



INDIA

Indian government bond yields ended little changed on Monday as traders awaited the federal budget a day later, with the focus on the fiscal deficit and market borrowing numbers.

The benchmark 10-year yield ended at 6.9663%, following its previous close of 6.9641%.

Market participants are expecting the fiscal deficit target at 5.1% and gross borrowing at 14.13 trillion rupees, the same as February's interim budget.

India's government has taken a more cautious stance than private economists on the outlook for growth this fiscal year, predicting the world's fifth-largest economy will expand between 6.5% and 7%, the annual Economic Survey showed.

Meanwhile, unexpected bond sales by the central bank earlier this month weighed on demand for bonds. The RBI sold bonds worth 34.05 billion rupees (\$407 million) in the week ended July 12 in the secondary market, its first such sales in more than 8 months as the banking system's liquidity surplus widened.

The U.S. 10-year bond yield was around 4.23% in Asian hours, after U.S. President Joe Biden abandoned his reelection bid and endorsed Vice President Kamala Harris as the party's candidate for the November election.

The Indian rupee was flat versus the U.S. dollar, and quoted at 83.6575 per dollar, after slipping to a record low earlier in the session amid a decline in the Chinese yuan. State-run banks' dollar sales helped cap losses in the Indian currency.

Repo: The weighted average call rates in the interbank segment increased to 6.60% vs 6.11% as on the previous day while that the TREP segment increased to 6.59% vs 6.30% as on the previous day.

GOI Yield	22-Jul	19-Jul	15-Jul	20-Jun
1 Year	6.860	6.840	6.860	6.960
5 Year	6.922	6.906	6.940	6.988
10 Year	6.966	6.964	6.980	6.978

AAA Bmk	22-Jul	19-Jul	15-Jul	20-Jun
1 Year	7.70	7.70	7.70	7.72
5 Year	7.60	7.60	7.61	7.64
10 Year	7.50	7.50	7.50	7.53

CD	22-Jul	19-Jul	15-Jul	20-Jun
3 Month	7.12	7.12	7.14	7.12
6 Month	7.43	7.43	7.45	7.50
1 Year	7.63	7.63	7.61	7.70

CP	22-Jul	19-Jul	15-Jul	20-Jun
3 Month	7.17	7.17	7.20	7.20
6 Month	7.47	7.47	7.50	7.60
1 Year	7.68	7.68	7.70	7.80

OIS Rate	22-Jul	19-Jul	15-Jul	20-Jun
1 Year	6.72	6.72	6.75	6.78
2 Year	6.44	6.42	6.48	6.49
3 Year	6.35	6.34	6.40	6.42
5 Year	6.31	6.30	6.37	6.35

	22-Jul	19-Jul	15-Jul	20-Jun
Sensex	80,502	80,605	80,665	77,479
Nifty	24,509	24,531	24,587	23,567
USD/INR	83.66	83.66	83.59	83.65
Gold (USD)	2,404	2,401	2,422	2,360
Oil (USD)	82.25	82.63	84.85	85.71

NDF	22-Jul	19-Jul	15-Jul	20-Jun
3 Month	83.91	83.95	83.76	83.85
1 Year	85.09	85.17	84.96	84.93
2 Year	87.03	87.52	87.07	87.08
3 Year	89.97	90.34	89.86	89.52

Market Observations

G-sec

- Demand was seen in 10year+ SDLs by nationalized banks and PDs @7.34 to 7.36 levels. Major sellers were Mutual funds, Insurance companies.
- Demand was seen in JFM 2025 SDLs by mutual funds @6.95 centric levels. Major sellers were Insurance companies.

Corporate Bonds

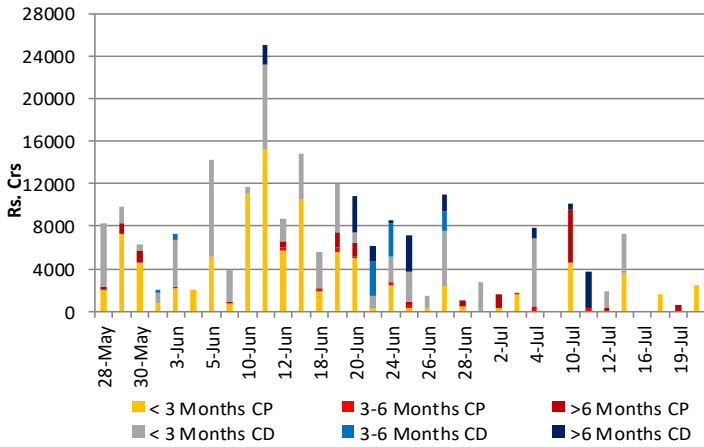
- Major Activity was seen in the 2025-2027 segment.
- Banks and mutual funds were active on the buying as well as selling side in the active segment.

CP/CD

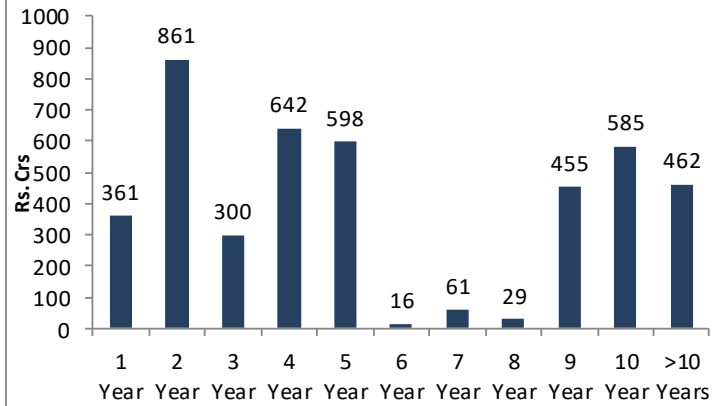
- Activity was seen in the 3-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	22-Jul	19-Jul	15-Jul	20-Jun
India	6.97	6.97	6.98	6.98
US	4.22	4.24	4.23	4.25
South Korea	3.17	3.16	3.18	3.27
Russia	15.11	15.11	15.11	15.11
Brazil	12.07	12.07	11.82	12.12
Germany	2.46	2.46	2.47	2.42
China	2.25	2.26	2.25	2.24

Top Traded Securities	Volume	19-Jul	18-Jul	12-Jul	19-Jun
7.26 2033	875	7.02	7.02	7.04	7.04
7.06 2028	35	6.91	6.91	6.96	6.98
7.62 2039	150	7.04	7.04	7.03	7.06
7.30 2053	1,040	7.04	7.05	7.07	7.05
6.64 2035	40	7.03	7.03	7.05	7.04
7.40 2035	-	7.03	7.03	7.06	7.01

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
19-Jul-24	341	370	-29

EQUITY	Gross Purchase	Gross Sales	Net Investment
	196	596	-400

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
538	966	-428

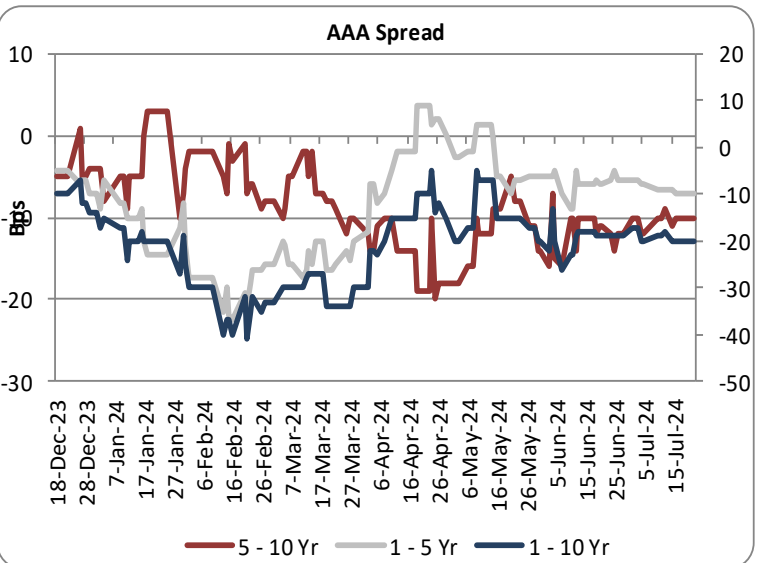
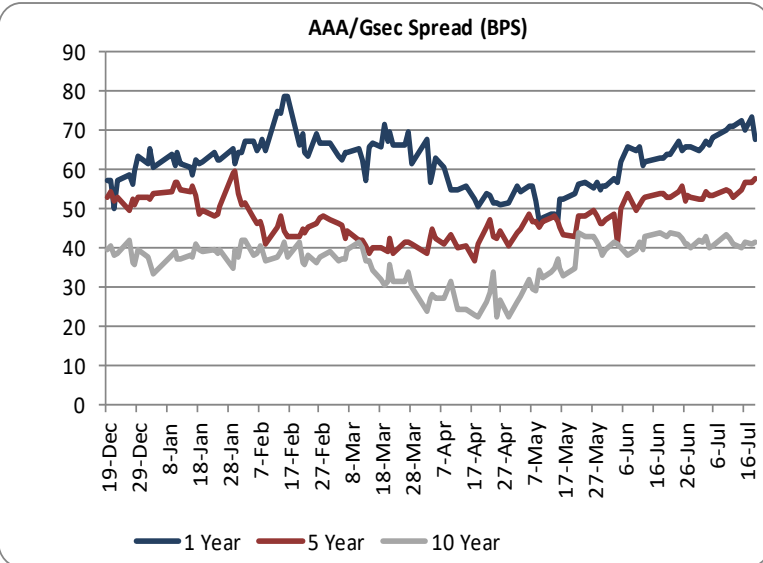
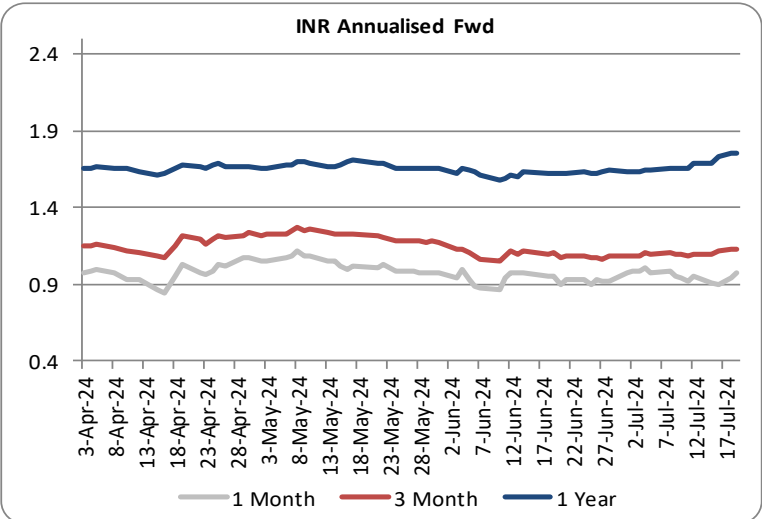
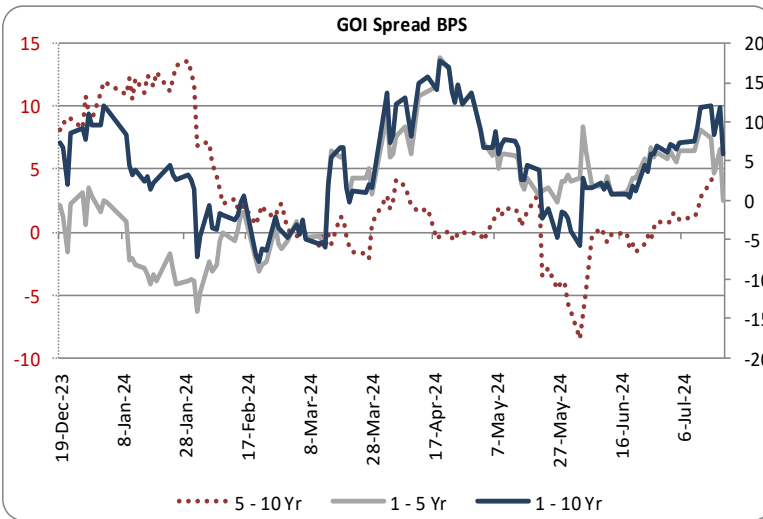
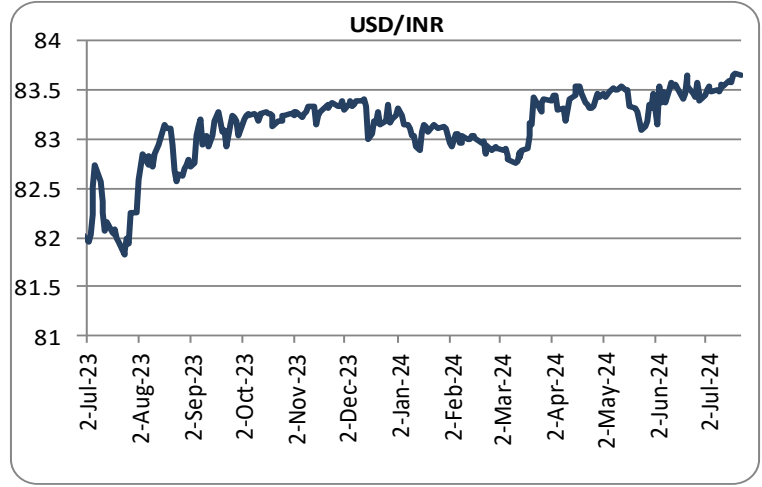
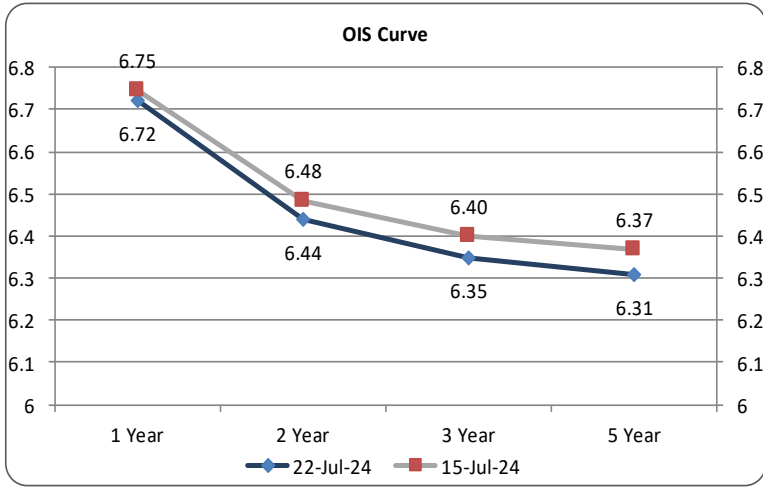
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
22-Jul-24	2375	785	1590

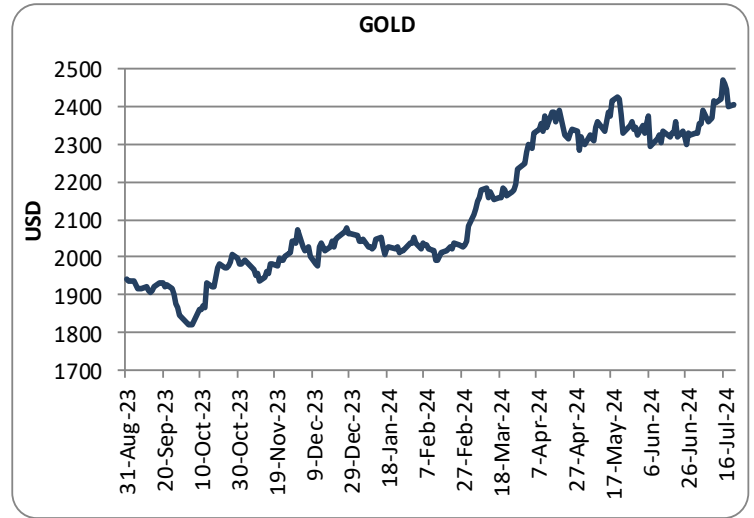
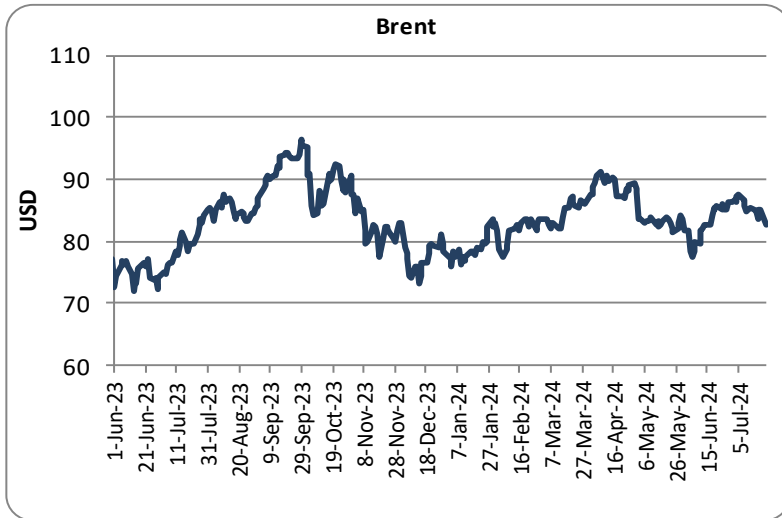
EQUITY	Gross Purchase	Gross Sales	Net Investment
	16143	14319	1824

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
18518	15104	3414

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-24	7.8	8.4
CAD (\$ Bn)	Mar-24	5.7	-8.7
Trade Deficit (\$ Bn)	Mar-24	-50.9	-71.6
WPI (%)	Jun-24	3.4	2.6
CPI (%)	Jun-24	5.1	4.8
IIP (%)	May-24	5.9	5.0
PMI Manufacturing	Jun-24	58.3	57.5
PMI Service	Jun-24	60.5	60.2

Economic Calender	Country	Date	Poll	Prior
CPI	UK	17-Jul-24	0	2
CPI	Euro Zone	17-Jul-24	2.50	2.50
Unemployment Rate	Australia	18-Jul-24	4.00	4.00
Refinancing Rate	Euro Zone	18-Jul-24	4.25	4.25
Retail Sales	UK	19-Jul-24	0.20	1.30
Unemployment Rate	Japan	30-Jul-24	-	2.60
CPI	Germany	30-Jul-24	-	2.20
Industrial Output	South Korea	31-Jul-24	-	3.50





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

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