
1 Year	78.47	78.23	77.93	77.64
2 Year	82.59	82.25	81.37	81.17
3 Year	84.67	84.84	84.99	84.95



CP Primary Volume



Bonds Volume



10 Year Benchmarks	14-Feb	11-Feb	8-Feb	14-Jan
India	6.67	6.70	6.81	6.58
US	1.93	1.92	1.97	1.79
South Korea	2.71	2.75	2.73	2.45
Russia	10.12	9.77	9.37	9.29
Brazil	11.26	11.26	11.30	11.27
Germany	0.23	0.29	0.26	-0.05
China	2.80	2.79	2.72	2.80

Top Traded Securities	Volume	14-Feb	11-Feb	8-Feb	14-Jan
5.15 GOI 2025	5585	5.62	5.66	5.90	5.74
5.63 GOI 2026	955	5.76	5.77	6.00	5.88
5.74 GOI 2026	14245	5.85	5.88	6.12	5.97
6.10 GOI 2031	440	6.68	6.71	6.83	6.58
6.64 GOI 2035	0	7.00	7.06	7.19	7.02
6.67 GOI 2035	0	6.99	7.03	7.17	7.03

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
8-Feb-22	2902	2233	669

EQUITY		
Gross Purchase	Gross Sales	Net Investment
1898	973	925

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
4801	3206	1594

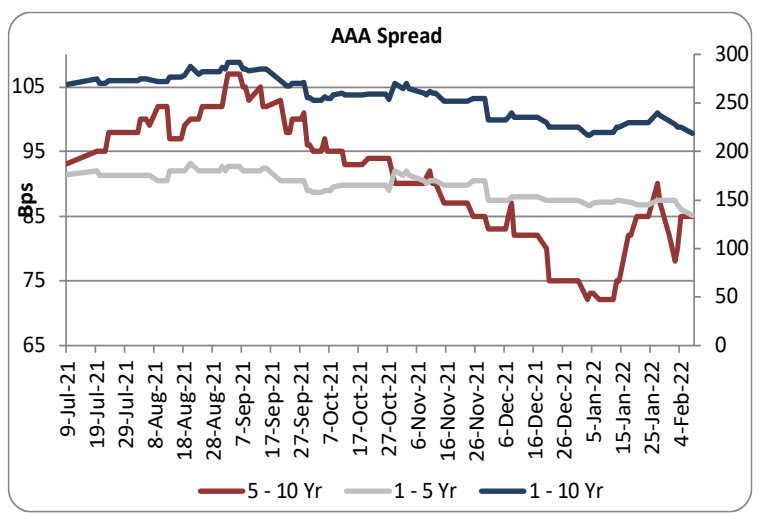
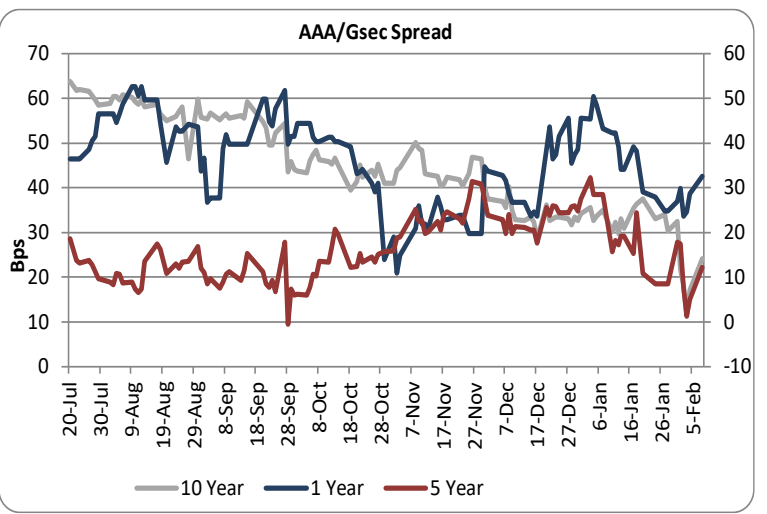
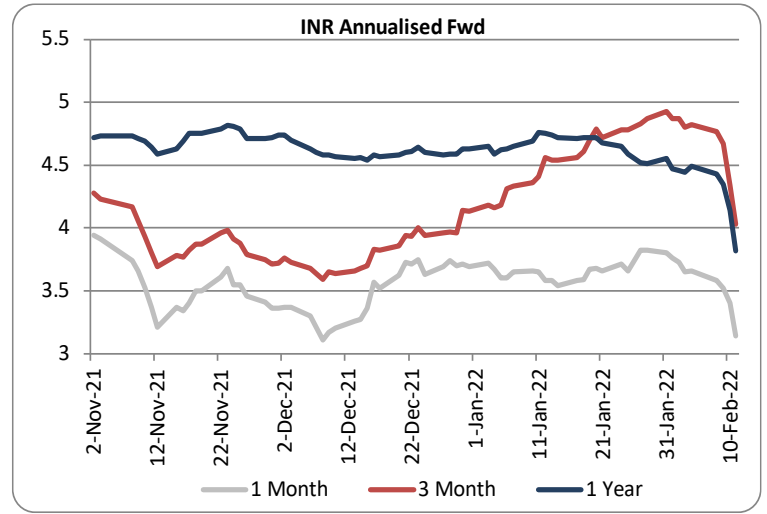
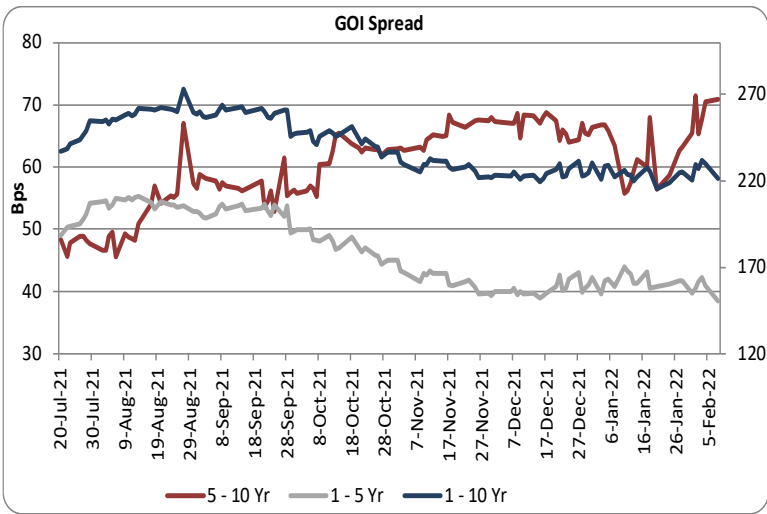
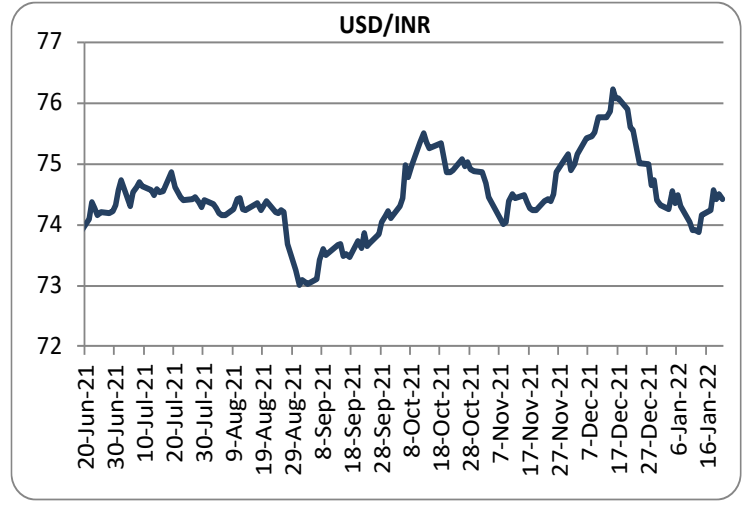
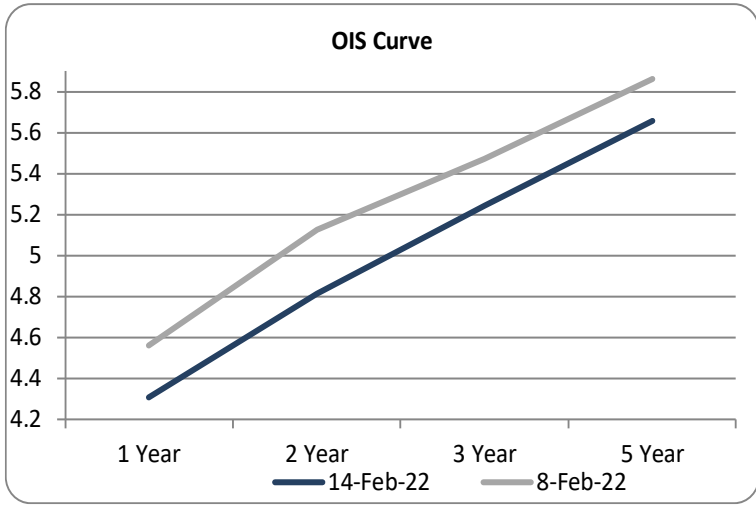
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
14-Feb-22	339	394	-55

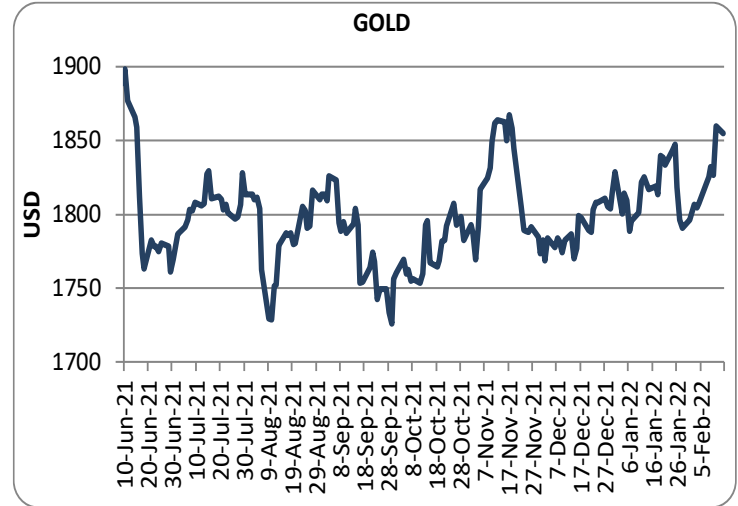
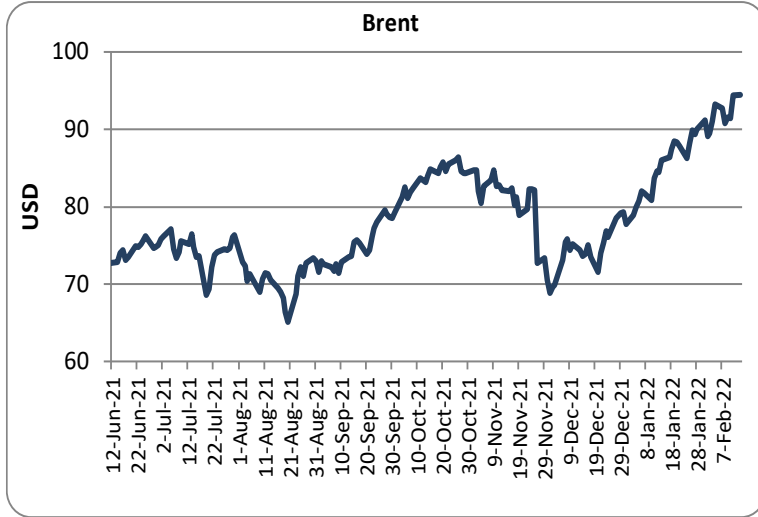
EQUITY		
Gross Purchase	Gross Sales	Net Investment
9630	9278	351

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
9969	9673	296

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-21	8.4	20.1
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Jan-22	13.0	13.6
CPI (%)	Dec-21	5.6	4.9
IIP (%)	Dec-21	0.4	1.4
PMI Manufacturing	Jan-22	54	55.5
PMI Service	Jan-22	51.5	55.5

Economic Calendar	Country	Date	Poll	Prior
Reverse Repo	India	10-Feb-22	3.55	3.35
Repo Rate	India	10-Feb-22	4.00	4.00
CRR	India	10-Feb-22	4.00	4.00
CPI	USA	10-Feb-22	7.30	7.00
Industrial Output	India	11-Feb-22	-	1.40
CPI	India	14-Feb-22	-	5.59
Unemployment Rate	UK	15-Feb-22	-	4.10
CPI	UK	16-Feb-22	-	5.40





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

LKP SECURITIES LTD., 203, Embassy Centre, Nariman Point, Mumbai- 400021

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true and is for general guidance only. While every effort is made to ensure the accuracy and completeness of information contained, the company makes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand or cause of action. Nothing contained in this publication shall constitute an offer to sell/purchase or an invitation/ solicitation to do so for any Government Security, Currency, Security, and Equity. LKP Securities Ltd. accepts no liability whatsoever for any loss, howsoever arising, from any use of this document, its contents or otherwise arising in connection therewith. For any queries contact - LKP Securities Ltd. Ph: (91-22) 66306555 Fax: (91-22) 2284 2415 E Mail: FixedIncomeResearch@lkpsec.com

Visit our website - <http://www.lkpsec.com/>