



## INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 98.90 rupees, yielding 6.69%, versus 99.11 rupees, and a yield of 6.66% on Friday. The yield had dipped three basis points in the last two sessions.
- ❖ The government is scheduled to sell bonds worth 230 billion rupees this week and details of the papers are expected after market hours today.
- ❖ Bond yields had dropped after the Govt. cancelled its last two auctions worth an aggregate of 480 billion rupees. The government is also not planning to auction 300 billion rupees of bonds that it has not sold so far this fiscal year, a finance ministry official said earlier this month.
- ❖ Global oil prices had reached over-seven-year highs early last week as a fallout of the Russia-Ukraine crisis. The benchmark Brent contract was trading 0.5% higher at \$94.00 a barrel. Meanwhile, the intensifying tensions between Russia and Ukraine continued to keep market players on edge. U.S.
- ❖ Meanwhile, India's annual monsoon is expected to be normal this year, private forecaster Skymet said in a preliminary assessment today.
- ❖ The Reserve Bank of India will conduct a \$5-billion USD/INR sell buy swap auction on Mar. 8, to elongate the maturity profile of its forward book and smoothen the receivables relating to forward assets, it said today. The auction will be multiple-price based and the second leg of the transaction will be completed on Mar. 11, 2024. This is first such auction by the central bank in two years. In March 2020, it had conducted a USD/INR sell buy auction for \$650 million for six months.
- ❖ The Indian rupee rose for the fourth session in the last five against the U.S. currency amid dollar sales, especially from foreign banks, on optimism about a resolution to the Ukraine issue and in anticipation of inflows related to a major share offering. The rupee ended at 74.51 to the dollar at 3.30 p.m., compared with 74.66 on Friday.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.33% vs 3.22% as on previous day while that in the TREP segment increased to 3.48% vs 3.36% as on previous day.

### Market Observations

#### G-sec

- Bond yields snapped a two-day fall to end higher at the start of the week as traders speculated that the government may go ahead with a debt auction this week, while the major focus remains on the Russia-Ukraine crisis.
- Traders seen buying 1-to-3-year maturity papers.

#### Corporate Bonds

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

#### CP

- Mutual Funds were active in the 3-month segment. Manufacturing CPs also witnessed demand in the 3-month segment.

#### CD

- Secondary CD activity was seen in the 3-month maturity. Banking surplus liquidity is expected to narrow this week amidst GST and tax outflows.

GOI Yield	21-Feb	18-Feb	14-Feb	24-Jan
1 Year	4.450	4.450	4.440	4.470
5 Year	5.934	5.902	5.855	6.072
10 Year	6.728	6.701	6.668	6.659

AAA Brnk	21-Feb	18-Feb	14-Feb	24-Jan
1 Year	4.85	4.85	4.85	4.80
5 Year	6.12	6.12	6.10	6.25
10 Year	7.10	7.10	7.05	7.10

CD	21-Feb	18-Feb	14-Feb	24-Jan
3 Month	3.75	3.75	3.80	3.80
6 Month	3.85	3.85	3.90	4.00
1 Year	4.70	4.70	4.75	4.65

CP	21-Feb	18-Feb	14-Feb	24-Jan
3 Month	3.80	3.80	3.85	4.07
6 Month	4.20	4.20	4.25	4.67
1 Year	4.80	4.80	4.85	5.08

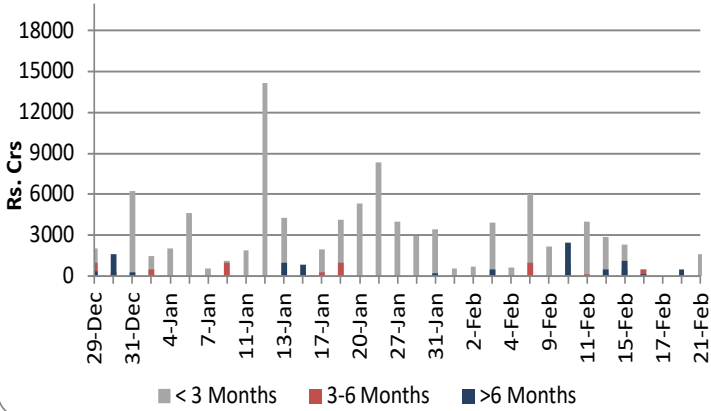
OIS Rate	21-Feb	18-Feb	14-Feb	24-Jan
1 Year	4.26	4.26	4.31	4.43
2 Year	4.79	4.80	4.82	4.96
3 Year	5.24	5.25	5.24	5.28
5 Year	5.72	5.70	5.66	5.61

	21-Feb	18-Feb	14-Feb	24-Jan
Sensex	57,684	57,833	56,406	57,492
Nifty	17,207	17,276	16,843	17,149
USD/INR	74.51	74.66	75.61	74.56
Gold (USD)	1,897	1,898	1,870	1,843
Oil (USD)	93.47	93.54	96.48	86.27

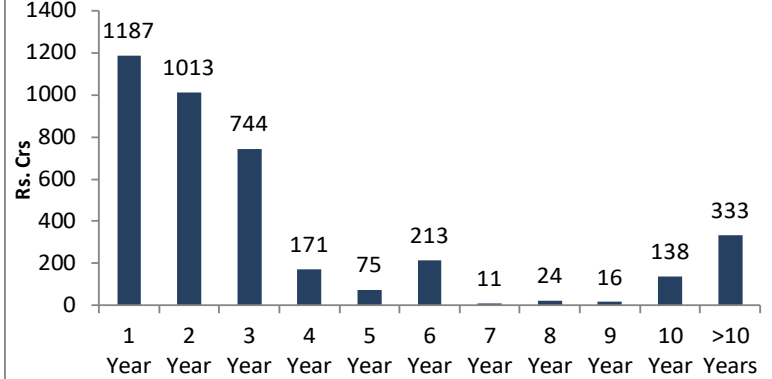
NDF	21-Feb	18-Feb	14-Feb	24-Jan
3 Month	75.34	75.34	76.36	75.20
1 Year	77.49	77.59	78.39	77.93
2 Year	81.56	81.29	81.46	81.26
3 Year	83.74	84.35	85.02	85.33



**CP Primary Volume**



**Bonds Volume (18-2)**



10 Year Benchmarks	21-Feb	18-Feb	14-Feb	24-Jan
India	6.69	6.66	6.67	6.65
US	1.93	1.93	1.99	1.78
South Korea	2.77	2.73	2.71	2.54
Russia	9.96	9.75	10.08	9.75
Brazil	11.26	11.26	11.62	11.54
Germany	0.21	0.21	0.27	-0.10
China	2.84	2.80	2.80	2.69

Top Traded Securities	Volume	21-Feb	18-Feb	14-Feb	24-Jan
5.15 GOI 2025	260	5.69	5.68	5.62	#N/A
5.63 GOI 2026	130	5.85	5.81	5.76	5.94
5.74 GOI 2026	3835	5.93	5.90	5.85	6.07
6.10 GOI 2031	20	6.73	6.70	6.68	6.66
6.64 GOI 2035	0	7.01	6.99	7.00	7.11
6.67 GOI 2035	200	6.99	6.96	6.99	7.11

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
18-Feb-22	2067	1353	714

EQUITY		
Gross Purchase	Gross Sales	Net Investment
2004	696	1308

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
4071	2049	2022

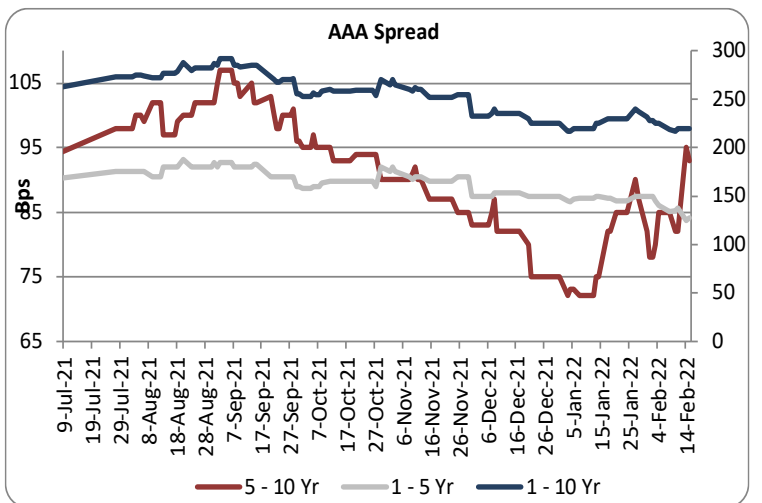
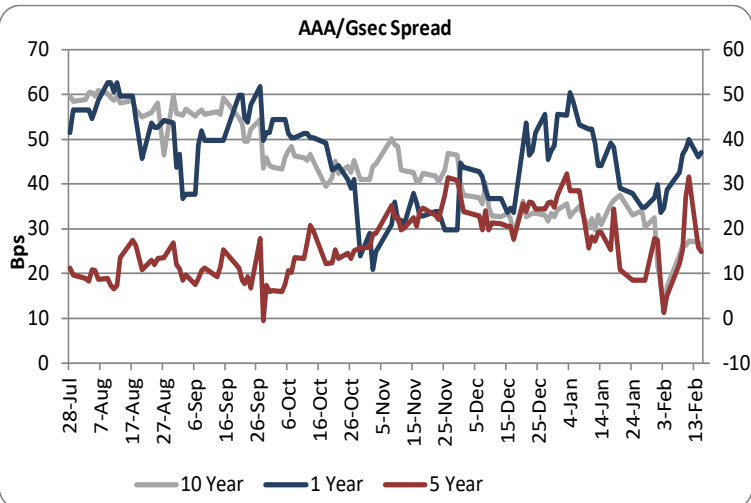
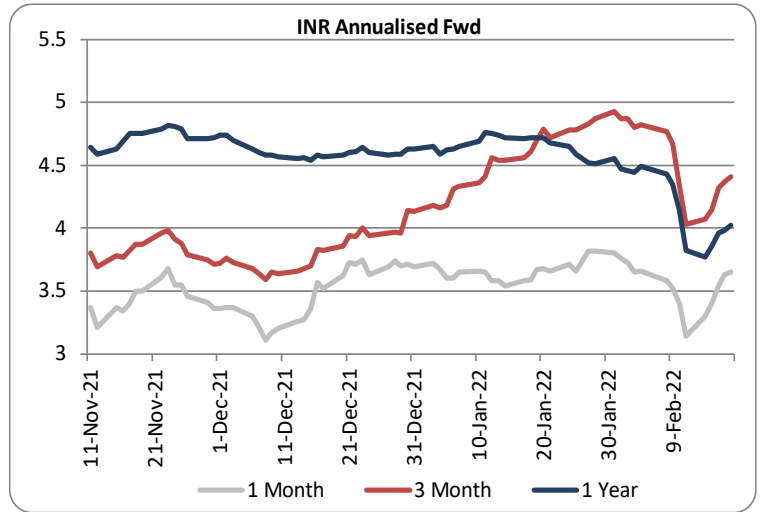
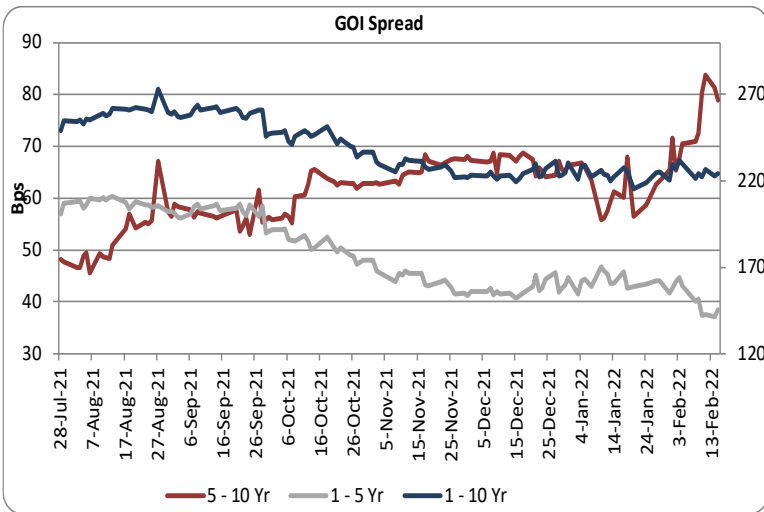
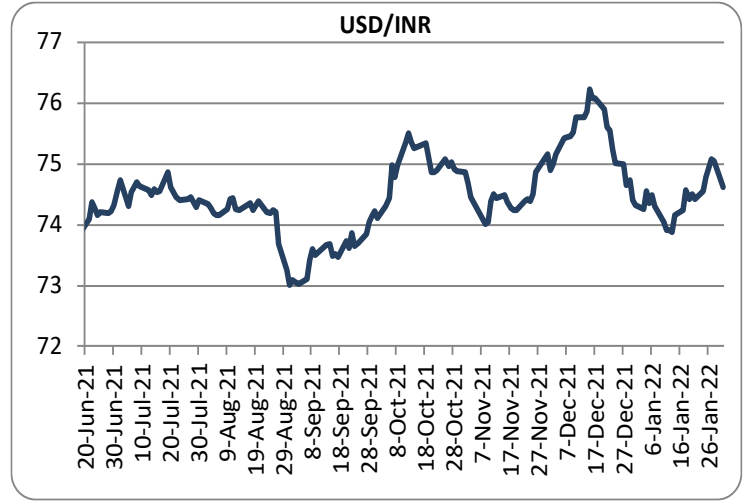
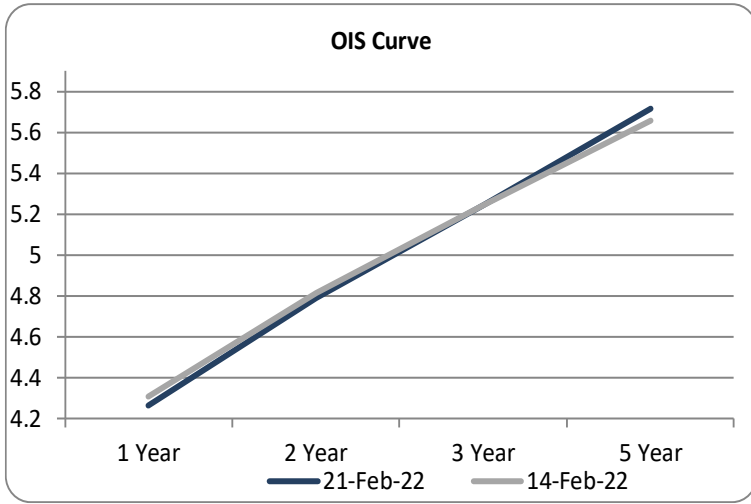
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
21-Feb-22	457	320	138

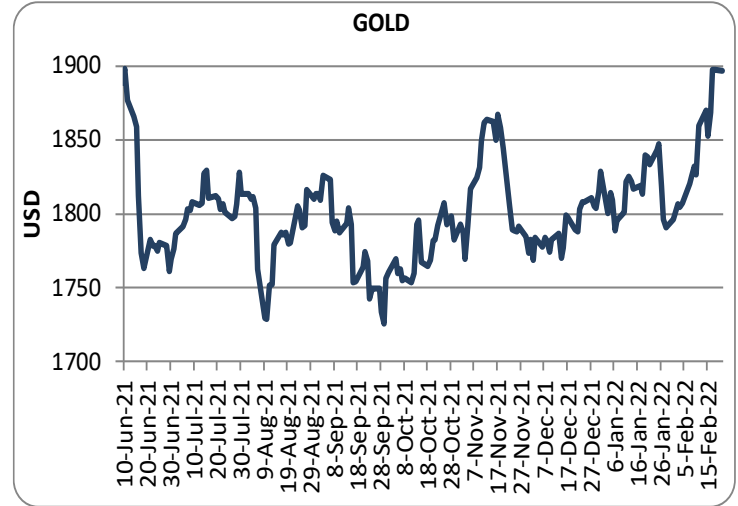
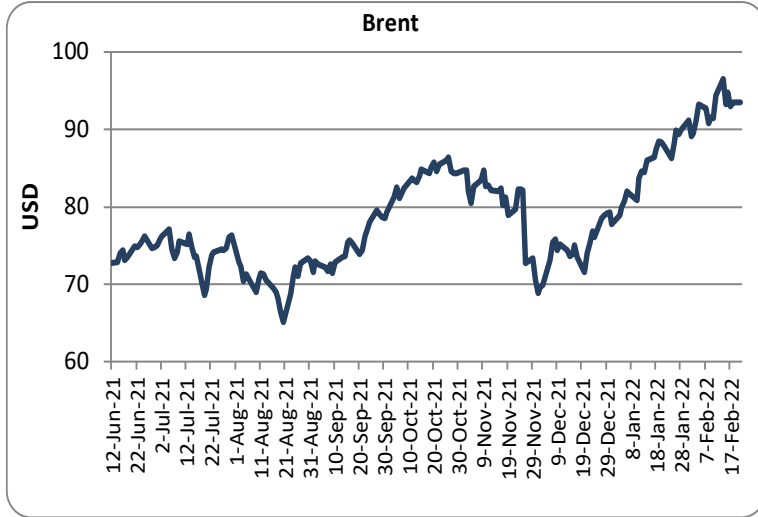
EQUITY		
Gross Purchase	Gross Sales	Net Investment
3095	6153	-3058

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
3552	6473	-2920

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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