



INDIA

Indian government bond yields ended marginally higher on Friday amid fresh debt supply and as U.S. yields were off their recent lows, while traders remained cautious ahead of a long weekend.

The benchmark 10-year yield ended at 7.0925%, following its previous close of 7.0758%. For the week, the yield eased 3 basis points, a fourth consecutive weekly decline.

Earlier in the day Government of India sold bonds worth 310 billion rupees (\$3.72 billion), which includes 200 billion rupees of the 7.10% 2034 paper that will soon replace the existing benchmark bond.

The 10-year U.S. yield rose to around 4.40%, after dropping to 4.31% on Thursday, as data showed jobless claims fell in the latest week.

U.S. yields had dropped after consumer price inflation cooled in April, boosting expectations that the Federal Reserve will cut interest rates twice this year.

Oil prices steadied on Friday, with global benchmark Brent heading for its first weekly gain in three weeks, as economic indicators from big consumers China and the United States bolstered hopes for higher demand.

The Indian rupee strengthened 0.19% versus the U.S. dollar, and quoted at 83.37 per dollar aided by likely intervention from the Reserve Bank of India and broad-based interbank dollar sales in the latter half of the session.

Repo: The weighted average call rates in the interbank segment increased to 6.73% vs 6.48% as on the previous day while that the TREP segment increased to 6.71% vs 6.25% as on the previous day.

GOI Yield	17-May	16-May	10-May	19-Apr
1 Year	7.050	7.050	7.050	7.050
5 Year	7.079	7.065	7.109	7.231
10 Year	7.095	7.076	7.128	7.228

AAA Bmk	17-May	16-May	10-May	19-Apr
1 Year	7.70	7.70	7.65	7.68
5 Year	7.64	7.64	7.70	7.77
10 Year	7.55	7.55	7.58	7.58

CD	17-May	16-May	10-May	19-Apr
3 Month	7.25	7.25	7.35	7.15
6 Month	7.45	7.40	7.50	7.35
1 Year	7.65	7.70	7.65	7.60

CP	17-May	16-May	10-May	19-Apr
3 Month	7.45	7.45	7.45	7.25
6 Month	7.55	7.50	7.60	7.45
1 Year	7.75	7.75	7.75	7.70

OIS Rate	17-May	16-May	10-May	19-Apr
1 Year	6.80	6.78	6.82	6.90
2 Year	6.51	6.49	6.57	6.69
3 Year	6.46	6.44	6.52	6.64
5 Year	6.41	6.39	6.49	6.61

	17-May	16-May	10-May	19-Apr
Sensex	73,917	73,664	72,664	73,088
Nifty	22,466	22,404	22,055	22,147
USD/INR	83.34	83.50	83.50	83.47
Gold (USD)	2,389	2,376	2,360	2,390
Oil (USD)	83.16	83.27	82.79	87.29

NDF	17-May	16-May	10-May	19-Apr
3 Month	83.63	83.72	83.80	83.68
1 Year	84.79	84.87	84.94	84.90
2 Year	86.86	86.99	87.05	87.05
3 Year	89.88	89.46	89.52	89.50

Market Observations

G-sec

- Selling was seen in 2025 and 2026 maturity assets by Insurance companies and major buyers were private banks.
- Selling was seen in longer end of the curve by pension funds and mutual funds.

Corporate Bonds

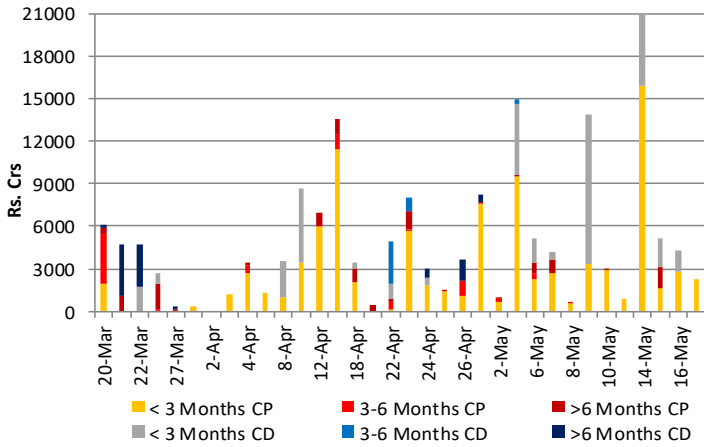
- Activity was seen in the MMY segment and 2025-2026 segment.
- Mutual funds and Life insurance companies were active in the MMY segment.

CP/CD

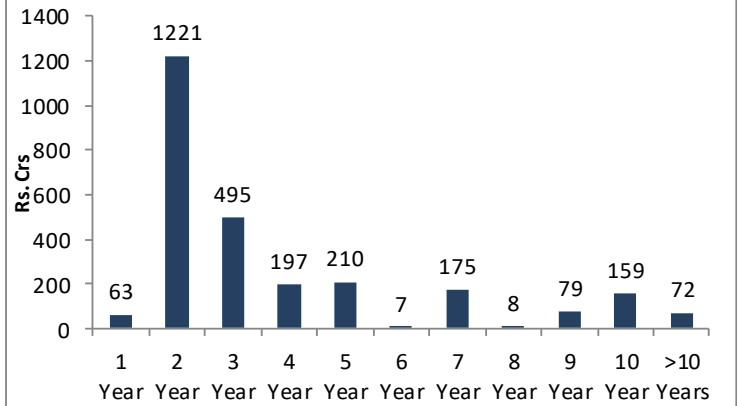
- Major activity was seen in the 1 to 2-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	17-May	16-May	10-May	19-Apr
India	7.10	7.08	7.13	7.23
US	4.40	4.38	4.50	4.62
South Korea	3.46	3.45	3.54	3.58
Russia	15.04	15.00	14.67	14.05
Brazil	11.59	11.59	11.77	11.45
Germany	2.51	2.44	2.52	2.51
China	2.32	2.32	2.32	2.26

Top Traded Securities	Volume	17-May	16-May	10-May	16-Apr
7.26 2033	-	7.13	7.10	7.14	7.20
7.06 2028	70	7.09	7.08	7.11	7.18
7.62 2039	-	0.00	7.12	7.17	7.24
7.30 2053	830	7.18	7.16	7.21	7.28
6.64 2035	10	7.14	7.12	7.15	7.21
7.40 2035	5	7.18	7.11	7.18	7.21

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
16-May-24	301	222	78

EQUITY		
Gross Purchase	Gross Sales	Net Investment
730	1197	-466

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
1031	1419	-388

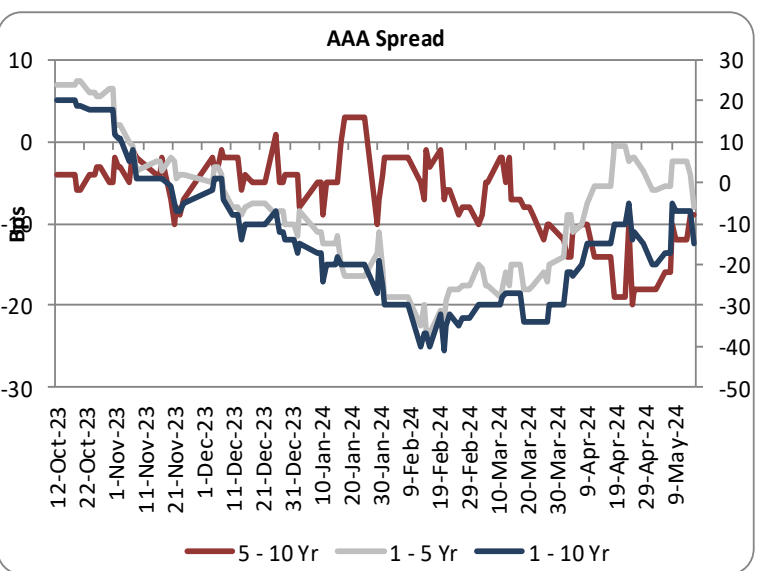
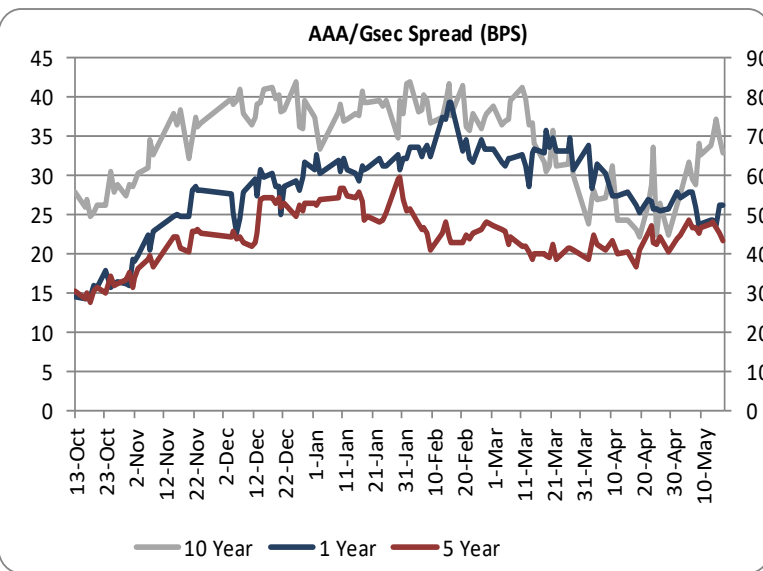
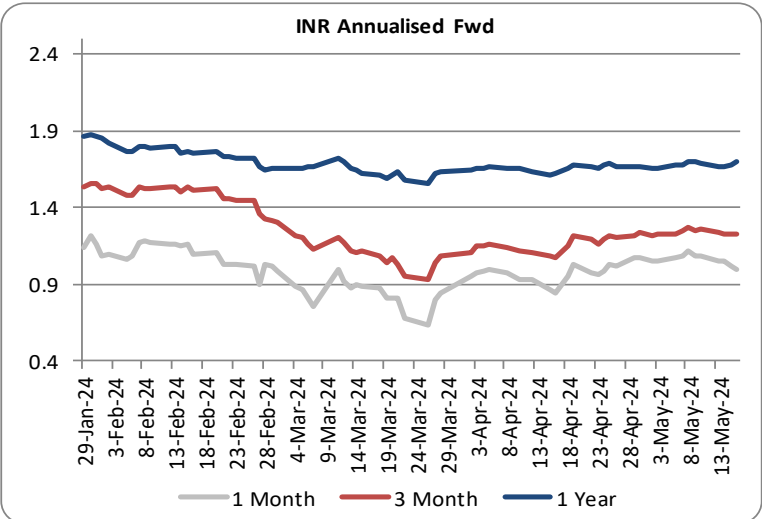
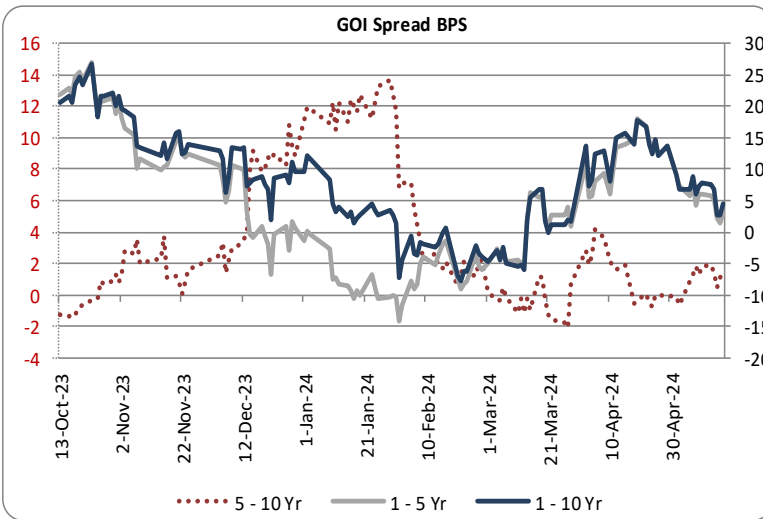
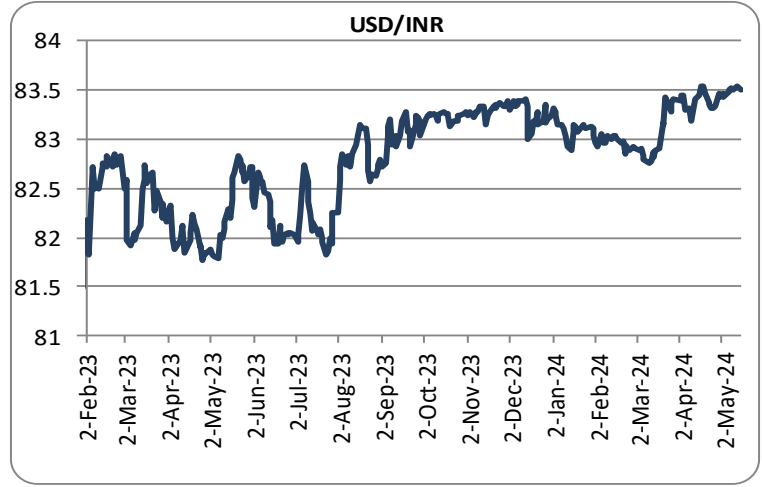
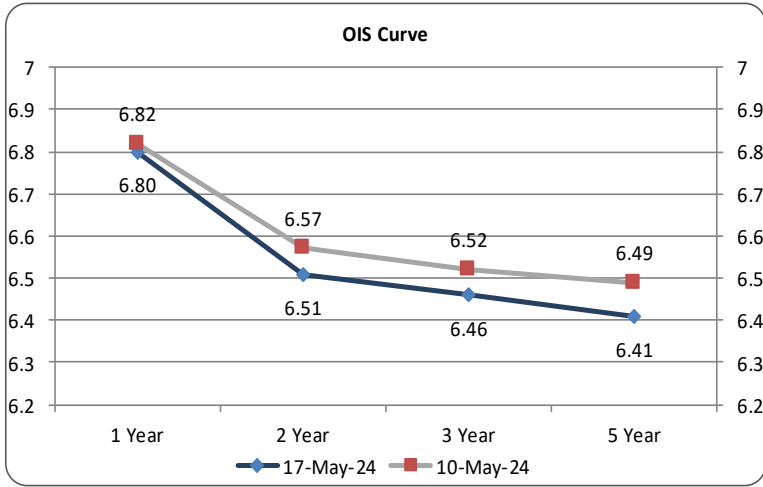
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
17-May-24	2297	1381	916

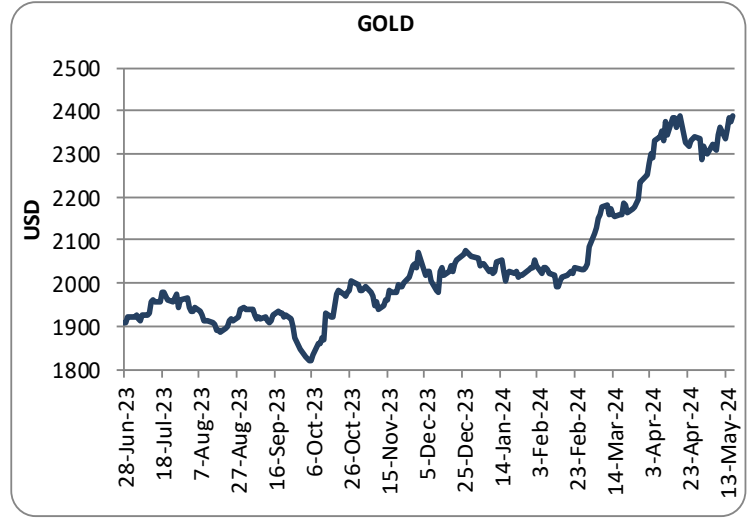
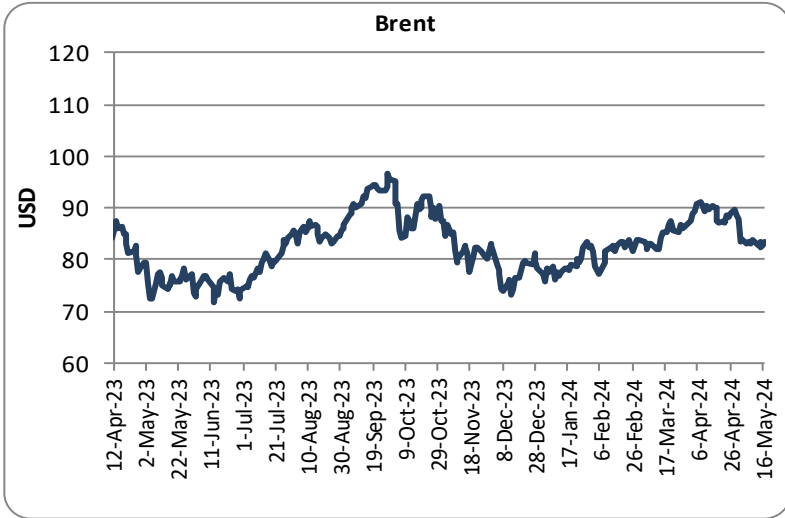
EQUITY		
Gross Purchase	Gross Sales	Net Investment
16779	17401	-622

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
19076	18782	294

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-23	8.4	8.1
CAD (\$ Bn)	Dec-23	-10.5	-11.4
Trade Deficit (\$ Bn)	Dec-23	-71.6	-61.0
WPI (%)	Apr-24	1.3	0.5
CPI (%)	Apr-24	4.8	4.9
IIP (%)	Mar-24	4.9	5.6
PMI Manufacturing	Apr-24	58.8	59.1
PMI Service	Apr-24	60.8	61.2

Economic Calender	Country	Date	Poll	Prior
Industrial Production	Euro Zone	15-May-24	-1.2	-6.4
CPI	USA	15-May-24	3.40	3.50
Unemployment rate	Australia	16-May-24	3.70	3.10
Retail Sales	China	17-May-24	-	(4.76)
CPI	Canada	21-May-24	-	2.90
CPI	Japan	24-May-24	-	2.60
Retail Sales	UK	24-May-24	-	0.80
CPI	Australia	29-May-24	-	3.80





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

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

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For any queries contact - LKP Securities Ltd. Ph: (91-22) 66306555 Fax: (91-22) 2284 2415 E Mail: FixedIncomeResearch@lkpsec.com

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