



INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 98.00 rupees, yielding 6.82%, against 97.77 rupees and a yield of 6.85% yesterday.
- ❖ Oil prices dropped as Russian and Ukrainian delegations held a fourth round of talks yesterday on a ceasefire, immediate withdrawal of troops, and security guarantees despite the fatal shelling of a residential building in Kyiv. Oil also came under pressure after fresh cases of coronavirus and a pandemic-linked travel ban in China led to concerns on demand for the commodity from the world's second-largest consumer.
- ❖ The benchmark Brent crude oil contract extended yesterday's 5.1% drop and was last trading 6.1% lower at \$100.30 per barrel. The contract is now down 28% from the 14-year high of more than \$139 per barrel hit last week.
- ❖ Meanwhile, the 10-year U.S. Treasury yield briefly rose to a near-three-year high of 2.17% ahead of an expected rate increase from the Federal Reserve on Wednesday. This would be the Fed's first-rate hike in three years to combat inflationary pressures. The 10-year yield was last trading at 2.10%.
- ❖ The Indian rupee reversed gains to end lower on a surge in dollar buying by domestic refiners amid reports of disruption in a key Russian west-bound gas supply route, which raised risks of global crude prices rebounding. The rupee was at 76.61 a dollar as of 3:30 p.m., compared with 76.56 yesterday. The local currency touched an early peak of 76.32, but shed the gains on a jump in dollar demand by local crude refiners.
- ❖ Repo: The weighted average call rates in the interbank segment decreased to 3.24% vs 3.25% as on previous day while that in the TREP segment increased to 3.27 vs 3.22% as on previous day.

Market Observations

G-sec

- Bond yields eased despite an uptick in February inflation as a further retreat in crude oil prices comforted investors.
- Spread between the liquid four-year 5.63% 2026 and benchmark 6.5% 2032 bond yields jumps above 80 basis points, as some investors stay bullish on shorter tenor amid bets policy will stay easy. The spread is expected to widen, given that the shorter end rallies if the Fed commentary indicates extreme hawkishness even though the rate hike (0.25%) is already factored in.

Corporate Bonds

- Market traction was mainly seen in shorter tenor papers (1-3- year segment) by Banks, Corporates and Mutual Funds. Pensions, postal had specific requirements in the longer tenor papers.

CP/CD

- Demand was witnessed across all segments in CPs as well as CDs.
- Liquidity surplus moderated last week amidst CRR product build-up, FX actions by RBI (Sell/Buy swap along with estimated US\$2-3bn of spot intervention to curb INR depreciation), excise duty outflows and limited government spending.

GOI Yield	15-Mar	14-Mar	7-Mar	15-Feb
1 Year	4.600	4.610	4.620	4.430
5 Year	6.002	6.060	6.209	5.884
10 Year	6.821	6.854	6.913	6.673

AAA Brnk	15-Mar	14-Mar	7-Mar	15-Feb
1 Year	5.05	5.10	5.10	4.85
5 Year	6.45	6.45	6.50	6.12
10 Year	7.10	7.12	7.15	7.05

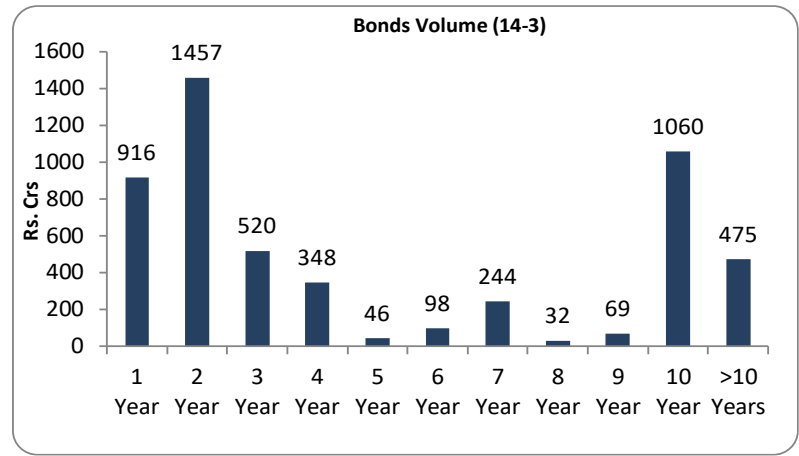
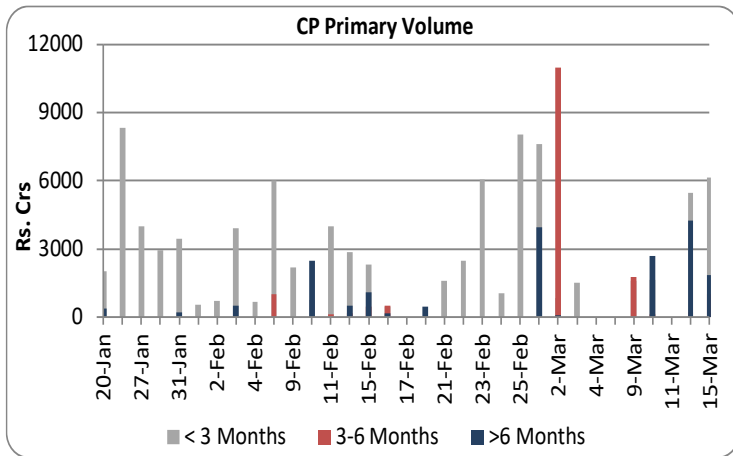
CD	15-Mar	14-Mar	7-Mar	15-Feb
3 Month	4.00	4.00	4.05	3.75
6 Month	4.52	4.52	4.56	3.85
1 Year	4.94	4.94	4.96	4.70

CP	15-Mar	14-Mar	7-Mar	15-Feb
3 Month	4.15	4.15	4.20	3.80
6 Month	4.72	4.72	4.77	4.20
1 Year	5.20	5.20	5.25	4.80

OIS Rate	15-Mar	14-Mar	7-Mar	15-Feb
1 Year	4.48	4.52	4.50	4.30
2 Year	5.07	5.13	5.08	4.82
3 Year	5.49	5.54	5.50	5.22
5 Year	5.95	5.96	5.90	5.64

	15-Mar	14-Mar	7-Mar	15-Feb
Sensex	55,777	56,486	52,843	58,142
Nifty	16,663	16,871	15,863	17,352
USD/INR	76.61	76.56	76.96	75.33
Gold (USD)	1,926	1,951	1,998	1,853
Oil (USD)	99.27	106.90	123.21	93.28

NDF	15-Mar	14-Mar	7-Mar	15-Feb
3 Month	77.34	77.41	77.69	75.92
1 Year	79.54	79.64	80.31	78.07
2 Year	81.70	82.85	83.77	81.08
3 Year	84.84	86.26	87.54	84.63



10 Year Benchmarks	15-Mar	14-Mar	7-Mar	15-Feb
India	6.82	6.85	6.89	6.67
US	2.12	2.14	1.78	2.04
South Korea	2.76	2.74	2.71	2.71
Russia	12.46	12.46	12.46	9.74
Brazil	12.39	12.39	11.86	11.28
Germany	0.35	0.37	-0.01	0.31
China	2.82	2.78	2.84	2.80

Top Traded Securities	Volume	15-Mar	14-Mar	7-Mar	15-Feb
5.15 GOI 2025	1060	5.84	5.90	5.93	5.67
5.63 GOI 2026	90	6.00	6.06	6.13	5.79
5.74 GOI 2026	3120	6.11	6.15	6.21	5.88
6.10 GOI 2031	105	6.87	6.89	6.92	6.70
6.64 GOI 2035	0	7.15	7.18	7.22	7.03
6.67 GOI 2035	205	7.14	7.17	7.20	7.01

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
14-Mar-22	2524	2632	-108

EQUITY		
	Gross Purchase	Net Investment
14-Mar-22	1735	1619

TOTAL (Rs. Crs)		
	Gross Purchase	Net Investment
14-Mar-22	4259	4251

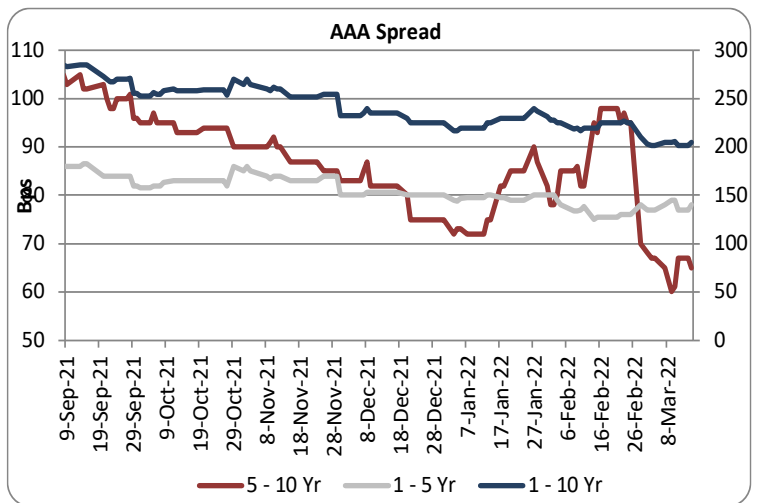
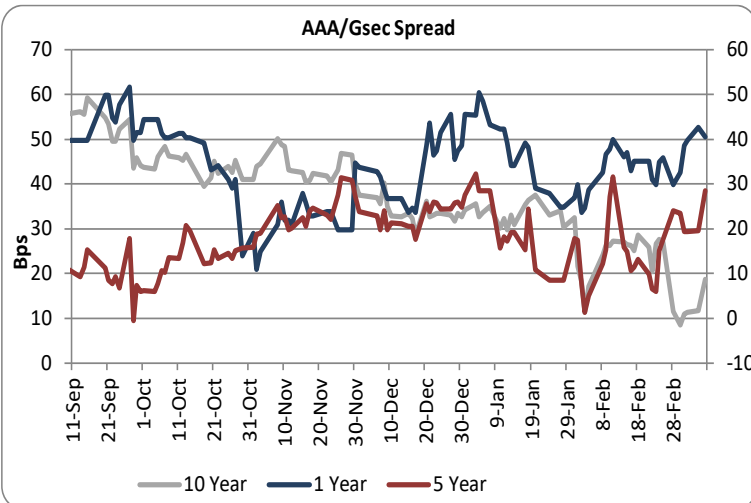
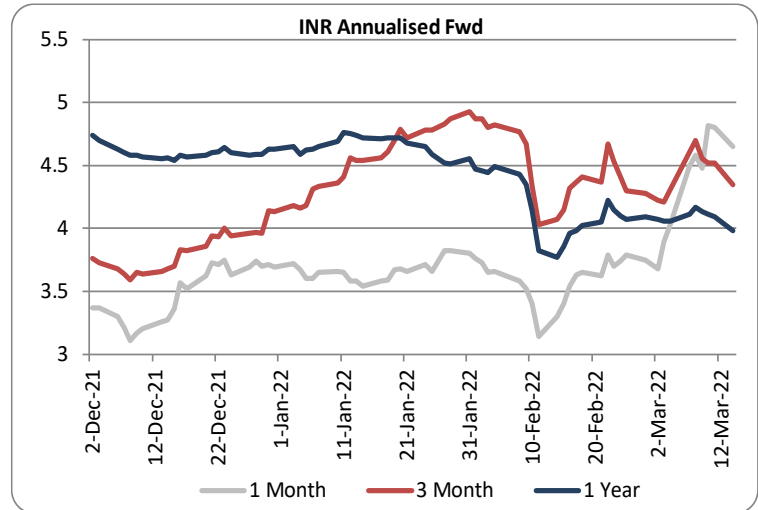
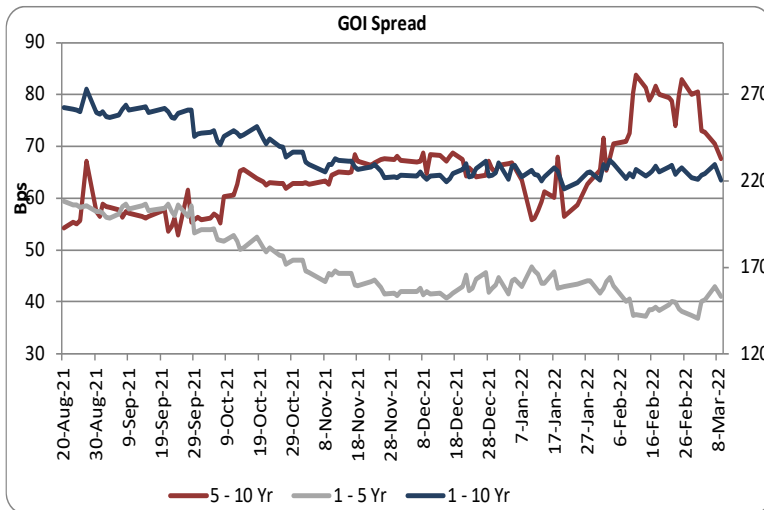
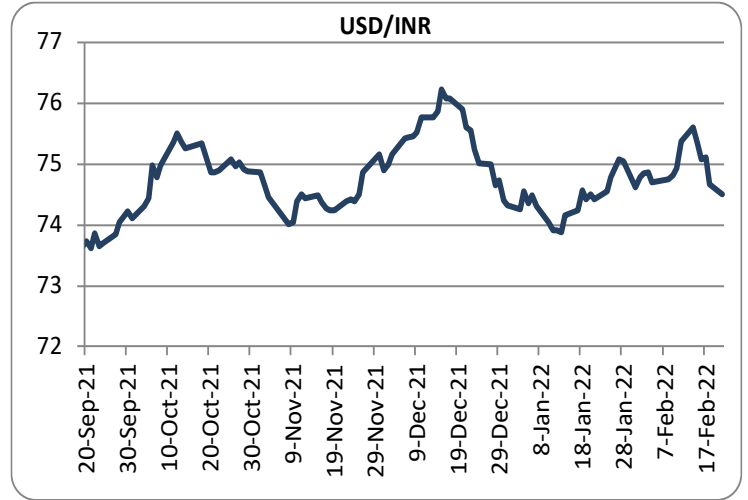
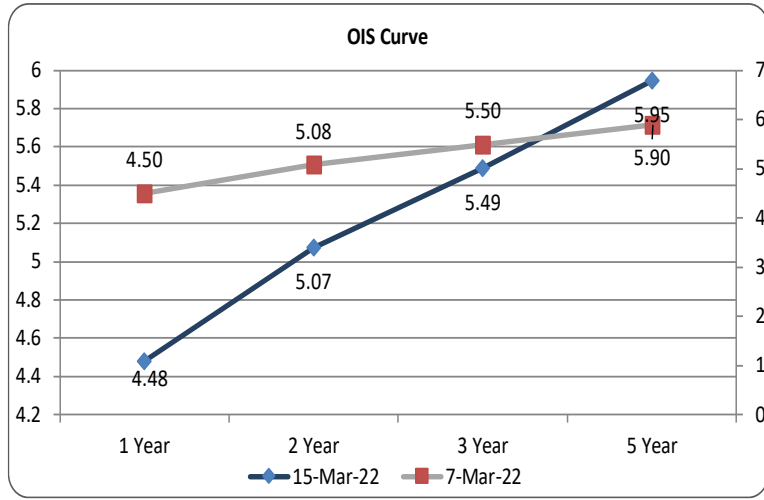
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
15-Mar-22	608	442	165

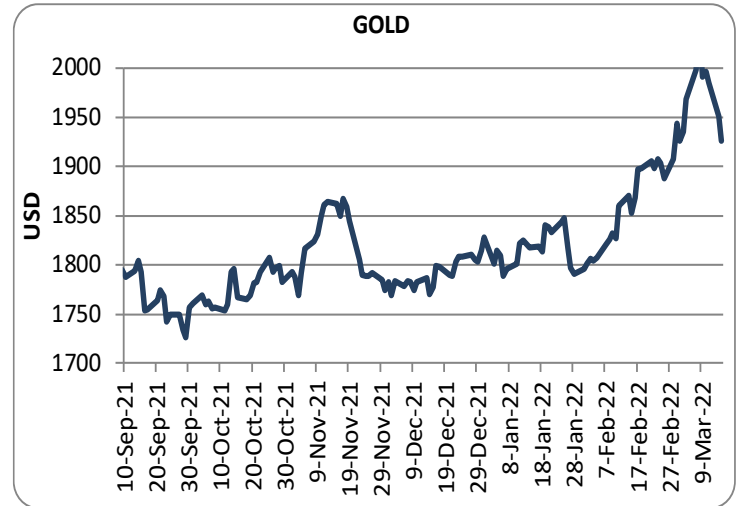
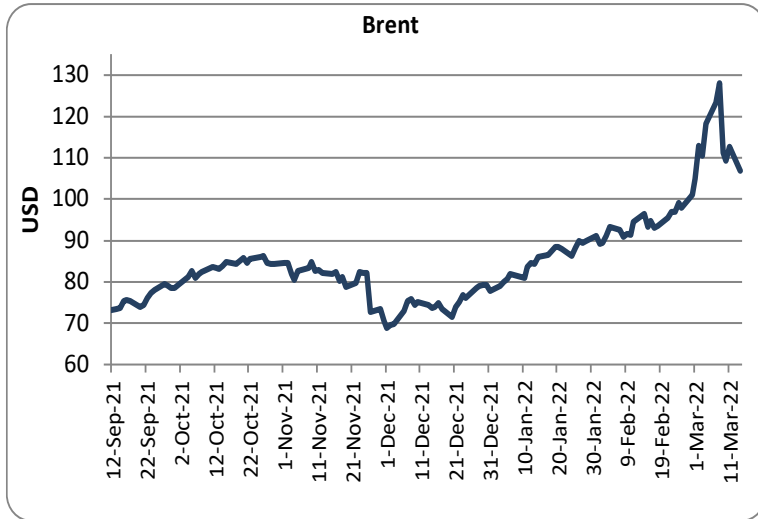
EQUITY		
	Gross Purchase	Net Investment
15-Mar-22	8301	7329

TOTAL (Rs. Crs)		
	Gross Purchase	Net Investment
15-Mar-22	8909	7771

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-21	5.4	8.4
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Feb-22	13.1	13.0
CPI (%)	Feb-22	6.1	6.0
IIP (%)	Jan-22	1.3	0.4
PMI Manufacturing	Feb-22	54.9	54
PMI Service	Feb-22	51.8	51.5

Economic Calendar	Country	Date	Poll	Prior
CPI	India	14-Mar-22	5.93	6.01
WPI	India	14-Mar-22	12.10	12.96
Industrial Output	China	15-Mar-22	3.90	4.30
Unemployment Rate	UK	15-Mar-22	4.00	4.10
Exports	Japan	16-Mar-22	21.00	9.60
Industrial Output	Poland	18-Mar-22	-	19.20
GDP	Chile	18-Mar-22	-	17.20
CPI	Singapore	23-Mar-22	-	4.00





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

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