



# BONDWATCH

INDIA

Daily

April 20, 2023

Indian government bond yields ended largely unchanged ahead of the crucial minutes of the Reserve Bank of India's latest policy meeting, due after market hours.

The 10-year benchmark 7.26% 2032 bond yield ended at 7.2206%, after closing at 7.2251% in the previous session. The benchmark five-year interest rates were trading flat with its previous close of 7.05% on Wednesday.

India's overnight market rates continue to trend above the Reserve Bank of India's (RBI) repo rate as banks borrow funds to meet reserve needs and fund tax outflows. The weighted average interbank call money rate has stayed above RBI's repo rate for the third consecutive day, breaching the Marginal Standing Facility rate on Thursday.

In the global market, U.S. Treasury yields fell on Wednesday as investors awaited comments from Federal Reserve officials that could provide hints about the central bank's monetary policy plans.

Oil prices fell on Thursday as muted U.S. economic data and expectations of interest rate hikes pushed up the U.S. dollar, prompting fear of a stronger dollar hurting global oil demand by making it more expensive.

The Indian rupee strengthened 0.10% versus the U.S. dollar, and quoted at 82.1475 per dollar, rising after three days of losses as Asian currencies advanced, with markets focusing on Fed commentary and U.S. data releases.

Repo: The weighted average call rates in the interbank segment increased to 6.55% vs 6.51% as on the previous day while that the TREP segment increased to 6.55% vs 6.42% as on the previous day.

GOI Yield	20-Apr	19-Apr	13-Apr	20-Mar
1 Year	6.970	6.985	6.980	7.200
5 Year	7.016	7.039	7.050	7.190
10 Year	7.200	7.202	7.225	7.336

AAA Bmk	20-Apr	19-Apr	13-Apr	20-Mar
1 Year	7.55	7.55	7.60	7.84
5 Year	7.55	7.55	7.55	7.74
10 Year	7.60	7.60	7.58	7.75

CD	20-Apr	19-Apr	13-Apr	20-Mar
3 Month	7.05	7.05	7.00	7.35
6 Month	7.25	7.25	7.25	7.60
1 Year	7.50	7.50	7.50	7.80

CP	20-Apr	19-Apr	13-Apr	20-Mar
3 Month	7.15	7.15	7.10	7.45
6 Month	7.35	7.35	7.35	7.70
1 Year	7.60	7.60	7.60	7.90

OIS Rate	20-Apr	19-Apr	13-Apr	20-Mar
1 Year	6.61	6.61	6.59	6.68
2 Year	6.22	6.22	6.20	6.26
3 Year	6.12	6.13	6.12	6.23
5 Year	6.12	6.14	6.12	6.22

	20-Apr	19-Apr	13-Apr	20-Mar
Sensex	59,632	59,568	60,431	57,629
Nifty	17,624	17,619	17,828	16,988
USD/INR	82.15	82.23	81.85	82.64
Gold (USD)	2,002	1,993	2,040	1,979
Oil (USD)	82.01	83.12	86.09	73.79

NDF	20-Apr	19-Apr	13-Apr	20-Mar
3 Month	82.54	82.70	82.08	83.07
1 Year	83.98	84.10	83.47	84.54
2 Year	86.17	86.41	86.07	87.10
3 Year	89.34	89.26	89.37	89.90

## Market Observations

### G-sec

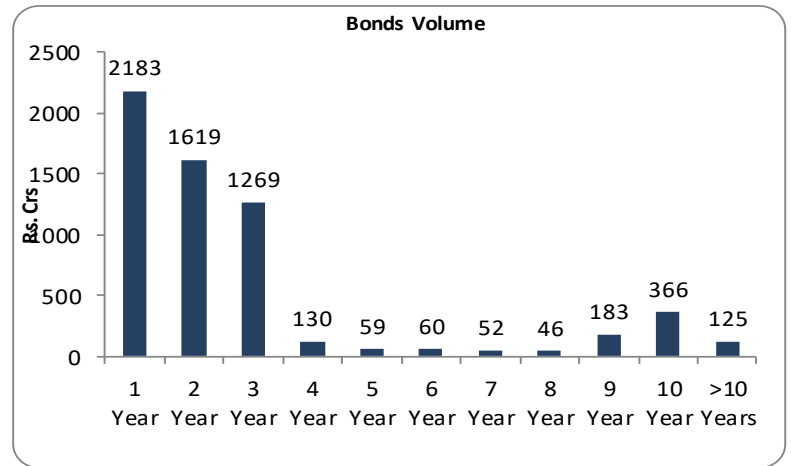
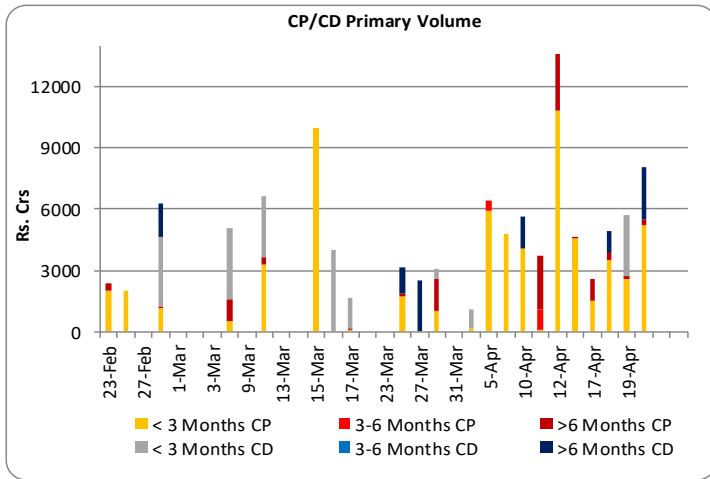
- Market was active in 10 to 15year SDLs from 7.55 to 7.60 levels. Banks were the major buyers.
- Demand was seen in 2year Gsec by banks and Mutual Funds.

### Corporate Bonds

- Mutual funds continue to buy in mid segment especially in NBFC's.

### CP/CD

- Major activity was seen in the 3-month segment.



10 Year Benchmarks	20-Apr	19-Apr	13-Apr	20-Mar
India	7.22	7.23	7.23	7.33
US	3.57	3.60	3.45	3.48
South Korea	3.42	3.37	3.27	3.31
Russia	10.60	10.56	10.54	11.19
Brazil	12.77	12.38	12.36	13.05
Germany	2.48	2.50	2.37	2.10
China	2.84	2.84	2.84	2.86

Top Traded Securities	Volume	20-Apr	19-Apr	13-Apr	20-Mar
5.74 2026	125	6.99	7.02	7.01	7.19
7.38 2027	-	7.02	7.04	7.05	7.19
7.10 2029	-	7.12	7.13	7.13	7.28
6.54 2032	-	7.23	7.24	7.25	7.35
7.26 2032	75	7.22	7.23	7.23	7.34
7.54 2036	60	7.34	7.35	7.36	7.41

DEBT			
	Gross Purchase	Gross Sales	Net Investment
<b>MF</b>			
13-Apr-23	4355	4829	-474

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	3772	4559	-787

TOTAL (Rs.Crs)			
	Gross Purchase	Gross Sales	Net Investment
	8127	9389	-1262

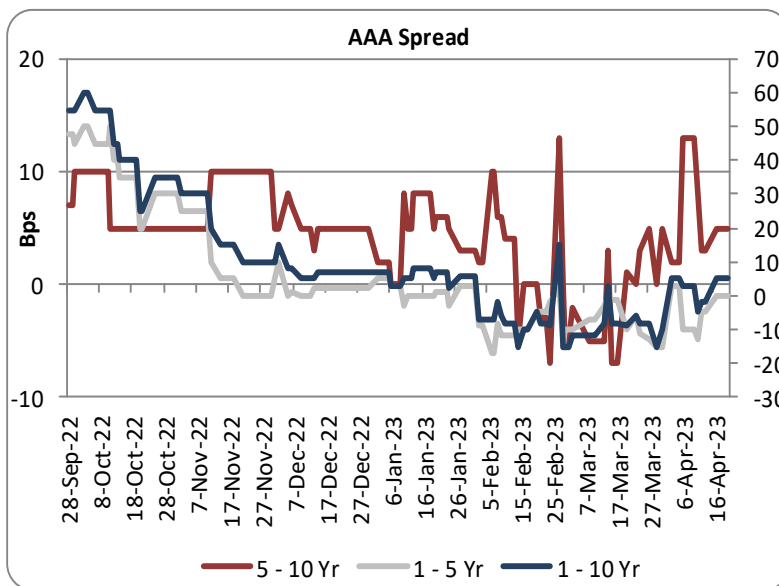
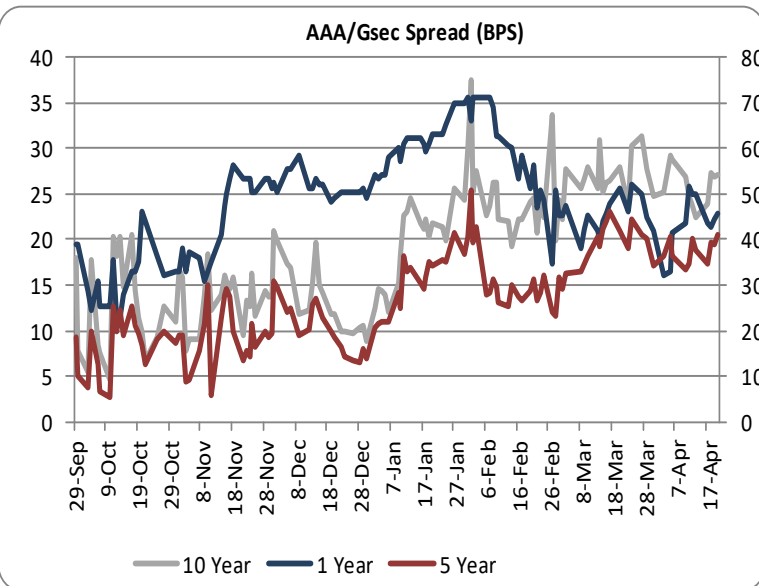
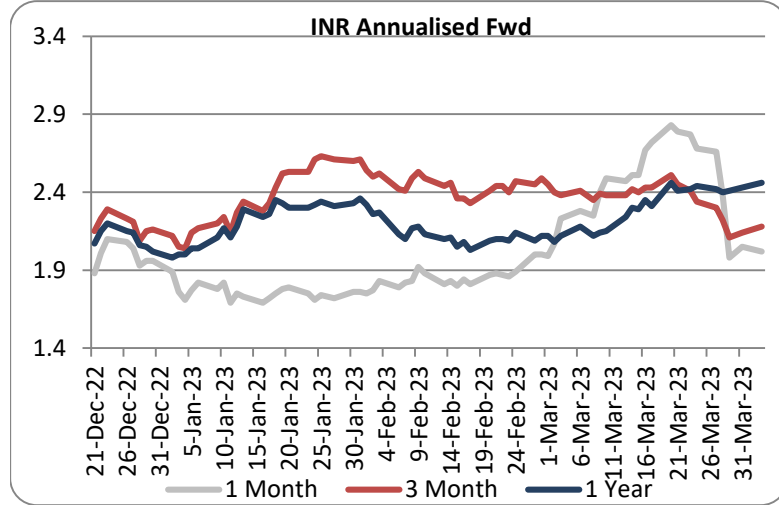
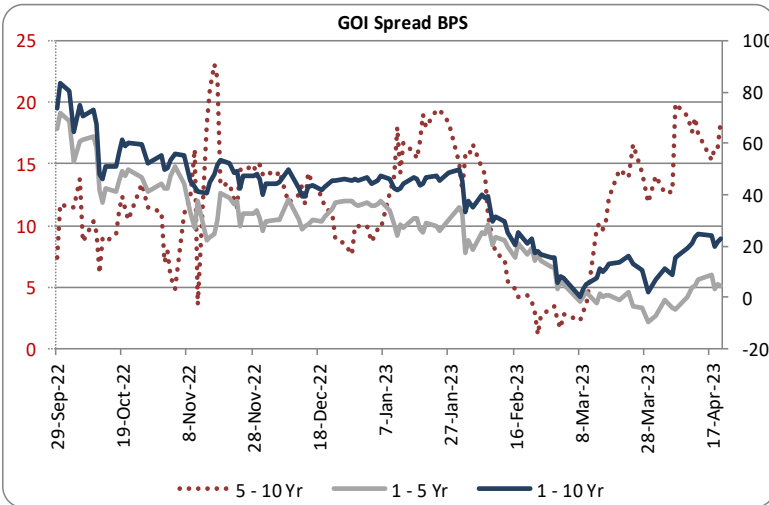
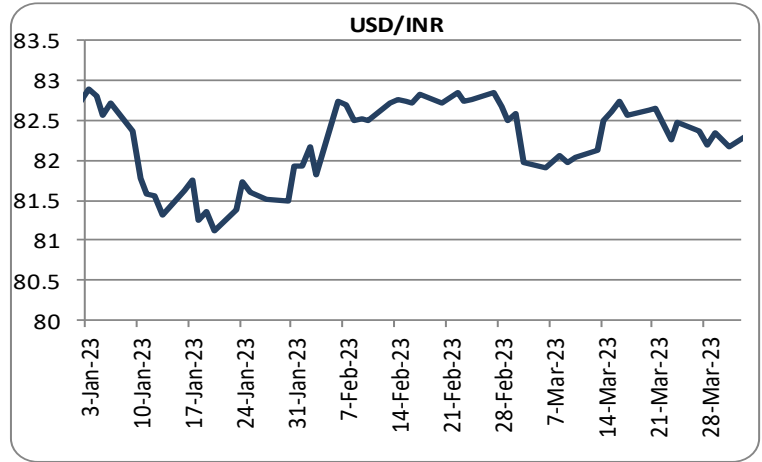
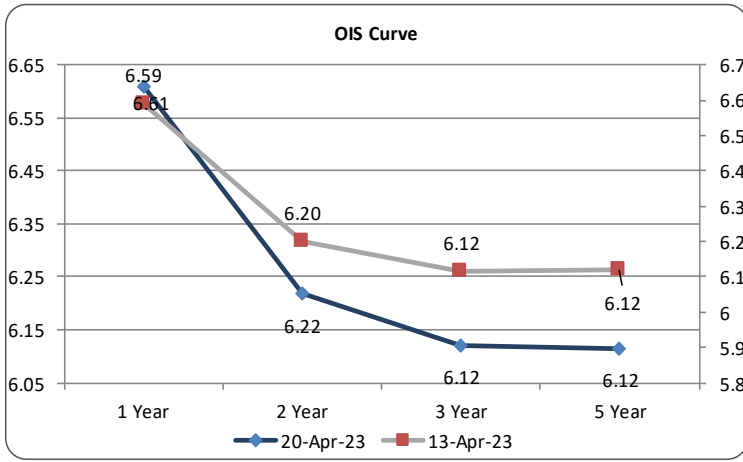
DEBT			
	Gross Purchase	Gross Sales	Net Investment
<b>FII</b>			
20-Apr-23	890	904	-14

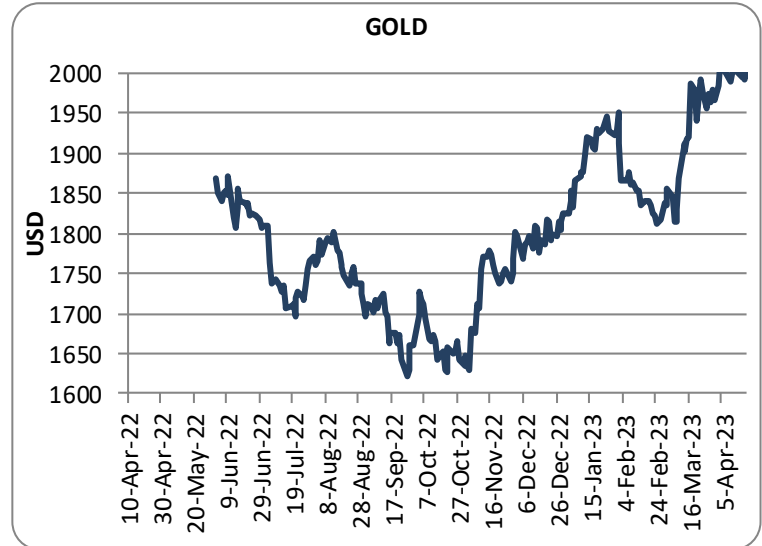
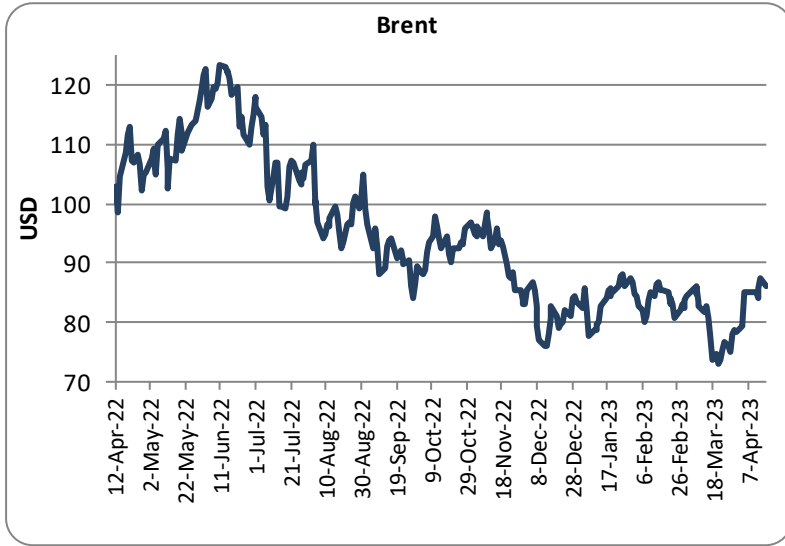
EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	7968	7799	170

TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
	8858	8703	155

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-22	4.4	6.3
CAD (\$ Bn)	Dec-22	-18.2	-30.9
Trade Deficit (\$ Bn)	Dec-22	-72.7	-78.3
WPI (%)	Mar-23	1.3	3.9
CPI (%)	Mar-23	5.7	6.4
IIP (%)	Feb-23	5.6	5.2
PMI Manufacturing	Mar-23	56.4	55.3
PMI Service	Mar-23	57.8	59.4

Economic Calender	Country	Date	Poll	Prior
CPI	UK	19-Apr-23	-	10.40
CPI	Japan	21-Apr-23	3.10	3.10
Retail Sales	UK	21-Apr-23	(3.10)	(3.50)
CPI	Australia	26-Apr-23	-	7.80
Industrial Output	Russia	26-Apr-23	(1.60)	(1.70)
Unemployment Rate	Japan	28-Apr-23	-	2.60
CPI	Germany	28-Apr-23	-	7.40
Retail Sales	Germany	02-May-23	-	(7.10)





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

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