



INDIA

Indian government bond yields rose tracking U.S. peers on Thursday, after the minutes of the Federal Reserve's latest meeting showed policymakers were concerned about cutting interest rates prematurely.

India's benchmark 10-year bond yield ended at 7.0682%, following its previous close at 7.0533%.

Market participants also awaited the minutes of the Reserve Bank of India's (RBI) February meeting, due after market hours. The Indian central bank had left rates and policy stance unchanged earlier this month while reiterating its commitment to meet the 4% inflation target on a sustainable basis.

U.S. bond yields rose on Wednesday, with the 10-year yield staying at around 4.30% in Asian hours as minutes of the last Fed meeting showed policymakers are concerned about cutting interest rates too quickly.

The bulk of policymakers at the Fed's January meeting said they needed "greater confidence" in falling inflation before considering lowering rates. The odds of a Fed rate cut in May have eased to 30% from 85% last month.

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Oil prices stayed higher as geopolitical tensions raged on in the Middle East and traders assessed signs of near-term supply tightness.

The Indian rupee strengthened 0.16% versus the U.S. dollar, and quoted at 82.84 per dollar, aided by an uptick in its Asian peers and on the back of dollar inflows.

Repo: The weighted average call rates in the interbank segment decreased to 6.55% vs 6.62% as on the previous day while that the TREP segment decreased to 6.34% vs 6.35% as on the previous day.

**Market Observations**

**G-sec**

- Selling was seen in market across the yield curve. 10-year benchmark closed almost 3bps higher from yesterday's closing levels.
- Selling was seen in longer end G-sec @7.14 centric levels. Major sellers were Insurance companies.

**Corporate Bonds**

- Major activity was seen in the 2025-2027 segment.
- Mutual funds were active on buying as well as selling side and banks were active on the selling side in the 2027-2028 segment.

**CP/CD**

- Major activity was seen in the 3-month and 1-year segment.

GOI Yield	22-Feb	21-Feb	15-Feb	25-Jan
1 Year	7.130	7.130	7.090	7.150
5 Year	7.047	7.040	7.071	7.043
10 Year	7.068	7.053	7.088	7.176

AAA Bmk	22-Feb	21-Feb	15-Feb	25-Jan
1 Year	7.90	7.95	8.00	7.90
5 Year	7.61	7.61	7.64	7.67
10 Year	7.55	7.54	7.63	7.70

CD	22-Feb	21-Feb	15-Feb	25-Jan
3 Month	7.75	7.82	7.85	7.80
6 Month	7.80	7.85	7.90	7.85
1 Year	7.78	7.85	7.90	7.90

CP	22-Feb	21-Feb	15-Feb	25-Jan
3 Month	7.80	7.85	8.00	7.90
6 Month	7.80	7.85	8.00	7.95
1 Year	7.90	7.95	8.00	8.00

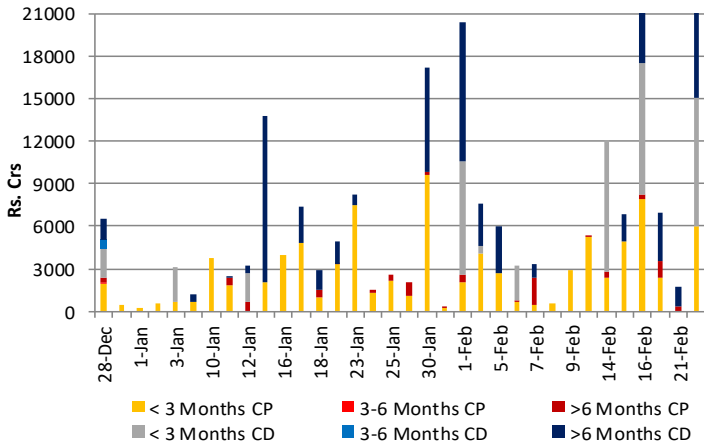
OIS Rate	22-Feb	21-Feb	15-Feb	25-Jan
1 Year	6.71	6.70	6.72	6.60
2 Year	6.40	6.39	6.41	6.26
3 Year	6.37	6.36	6.38	6.22
5 Year	6.34	6.32	6.34	6.19

	22-Feb	21-Feb	15-Feb	25-Jan
Sensex	73,158	72,623	72,050	70,701
Nifty	22,217	22,055	21,911	21,353
USD/INR	82.84	82.97	83.04	83.12
Gold (USD)	2,028	2,025	2,004	2,020
Oil (USD)	83.04	83.03	82.86	82.43

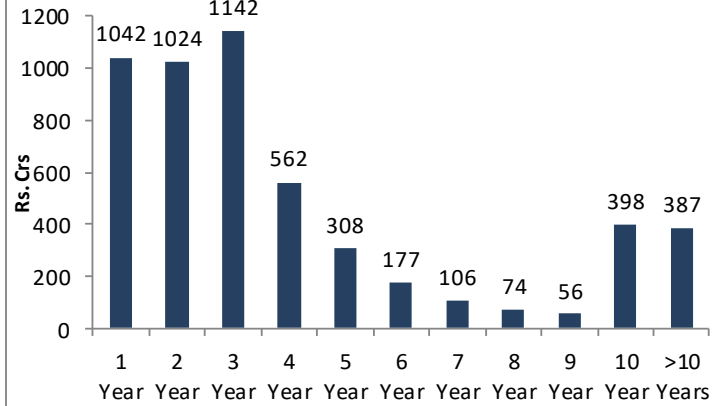
NDF	22-Feb	21-Feb	15-Feb	25-Jan
3 Month	83.18	83.23	83.29	83.45
1 Year	84.29	84.33	84.44	84.67
2 Year	86.57	86.49	86.63	87.02
3 Year	89.09	88.94	89.28	89.92



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	22-Feb	21-Feb	15-Feb	25-Jan
India	7.07	7.05	7.09	7.17
US	4.31	4.32	4.24	4.13
South Korea	3.42	3.47	3.47	3.42
Russia	12.74	12.70	12.58	12.21
Brazil	10.72	10.72	10.78	10.68
Germany	2.44	2.44	2.35	2.28
China	2.41	2.42	2.46	2.51

Top Traded Securities	Volume	15-Feb	14-Feb	8-Feb	17-Jan
7.26 2033	255	7.11	7.14	7.10	7.19
7.06 2028	105	7.08	7.11	7.05	7.06
7.62 2039	-	7.15	7.18	7.12	7.28
7.30 2053	180	7.13	7.18	7.13	7.37
6.64 2035	20	7.13	7.16	7.11	7.25
7.40 2035	15	7.13	7.16	7.10	7.26

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
21-Feb-24	0	0	0

EQUITY	Gross Purchase	Gross Sales	Net Investment
	0	0	0

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
0	0	0

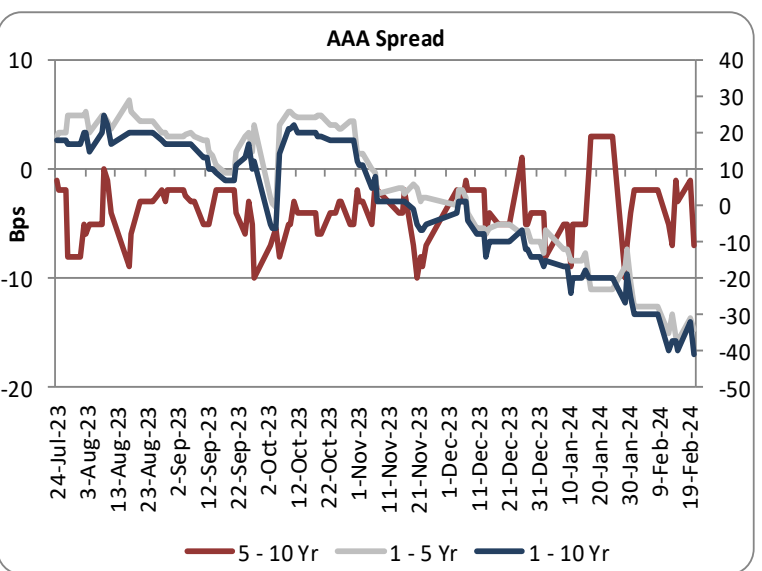
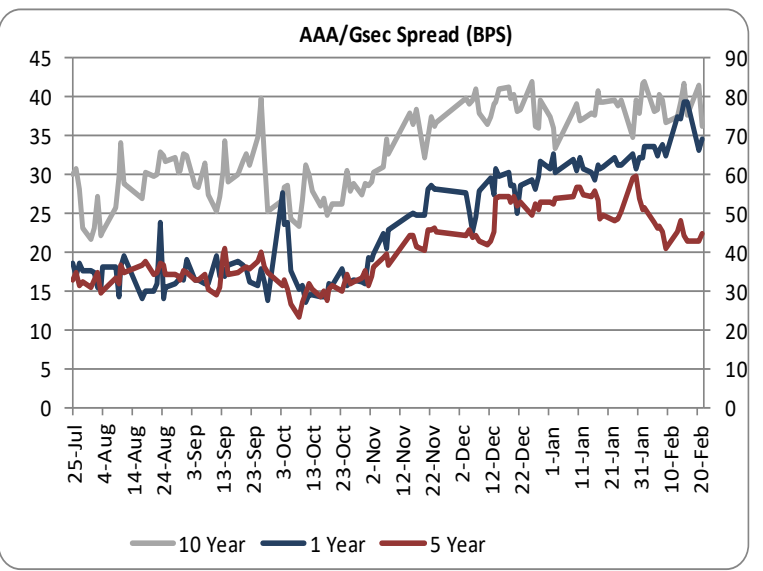
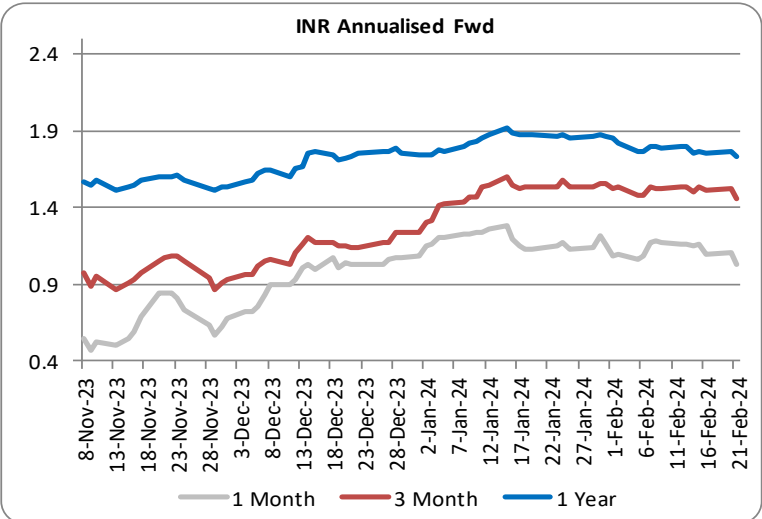
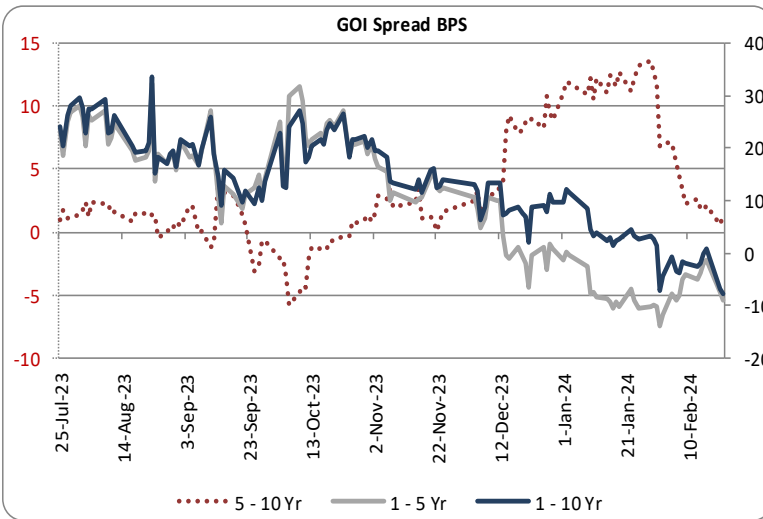
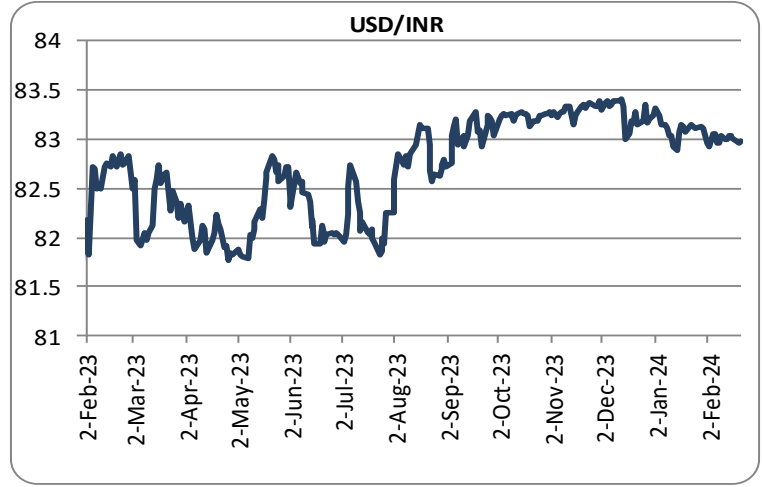
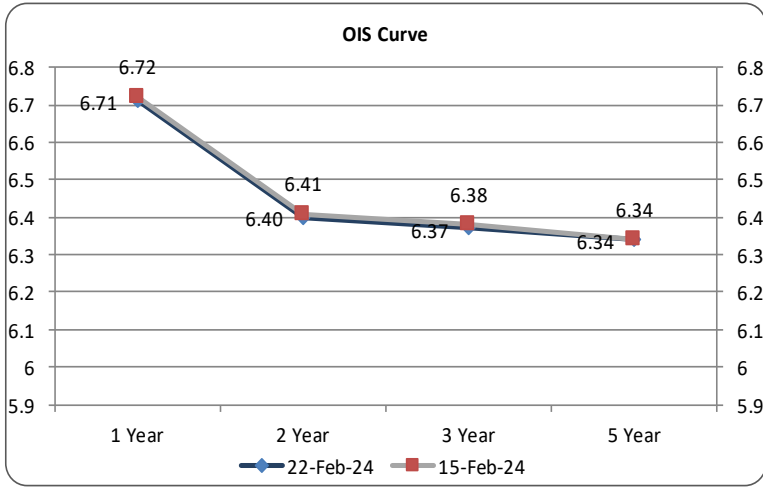
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
22-Feb-24	1111	1608	-497

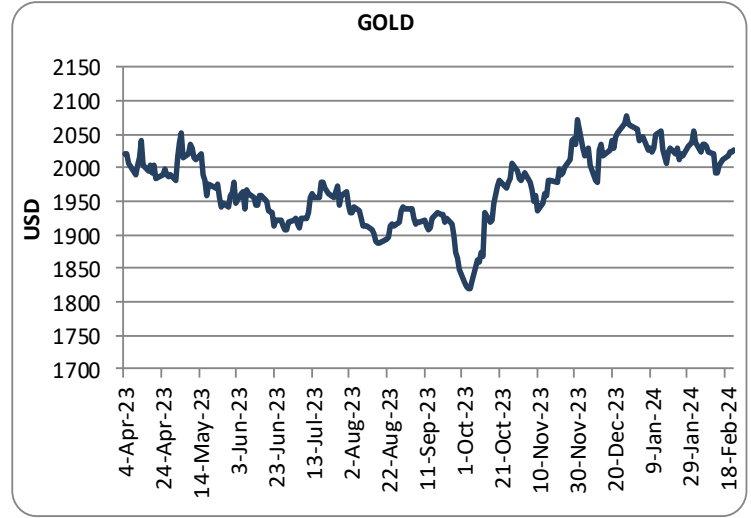
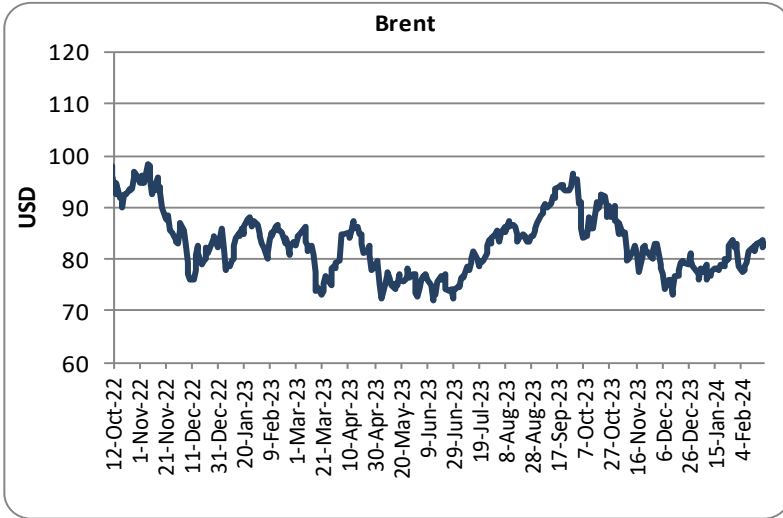
EQUITY	Gross Purchase	Gross Sales	Net Investment
	17007	16614	394

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
18118	18221	-103

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
Retail Sales	Poland	22-Feb-24	0	0.5
GDP YY	Germany	23-Feb-24	(0.40)	(0.40)
CPI	Japan	27-Feb-24	-	2.60
GDP Q4	USA	28-Feb-24	3.30	3.30
CPI	Germany	29-Feb-24	-	2.90
Unemployment Rate	Japan	01-Mar-24	-	2.40
Unemployment Rate	Euro Zone	01-Mar-24	-	6.40
GDP YY Q4	Brazil	01-Mar-24	-	2.00





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

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