



INDIA

Indian government bond yields ended little changed on Friday after the central government's last debt auction for the financial year added to the overall supply and as U.S. yields held steady.

The benchmark 10-year yield ended at 7.0968%, following its previous close of 7.0883%.

The bond yield ended flat for the week after rising five bps last week. The bond market will remain closed on Monday for a local holiday.

U.S. yields consolidated, after a sharp spike earlier in the week following higher-than-expected inflation data. The 10-year U.S. yield was around 4.25%, after hitting 4.33% earlier in the week, as bets of rate cuts in the world's largest economy get pushed back.

The odds of a rate cut by the U.S. Federal Reserve in May have gone down to 34%, down from 60% last week.

Indian debt market participants have also pushed their expectations for the start of rate cuts, as indicated by the overnight index swap curve following the hawkish tone of the latest monetary policy.

Last week, the Reserve Bank of India left interest rates unchanged at 6.5% and reiterated its commitment to meeting the 4% inflation target on a sustainable basis. Market participants remained cautious, with the benchmark Brent crude oil contract remaining above the \$80-per-barrel mark as a rise may impact local inflation readings.

The Indian rupee was little changed versus the U.S. dollar, and quoted at 83.01 as dollar demand from importers, including local oil companies, eroded the impact of supportive global cues.

Repo: The weighted average call rates in the interbank segment decreased to 6.70% vs 6.66% as on the previous day while that the TREP segment remained the same 6.64% vs 6.64% as on the previous day.

GOI Yield	16-Feb	15-Feb	9-Feb	18-Jan
1 Year	7.090	7.090	7.125	7.155
5 Year	7.076	7.071	7.084	7.061
10 Year	7.097	7.088	7.107	7.177

AAA Bmk	16-Feb	15-Feb	9-Feb	18-Jan
1 Year	8.00	8.00	7.90	7.90
5 Year	7.63	7.64	7.62	7.67
10 Year	7.60	7.63	7.60	7.70

CD	16-Feb	15-Feb	9-Feb	18-Jan
3 Month	7.85	7.85	7.85	7.60
6 Month	7.85	7.90	7.90	7.75
1 Year	7.85	7.90	7.85	7.90

CP	16-Feb	15-Feb	9-Feb	18-Jan
3 Month	7.85	8.00	7.95	7.75
6 Month	7.85	8.00	8.00	7.85
1 Year	7.95	8.00	8.00	8.00

OIS Rate	16-Feb	15-Feb	9-Feb	18-Jan
1 Year	6.71	6.72	6.68	6.63
2 Year	6.41	6.41	6.38	6.30
3 Year	6.38	6.38	6.34	6.25
5 Year	6.35	6.34	6.29	6.22

	16-Feb	15-Feb	9-Feb	18-Jan
Sensex	72,427	72,050	71,595	71,187
Nifty	22,041	21,911	21,783	21,462
USD/INR	83.02	83.04	83.04	83.12
Gold (USD)	2,007	2,004	2,024	2,023
Oil (USD)	82.07	82.86	82.19	79.10

NDF	16-Feb	15-Feb	9-Feb	18-Jan
3 Month	83.19	83.29	83.32	83.48
1 Year	84.47	84.44	84.50	84.73
2 Year	86.73	86.63	86.75	87.17
3 Year	89.42	89.28	89.40	90.07

**Market Observations**

**G-sec**

- G-sec cut off was a bit higher than market expectations
- Demand was seen in 9 to 12-year illiquid G-sec by private banks @7.10 centric levels.
- Demand was seen in 2026 maturity G-sec by private bank @7.06 yields.

**Corporate Bonds**

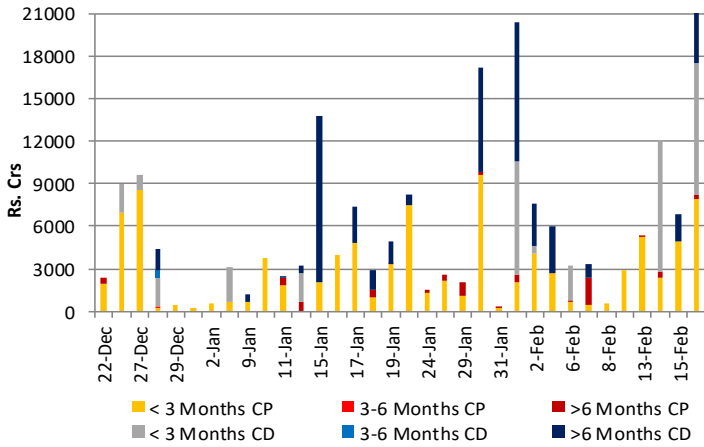
- Major activity was seen in the 2025-2026 segment.
- Banks and Mutual funds were active on buying as well as selling side.

**CP/CD**

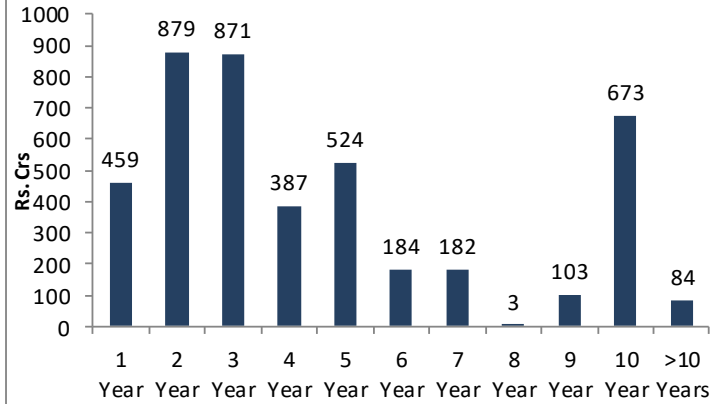
- Demand was seen in the 3-month segment.



CP/CD Primary Volume



Bonds Volume (prev.)



10 Year Benchmarks	16-Feb	15-Feb	9-Feb	18-Jan
India	7.10	7.09	7.11	7.18
US	4.26	4.24	4.19	4.14
South Korea	3.48	3.47	3.40	3.38
Russia	12.63	12.58	12.49	12.18
Brazil	10.78	10.78	10.68	10.76
Germany	2.39	2.35	2.38	2.31
China	2.46	2.46	2.46	2.51

Top Traded Securities	Volume	15-Feb	14-Feb	8-Feb	17-Jan
7.26 2033	505	7.11	7.14	7.10	7.19
7.06 2028	635	7.08	7.11	7.05	7.06
7.62 2039	-	7.15	7.18	7.12	7.28
7.30 2053	1,650	7.13	7.18	7.13	7.37
6.64 2035	175	7.13	7.16	7.11	7.25
7.40 2035	165	7.13	7.16	7.10	7.26

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
14-Feb-24	10263	7356	2907

EQUITY	Gross Purchase	Gross Sales	Net Investment
	8851	9422	-571

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
19114	16778	2335

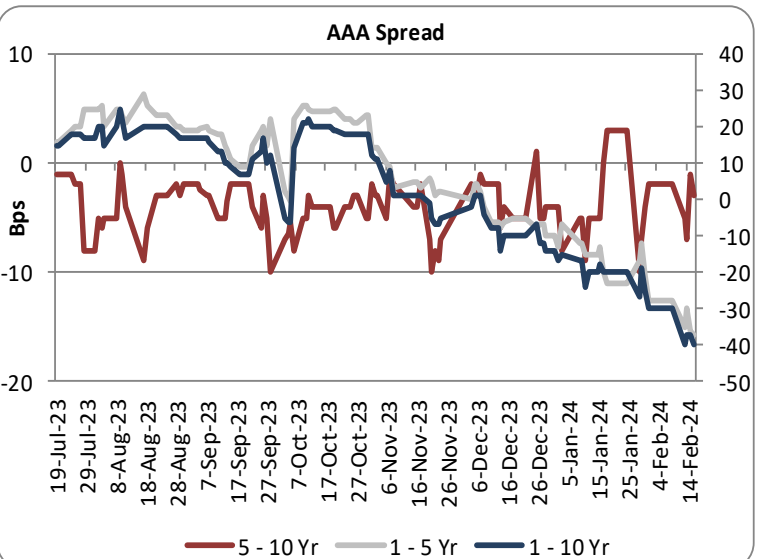
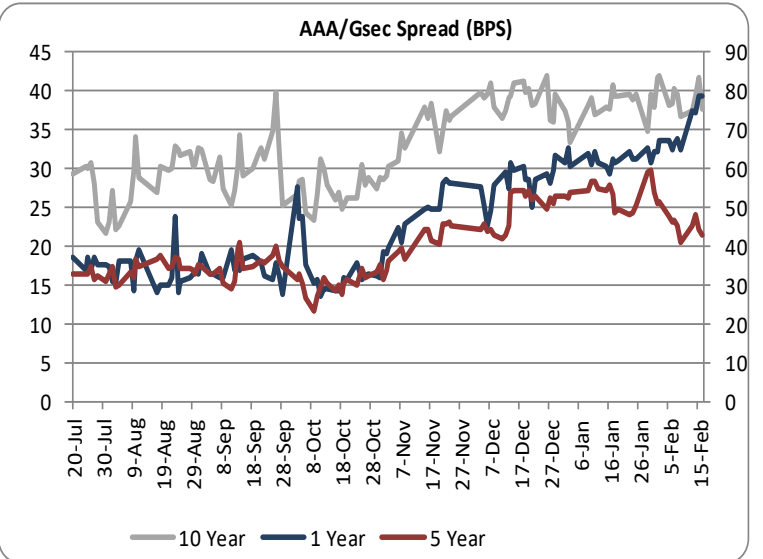
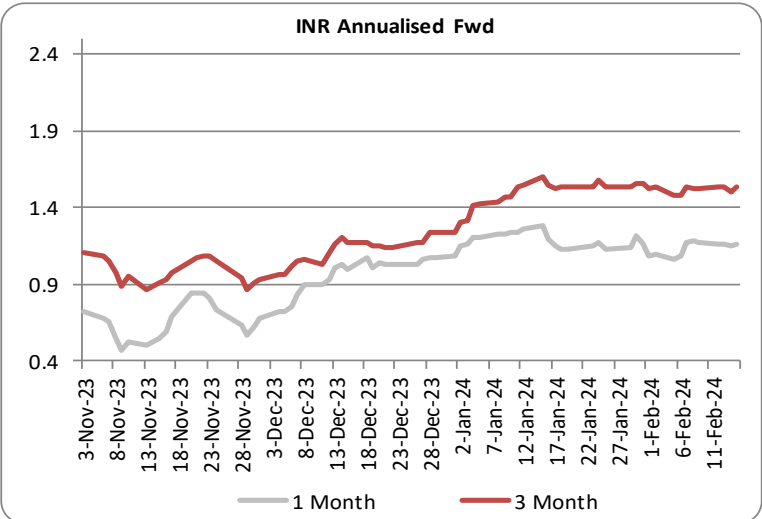
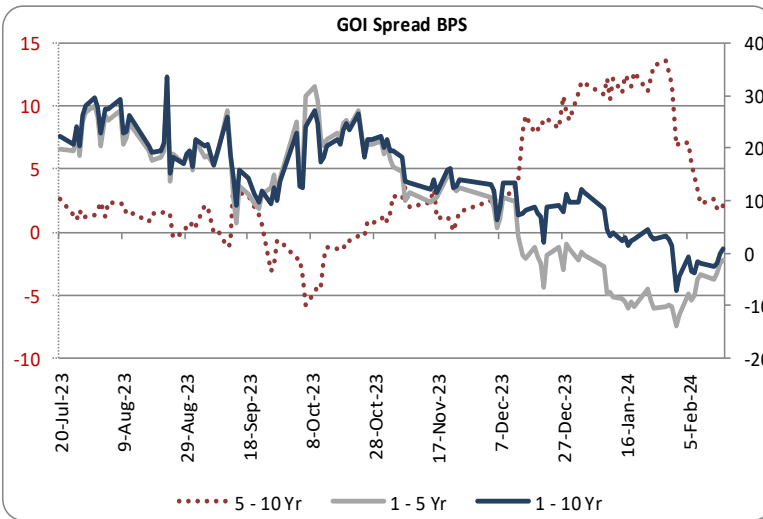
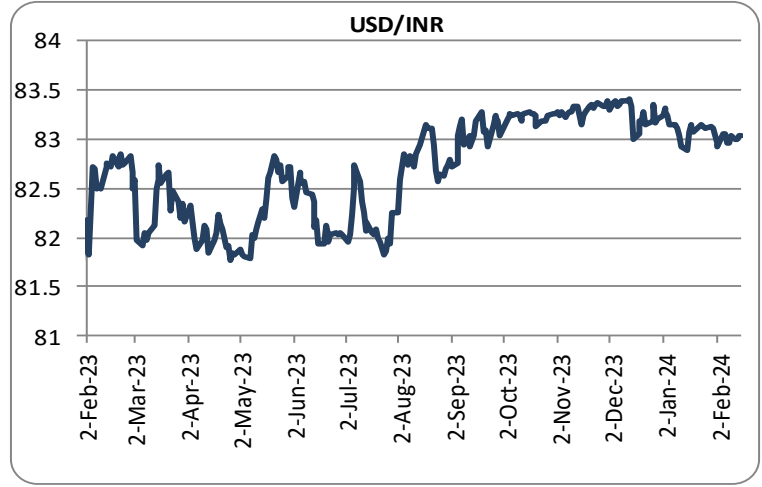
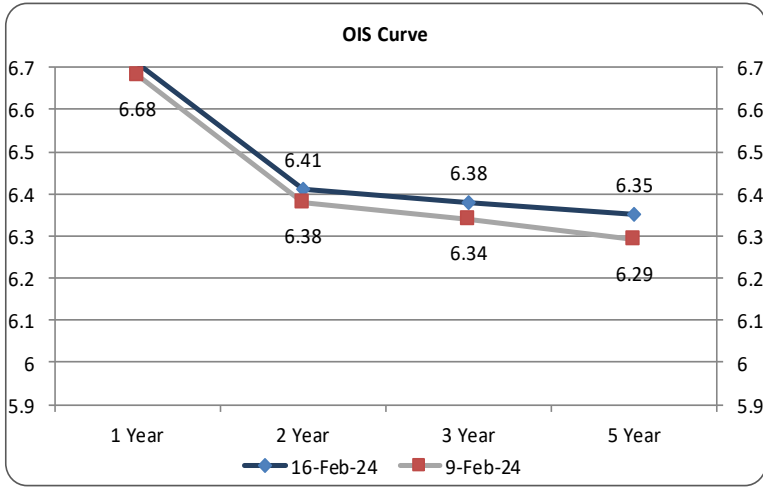
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
16-Feb-24	1553	695	858

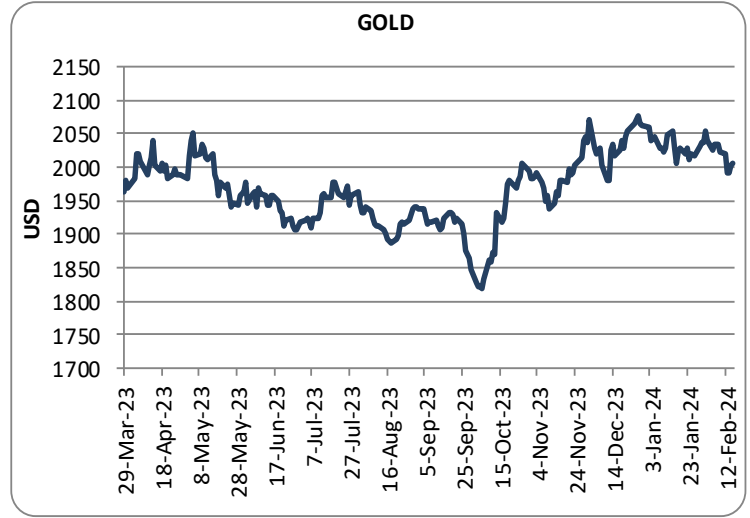
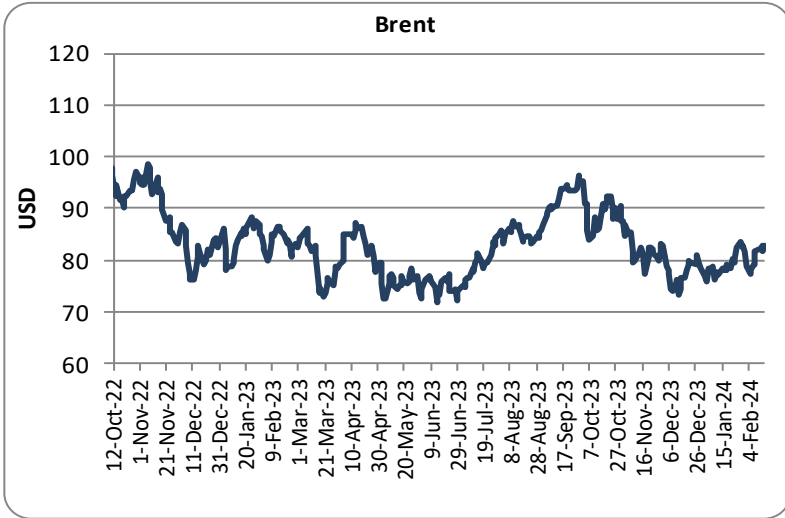
EQUITY	Gross Purchase	Gross Sales	Net Investment
	15021	13878	1143

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
16574	14573	2001

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-23	7.6	7.8
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 (%)	Jan-24	5.1	5.7
IIP (%)	Dec-23	3.8	2.4
PMI Manufacturing	Jan-24	56.5	54.9
PMI Service	Jan-24	61.8	59

Economic Calender	Country	Date	Poll	Prior
CPI	USA	13-Feb-24	2.9	3.4
WPI	India	14-Feb-24	0.53	0.73
CPI	UK	14-Feb-24	4.20	4.00
Industrial Production	Euro Zone	14-Feb-24	(4.10)	(6.80)
Industrial Output	UK	15-Feb-24	(0.40)	(0.10)
Industrial Output	Poland	20-Feb-24	-	(3.90)
CPI	Canada	20-Feb-24	-	3.40
Retail Sales	Poland	22-Feb-24	-	0.50





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

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