



INDIA

Indian government bond yields were steady on Friday amid a lack of fresh triggers, while market participants digested minutes of the central bank's February meeting that showed most members considered current interest rates as appropriate.

India's benchmark 10-year bond yield ended at 7.0764%, following its previous close at 7.0682%. The yield ended two basis points lower this week.

In the minutes of the monetary policy conducted on February 8, the Reserve Bank of India (RBI) Governor Shaktikanta Das said that at the current juncture, "monetary policy must remain vigilant and not assume that our job on the inflation front is over".

The RBI left the key repo rate unchanged at 6.50% earlier this month, and reiterated its commitment to meet the 4% inflation target on a sustainable basis.

During the week, there was a sustained demand from foreign investors but elevated U.S. yields on expectations that rate cuts by the Fed be pushed to June limited a fall in local yields.

U.S. yields remained higher, with the 10-year yield around the 4.35% mark. Traders said a break could see a move towards 4.50% and trigger a selloff in local bonds.

Strong economic data and a higher-than-expected inflation reading in the world's largest economy have pushed back hopes of imminent rate cuts. The odds of a Fed rate cut in May have tapered sharply to 24% from 38% last week and 84% last month.

The Indian rupee weakened 0.12% versus the U.S. dollar, and quoted at 82.93 per dollar due to dollar demand from importers and oil companies

Repo: The weighted average call rates in the interbank segment increased to 6.68% vs 6.55% as on the previous day while that the TREP segment increased to 6.67% vs 6.34% as on the previous day.

Market Observations

G-sec

- Size switch was reported in 30 and 40-year G-sec @0.10bps where 2063 paper traded higher.

Corporate Bonds

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

CP/CD

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

GOI Yield	23-Feb	22-Feb	16-Feb	25-Jan
1 Year	7.140	7.130	7.090	7.150
5 Year	7.062	7.047	7.076	7.043
10 Year	7.076	7.068	7.097	7.176

AAA Bmk	23-Feb	22-Feb	16-Feb	25-Jan
1 Year	7.90	7.90	8.00	7.90
5 Year	7.64	7.61	7.63	7.67
10 Year	7.58	7.55	7.60	7.70

CD	23-Feb	22-Feb	16-Feb	25-Jan
3 Month	7.75	7.75	7.85	7.80
6 Month	7.80	7.80	7.85	7.85
1 Year	7.78	7.78	7.85	7.90

CP	23-Feb	22-Feb	16-Feb	25-Jan
3 Month	7.80	7.80	7.85	7.90
6 Month	7.80	7.80	7.85	7.95
1 Year	7.90	7.90	7.95	8.00

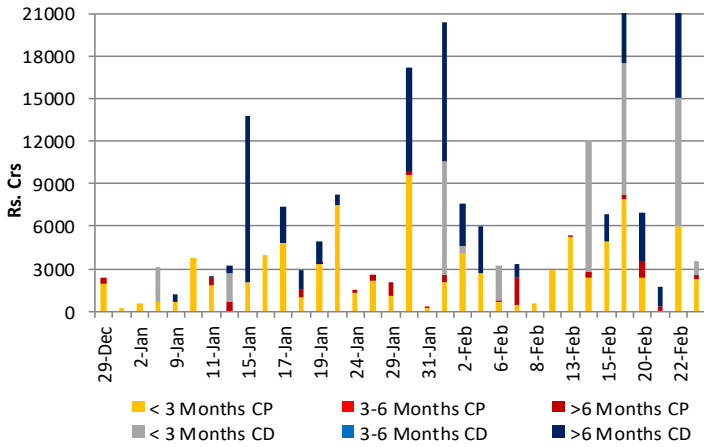
OIS Rate	23-Feb	22-Feb	16-Feb	25-Jan
1 Year	6.73	6.71	6.71	6.60
2 Year	6.42	6.40	6.41	6.26
3 Year	6.38	6.37	6.38	6.22
5 Year	6.37	6.34	6.35	6.19

	23-Feb	22-Feb	16-Feb	25-Jan
Sensex	73,143	73,158	72,427	70,701
Nifty	22,213	22,217	22,041	21,353
USD/INR	82.94	82.84	83.02	83.12
Gold (USD)	2,022	2,024	2,013	2,020
Oil (USD)	82.78	83.67	83.47	82.43

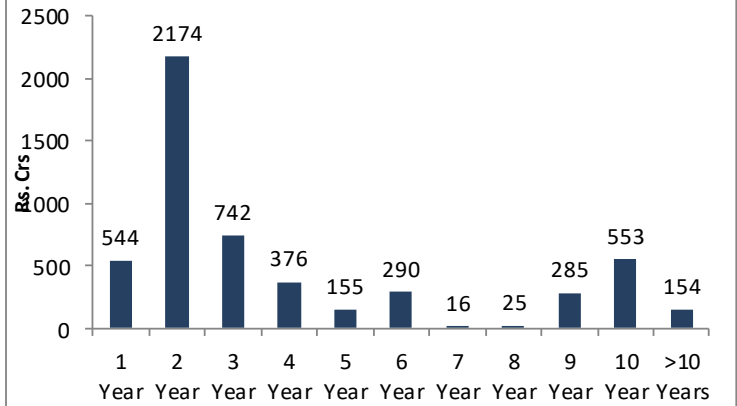
NDF	23-Feb	22-Feb	16-Feb	25-Jan
3 Month	83.20	83.16	83.32	83.45
1 Year	84.35	84.25	84.46	84.67
2 Year	86.53	86.39	86.61	87.02
3 Year	89.10	88.84	89.26	89.92



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	23-Feb	22-Feb	16-Feb	25-Jan
India	7.08	7.06	7.10	7.17
US	4.33	4.33	4.30	4.13
South Korea	3.47	3.42	3.48	3.42
Russia	12.71	12.71	12.65	12.21
Brazil	10.79	10.79	10.78	10.68
Germany	2.45	2.44	2.40	2.28
China	2.40	2.41	2.46	2.51

Top Traded Securities	Volume	15-Feb	14-Feb	8-Feb	17-Jan
7.26 2033	75	7.11	7.14	7.10	7.19
7.06 2028	205	7.08	7.11	7.05	7.06
7.62 2039	50	7.15	7.18	7.12	7.28
7.30 2053	350	7.13	7.18	7.13	7.37
6.64 2035	-	7.13	7.16	7.11	7.25
7.40 2035	100	7.13	7.16	7.10	7.26

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
20-Feb-24	8759	7268	1491

EQUITY		
Gross Purchase	Gross Sales	Net Investment
8932	8521	411

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
17691	15789	1903

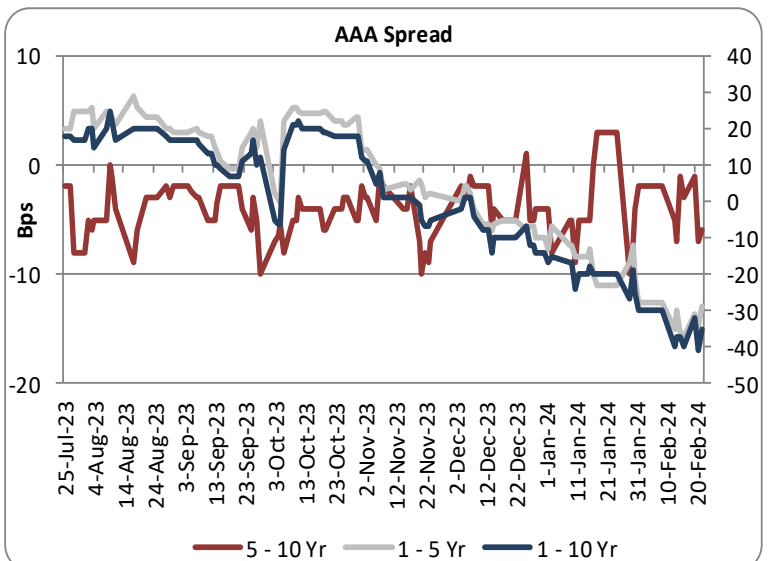
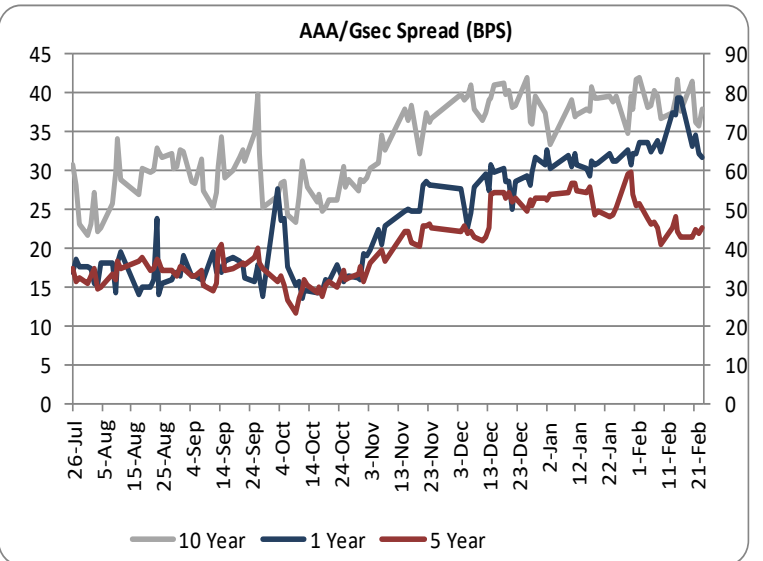
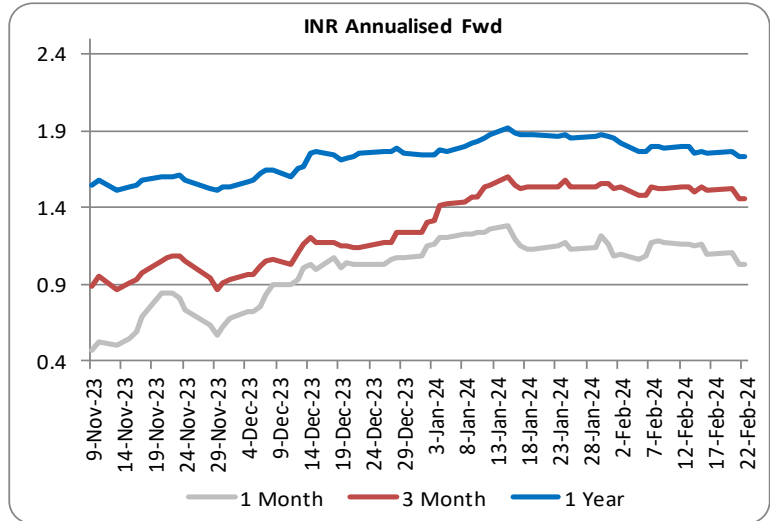
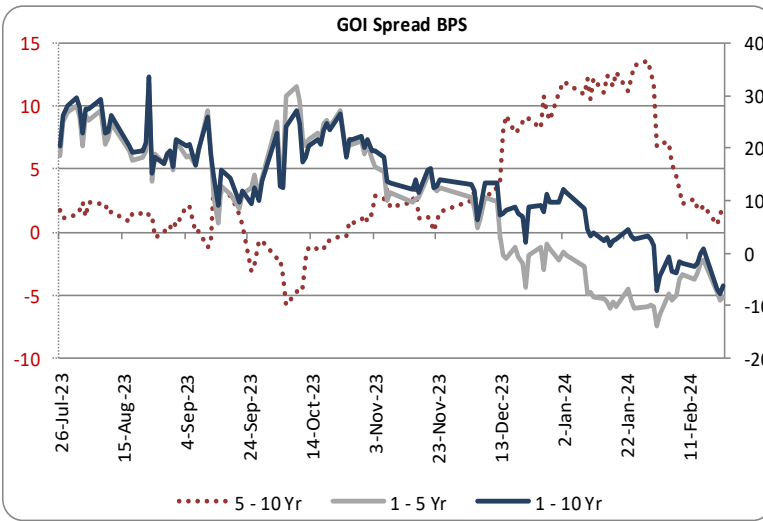
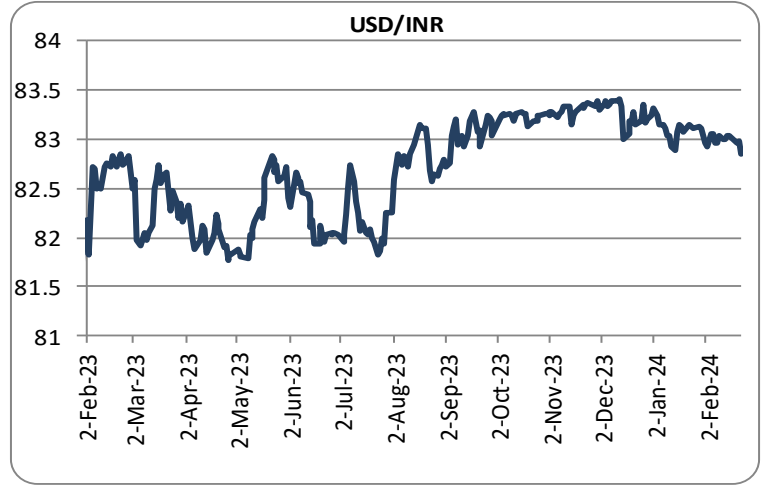
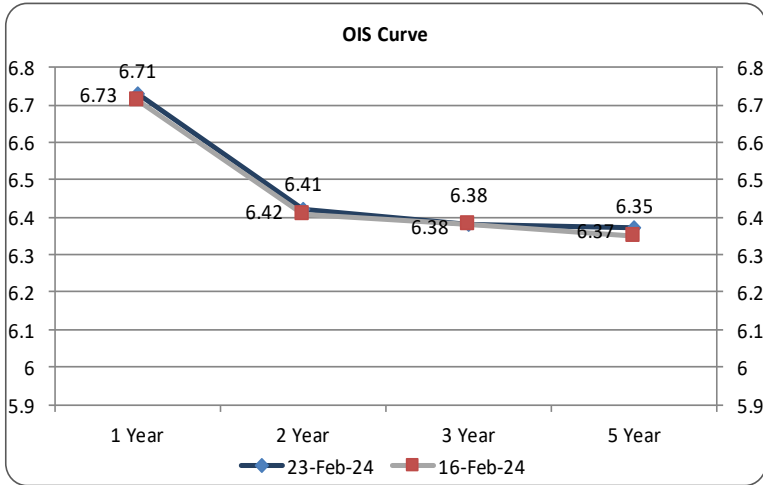
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
23-Feb-24	1273	776	497

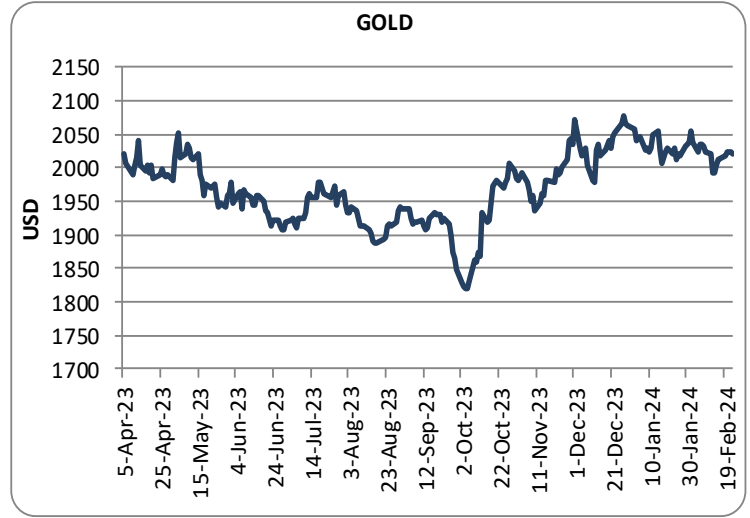
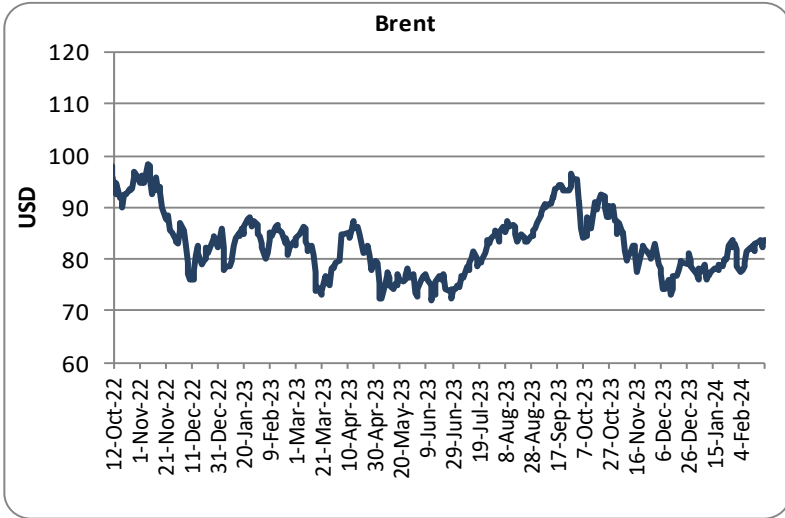
EQUITY		
Gross Purchase	Gross Sales	Net Investment
14613	14801	-188

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
15886	15577	309

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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