



BONDWATCH

Daily

April 24, 2024

INDIA

Indian government bond yields ended higher for the first time in three sessions on Wednesday as trader's eye further positive triggers, while oil prices and U.S. yields, though off their recent highs, continue to threaten fresh peaks.

The benchmark 10-year yield ended at 7.1852%, following its previous close at 7.1643%. The benchmark yield eased seven basis points (bps) in the last two sessions.

The 10-year U.S. Treasury yield continues to remain above the 4.60% mark, as investors pare back U.S. rate cut bets for 2024.

Market participants are expecting around 42 bps of U.S. rate cuts by the end of this year, compared to the more-than-150 bps expected at the start of 2024.

The benchmark Brent crude contract was around \$88 per barrel, after topping \$92 earlier this month. The Middle East conflict has not yet impacted any supply.

Back home, traders also await fresh debt supply which could provide insights into investor demand as the Indian Government will raise 320 billion rupees (\$3.84 billion) through the sale of bonds on Friday.

The Indian rupee strengthened 0.03% versus the U.S. dollar, and quoted at 83.32 per dollar as dollar demand from local oil companies and importers ate into the local currency's early gains, while an uptick in the dollar index also weighed.

Repo: The weighted average call rates in the interbank segment increased to 6.67% vs 6.65% as on the previous day while that the TREP segment increased to 6.70% vs 6.64% as on the previous day.

Market Observations

G-sec

- T-bill cut off was in line with market expectations, demand was seen in 3-month t-bill @6.91 levels by Mutual funds.
- Demand was seen in 2026 maturity G-sec by private banks and nationalized banks @7.15 centric levels. Major sellers were foreign banks.

Corporate Bonds

- Major activity was seen in the 2025-2029 segment.
- Mutual funds, insurance companies and corporates were active in this segment.

CP/CD

- Activity was seen in the 3-month segment.

GOI Yield	24-Apr	23-Apr	19-Apr	26-Mar
1 Year	7.060	7.025	7.050	7.080
5 Year	7.193	7.169	7.231	7.108
10 Year	7.185	7.164	7.228	7.091

AAA Bmk	24-Apr	23-Apr	19-Apr	26-Mar
1 Year	7.70	7.68	7.68	7.87
5 Year	7.75	7.77	7.77	7.65
10 Year	7.65	7.58	7.58	7.53

CD	24-Apr	23-Apr	19-Apr	26-Mar
3 Month	7.15	7.15	7.15	7.70
6 Month	7.40	7.35	7.35	7.75
1 Year	7.60	7.60	7.60	7.70

CP	24-Apr	23-Apr	19-Apr	26-Mar
3 Month	7.25	7.25	7.25	7.85
6 Month	7.50	7.45	7.45	7.90
1 Year	7.70	7.70	7.70	7.85

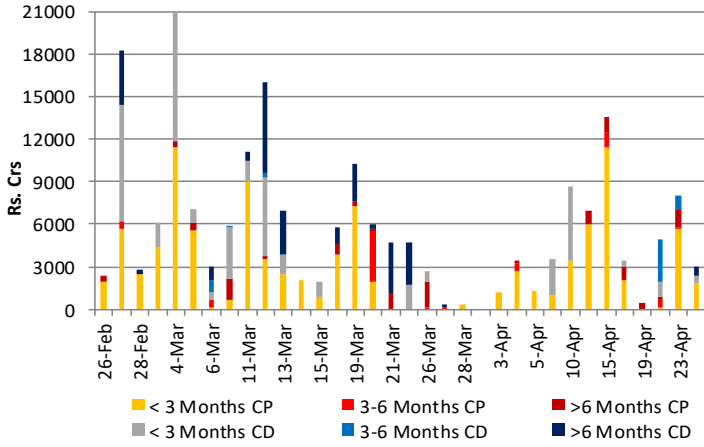
OIS Rate	24-Apr	23-Apr	19-Apr	26-Mar
1 Year	6.89	6.87	6.90	6.77
2 Year	6.64	6.64	6.69	6.49
3 Year	6.60	6.60	6.64	6.44
5 Year	6.58	6.58	6.61	6.40

	24-Apr	23-Apr	19-Apr	26-Mar
Sensex	73,853	73,738	73,088	72,470
Nifty	22,402	22,368	22,147	22,005
USD/INR	83.32	83.34	83.47	83.28
Gold (USD)	2,315	2,322	2,390	2,179
Oil (USD)	87.96	88.42	87.29	86.25

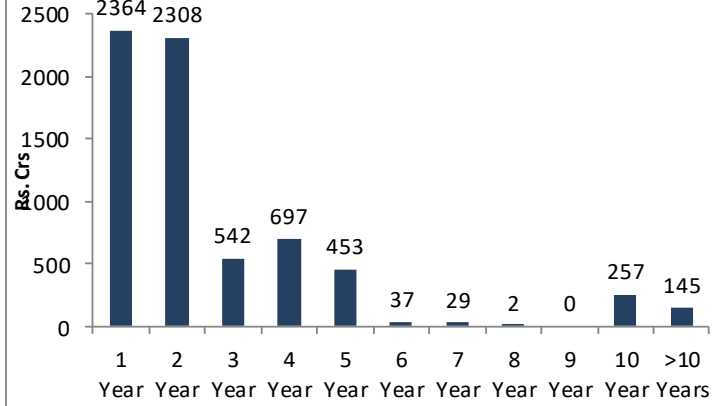
NDF	24-Apr	23-Apr	19-Apr	26-Mar
3 Month	83.56	83.54	83.68	83.41
1 Year	84.73	84.65	84.90	84.61
2 Year	86.76	86.65	87.05	86.70
3 Year	89.30	89.10	89.50	89.36



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	24-Apr	23-Apr	19-Apr	26-Mar
India	7.19	7.17	7.23	7.09
US	4.64	4.60	4.62	4.23
South Korea	3.65	3.62	3.58	3.39
Russia	14.21	14.18	14.05	13.92
Brazil	11.47	11.47	11.45	10.94
Germany	2.55	2.51	2.51	2.35
China	2.28	2.24	2.26	2.31

Top Traded Securities	Volume	23-Apr	22-Apr	16-Apr	22-Mar
7.26 2033	5	7.19	7.22	7.20	7.11
7.06 2028	280	7.18	7.19	7.18	7.11
7.62 2039	-	7.19	7.22	7.21	7.12
7.30 2053	175	7.26	7.28	7.28	7.16
6.64 2035	-	7.23	7.20	7.21	7.14
7.40 2035	100	7.22	7.16	7.21	7.14

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
18-Apr-24	1153	887	266

EQUITY	Gross Purchase	Gross Sales	Net Investment
	1652	722	929

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
2804	1609	1195

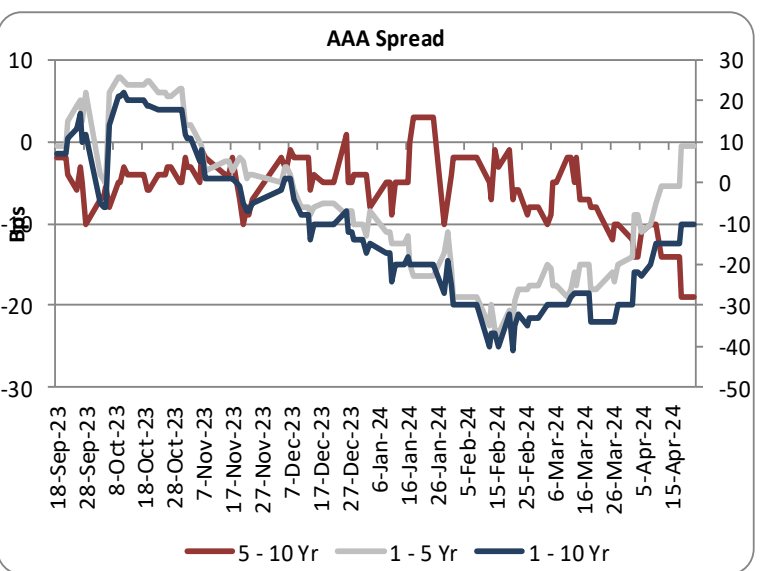
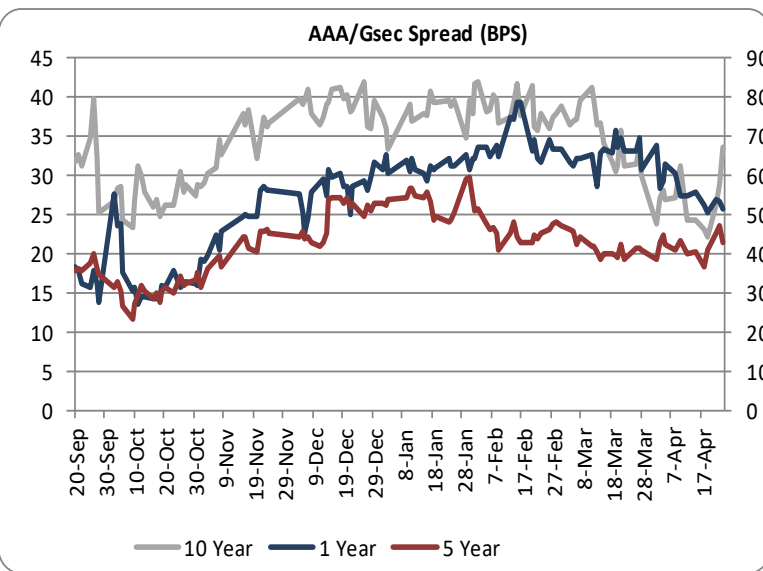
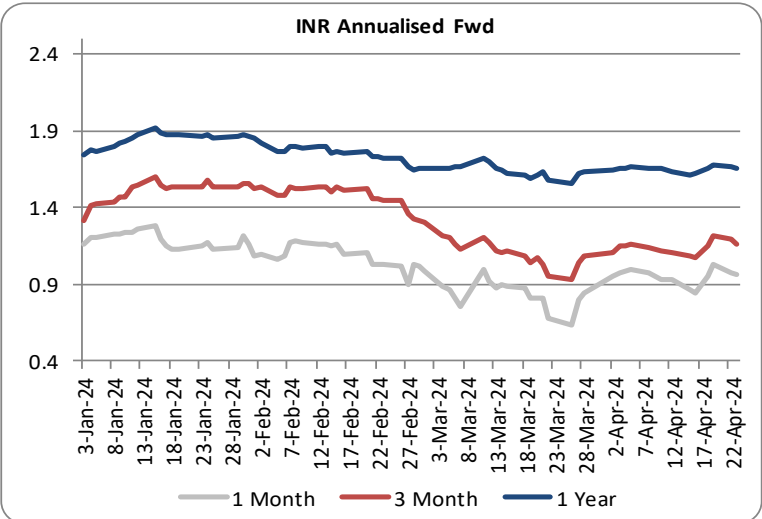
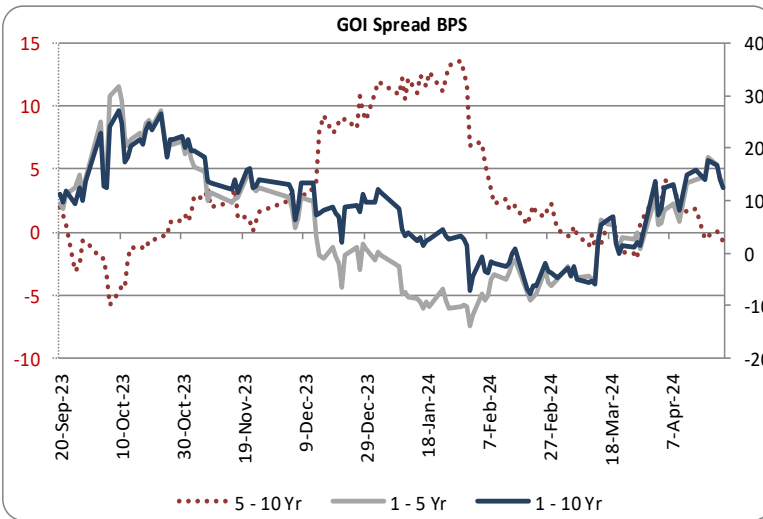
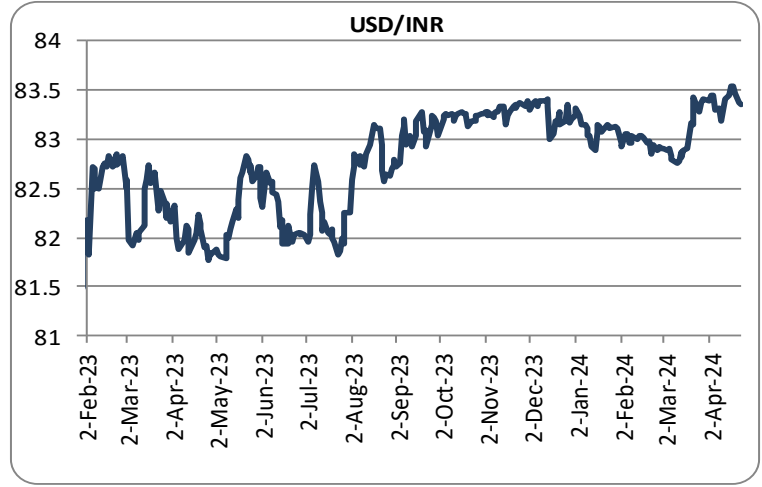
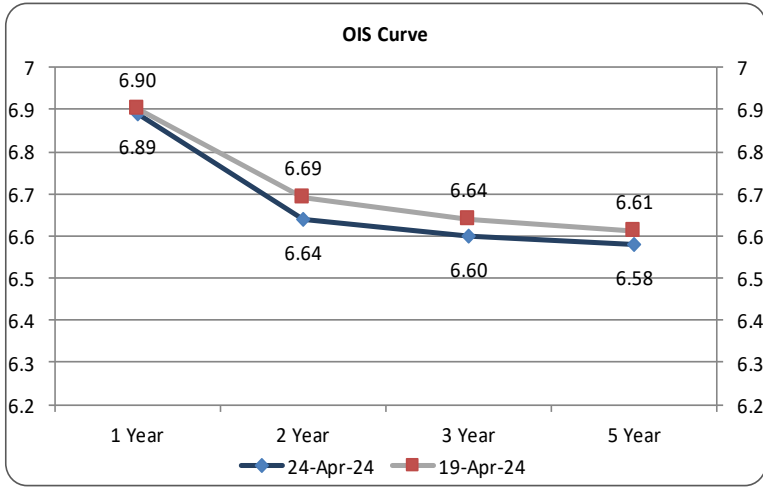
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
24-Apr-24	753	2629	-1876

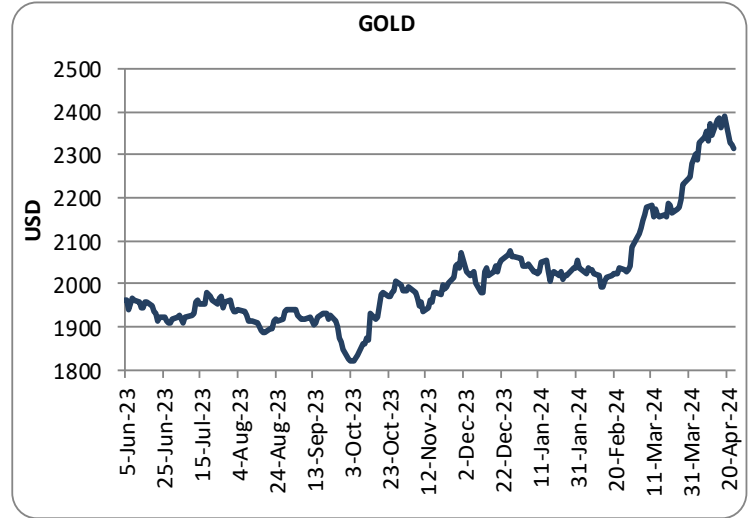
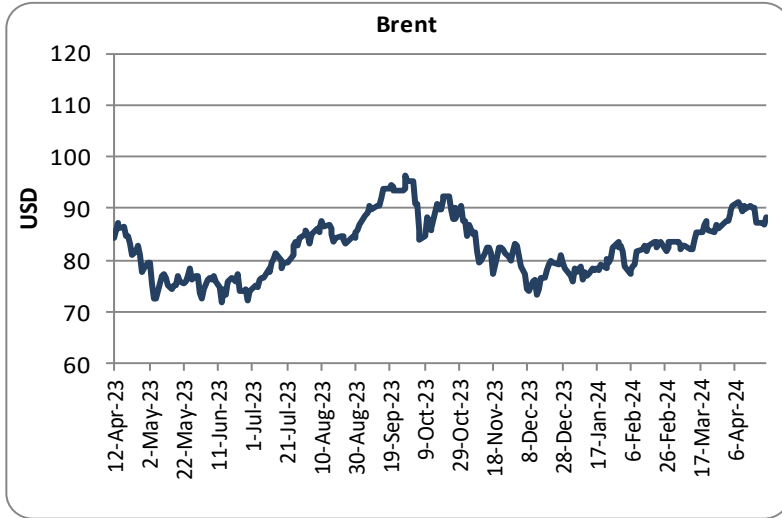
EQUITY	Gross Purchase	Gross Sales	Net Investment
	15040	18499	-3458

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
15794	21128	-5334

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-23	8.4	8.1
CAD (\$ Bn)	Dec-23	-10.5	-11.4
Trade Deficit (\$ Bn)	Dec-23	-71.6	-61.0
WPI (%)	Mar-24	0.5	0.2
CPI (%)	Mar-24	4.9	5.1
IIP (%)	Feb-24	5.7	4.1
PMI Manufacturing	Mar-24	59.1	56.9
PMI Service	Mar-24	61.2	60.6

Economic Calender	Country	Date	Poll	Prior
Retail Sales	UK	19-Apr-24	1	-0.4
CPI Q1	Australia	24-Apr-24	-	4.10
GDP Advance q1	USA	25-Apr-24	2.10	3.40
CPI	Germany	29-Apr-24	-	2.20
Unemployment Rate	Japan	30-Apr-24	-	2.60
Unemployment Rate	Germany	30-Apr-24	-	5.90
CPI	Euro Zone	30-Apr-24	-	2.40
GDP YY Q1	Euro Zone	30-Apr-24	-	0.10





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

LKP SECURITIES LTD., 203, Embassy Centre, Nariman Point, Mumbai- 400021

The information in this document has been printed based on publicly available information, internal data and other reliable sources believed to be true and is for general guidance only. While every effort is made to ensure the accuracy and completeness of information contained, the company makes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand, or cause of action. Nothing contained in this publication shall constitute an offer to sell/purchase or an invitation/solicitation to do so for any Government Security, Currency, Security, and Equity. LKP Securities Ltd. accepts no liability whatsoever for any loss, howsoever arising, from any use of this document, its contents or otherwise arising in connection therewith.

For any queries contact - LKP Securities Ltd. Ph: (91-22) 66306555 Fax: (91-22) 2284 2415 E Mail: FixedIncomeResearch@lkpsec.com

Visit our website - <http://www.lkpsec.com/>