



## INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 99.11 rupees, yielding 6.66%, against 99.03 rupees, and a yield of 6.67%, yesterday. The benchmark 2032 bond yield eased three basis points this week, after dropping 18 basis points last week.
- ❖ Earlier this week, the Govt. cancelled its scheduled 240-billion-rupee debt auction, the second consecutive time it did so. The government also does not plan to auction 300 billion rupees of bonds that it has not sold so far this fiscal year, a finance ministry official had said, taking the total reduction in supply to 780 billion rupees.
- ❖ Market participants also expect the government to cancel its last remaining auction for this financial year worth 230 billion rupees, which is due next week.
- ❖ The Reserve Bank of India yesterday said the government will not conduct more debt switches this fiscal year, as the budgetary provision of such operations has been completed for this fiscal.
- ❖ Crude oil prices remained volatile through the week tracking the conflict on the Russia-Ukraine front. The contract had touched \$97.78 per barrel earlier this week, Oil eased on prospects of more fuel supplies from Iran following a deal in the works to revive Tehran's nuclear agreement with world powers. The draft accord seeks to grant waivers on oil sanctions imposed on the West Asian nation.
- ❖ U.S. Treasury yields rose as surging inflation in the world's largest economy raised bets of aggressive rate hikes. The 10-year Treasury yield touched a peak of 2.0650% earlier this week, its highest since July 2019. It however eased to 1.9668%, as appetite for risk assets faded.
- ❖ The Indian rupee logged its best week against the U.S. currency in eight, as investors booked profits on long dollar positions after minutes of the Federal Reserve's latest meeting came on expected lines. The rupee ended at 74.66 per dollar its highest since Jan. 31, compared with 75.11 yesterday.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.29% vs 3.22% as on previous day while that in the TREP segment increased to 3.36% vs 3.22% as on previous day.

### Market Observations

#### G-sec

- Bond yields were down for a second straight week, as auction cancellation and a dip in crude oil prices lifted mood.
- Nationalized banks seen buying up to 6 months maturity bills.

#### Corporate Bonds

- The 2-5-year segment witnessed most activity. However, yields remained subdued due to lack of fresh triggers.

#### CP

- Today no primary CPs were issued.

#### CD

- Secondary CD activity was seen in the 1-year maturity. Weighted average TREPS rate at 3.36% this month, lower than 3.57% in January, while central bank's reverse repo rate at 3.35%. TREPS has been trading with high volumes post policy as banks became highly active in overnight markets.

GOI Yield	18-Feb	17-Feb	11-Feb	18-Jan
1 Year	4.450	4.450	4.450	4.370
5 Year	5.902	5.919	5.877	5.947
10 Year	6.701	6.735	6.714	6.626

AAA Brmk	18-Feb	17-Feb	11-Feb	18-Jan
1 Year	4.85	4.85	4.90	4.80
5 Year	6.12	6.12	6.28	6.28
10 Year	7.10	7.10	7.10	7.10

CD	18-Feb	17-Feb	11-Feb	18-Jan
3 Month	3.75	3.75	3.83	3.80
6 Month	3.85	3.85	3.99	4.00
1 Year	4.70	4.70	4.76	4.55

CP	18-Feb	17-Feb	11-Feb	18-Jan
3 Month	3.80	3.80	3.90	4.07
6 Month	4.20	4.20	4.35	4.67
1 Year	4.80	4.80	4.83	5.08

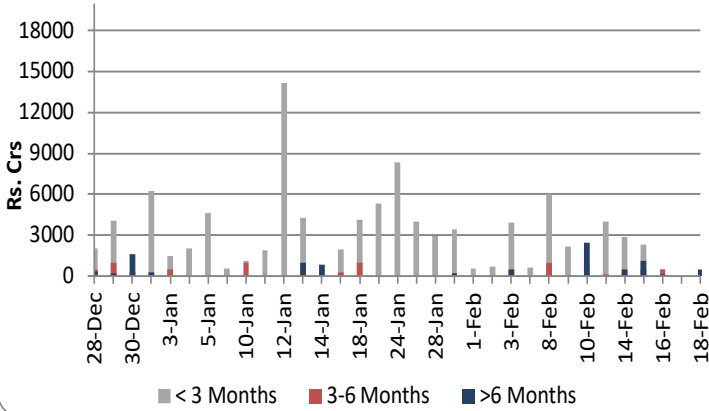
OIS Rate	18-Feb	17-Feb	11-Feb	18-Jan
1 Year	4.26	4.28	4.35	4.41
2 Year	4.80	4.82	4.89	4.97
3 Year	5.25	5.26	5.28	5.34
5 Year	5.70	5.70	5.73	5.69

	18-Feb	17-Feb	11-Feb	18-Jan
Sensex	57,833	57,892	58,153	60,755
Nifty	17,276	17,305	17,375	18,113
USD/INR	74.66	75.11	75.38	74.57
Gold (USD)	1,890	1,897	1,860	1,814
Oil (USD)	91.07	92.97	94.44	87.51

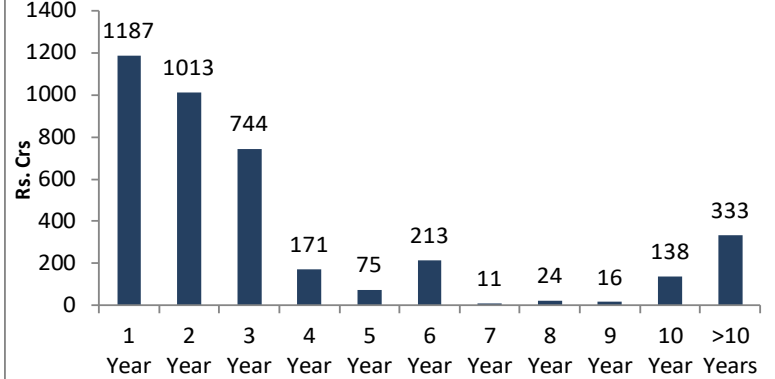
NDF	18-Feb	17-Feb	11-Feb	18-Jan
3 Month	75.37	75.88	76.18	75.53
1 Year	77.55	78.00	78.23	78.09
2 Year	81.65	81.71	82.25	81.63
3 Year	84.35	84.81	84.84	85.38



**CP Primary Volume**



**Bonds Volume**



10 Year Benchmarks	18-Feb	17-Feb	11-Feb	18-Jan
India	6.67	6.67	6.70	6.63
US	1.97	1.97	1.92	1.88
South Korea	2.73	2.71	2.75	2.55
Russia	9.73	9.74	9.77	9.40
Brazil	11.56	11.56	11.26	11.60
Germany	0.22	0.23	0.29	-0.02
China	2.80	2.78	2.79	2.76

Top Traded Securities	Volume	18-Feb	17-Feb	11-Feb	18-Jan
5.15 GOI 2025	1340	5.68	5.69	5.66	5.81
5.63 GOI 2026	380	5.81	5.82	5.77	5.95
5.74 GOI 2026	7855	5.90	5.92	5.88	6.06
6.10 GOI 2031	105	6.70	6.72	6.71	6.63
6.64 GOI 2035	0	6.99	7.02	7.06	7.08
6.67 GOI 2035	25	6.96	7.00	7.03	7.08

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
15-Feb-22	1351	385	966

EQUITY		
Gross Purchase	Gross Sales	Net Investment
967	508	460

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
2318	893	1425

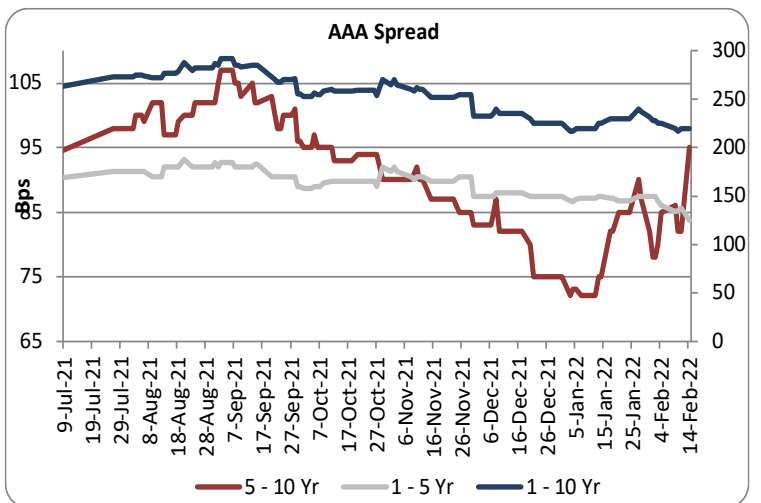
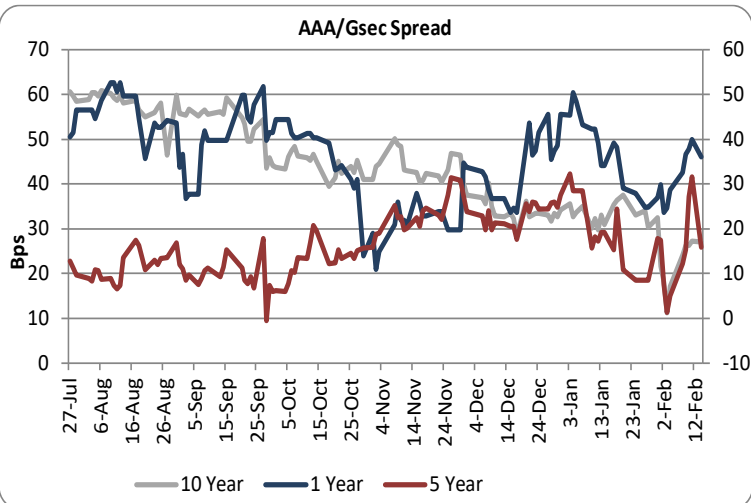
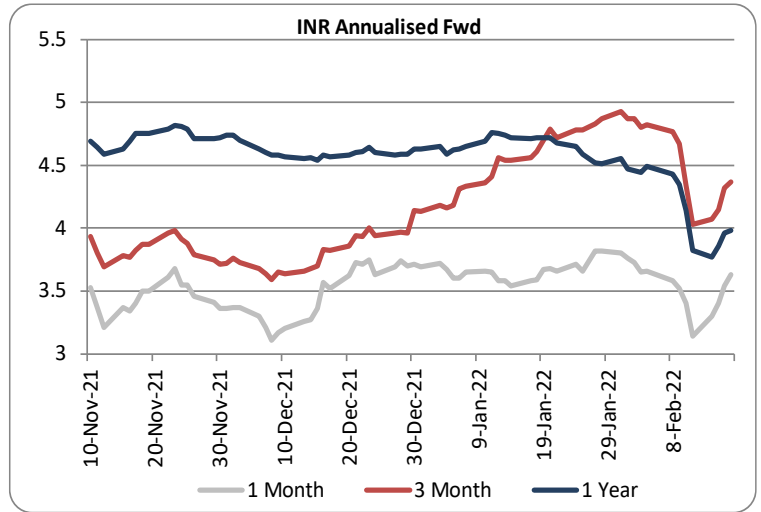
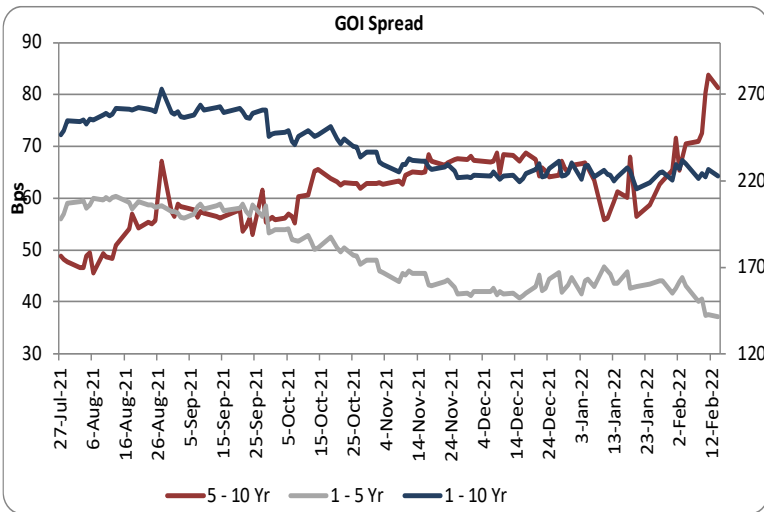
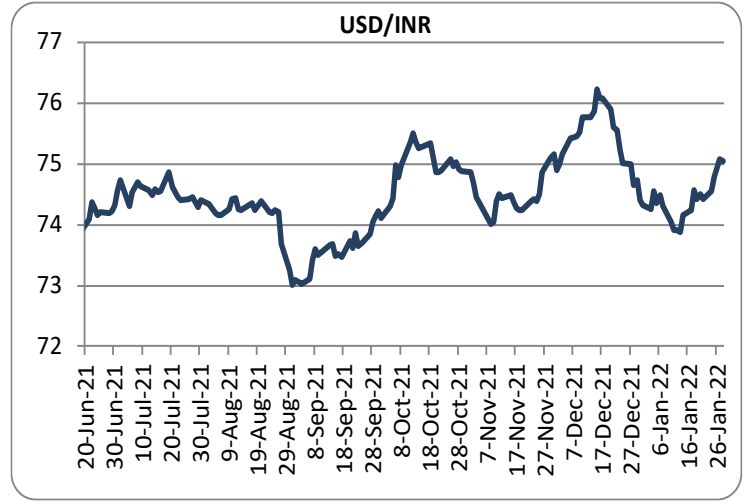
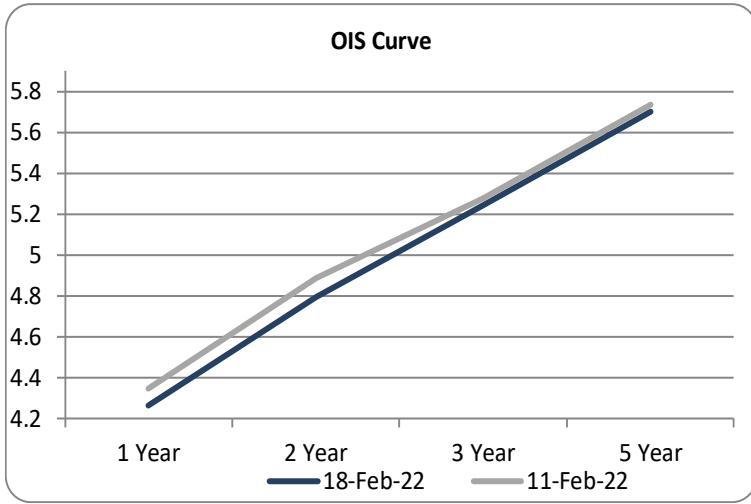
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
18-Feb-22	595	291	303

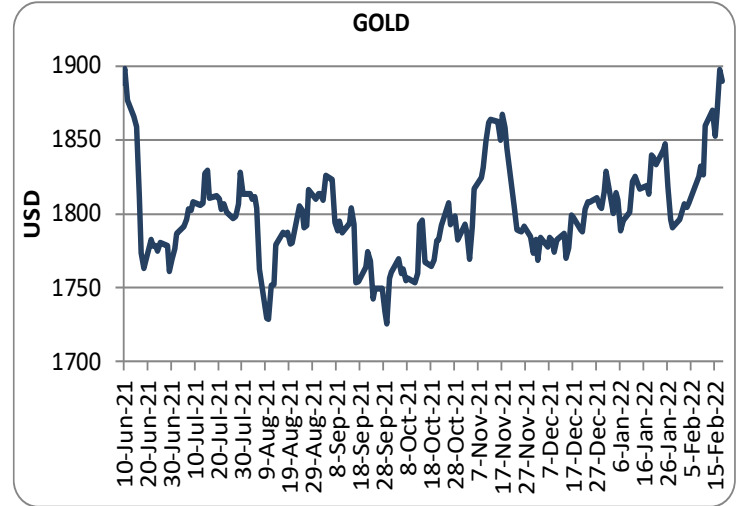
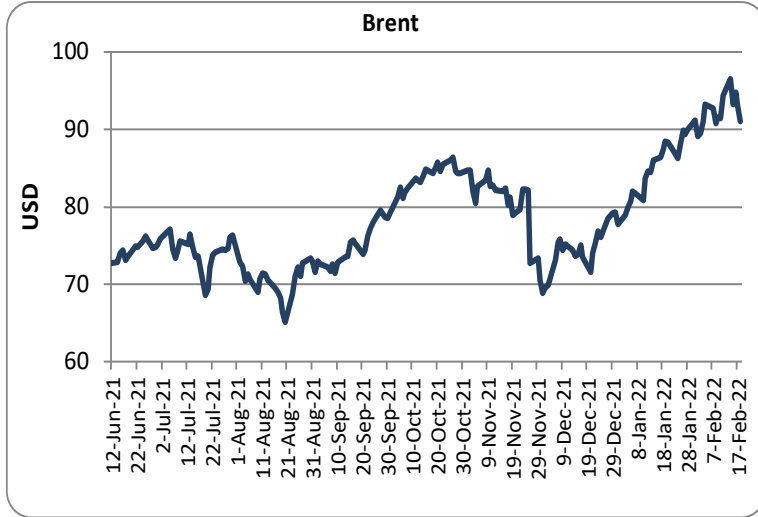
EQUITY		
Gross Purchase	Gross Sales	Net Investment
6174	6884	-710

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
6769	7175	-407

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 (%)	Jan-22	6.0	5.7
IIP (%)	Dec-21	0.4	1.4
PMI Manufacturing	Jan-22	54	55.5
PMI Service	Jan-22	51.5	55.5

Economic Calender	Country	Date	Poll	Prior
Exports	Japan	17-Feb-22	16.50	17.50
Retail Sales	UK	18-Feb-22	8.70	(0.90)
Industrial Output	Poland	18-Feb-22	14.80	16.70
Unemployment Rate	Poland	23-Feb-22	5.60	5.40
Exports	Thailand	28-Feb-22	-	23.00
GDP	India	28-Feb-22	-	8.40
Inflation YY	Indonesia	01-Mar-22	-	2.18
Unemployment Rate	Japan	04-Mar-22	-	2.70





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

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