



# BONDWATCH

INDIA

Daily

April 25, 2023

Indian government bond yields ended higher on Tuesday, as traders booked profit a day after the benchmark yield fell to its lowest in a year on bullish sentiment, which capped a further decline in yields.

Bond yields have fallen over 10 basis points since Friday, supported by growing bets of global and domestic monetary policy pivots.

The 10-year benchmark 7.26% 2033 bond yield ended at 7.1298%, after closing at 7.0977%, the lowest level since April 27, 2022, in the previous session. Strong demand, mainly from foreign banks, has aided yields as they bought bonds worth 135 billion rupees (\$1.65 billion) on a net basis in the last five sessions.

U.S. Treasury yields fell on Tuesday as investors assessed the outlook for the economy ahead of fresh data due this week which could provide hints about the Federal Reserve's next policy moves.

Oil prices crawl downwards, reinforcing the expectations of continuing the bearish trend for the upcoming sessions.

Gold prices dipped on Tuesday as the dollar firmed, while investors shied away from making big bets ahead of U.S. economic data that could determine the Federal Reserve's rate-hike strategy.

The Indian rupee weakened 0.01% versus the U.S. dollar, and quoted at 81.9125 per dollar, with traders awaiting fresh cues before making substantial bets, while Asian peers continued to be weak.

Repo: The weighted average call rates in the interbank segment increased to 6.70% vs 6.65% as on the previous day while that the TREP segment increased to 6.70% vs 6.69% as on the previous day.

## Market Observations

### G-sec

- Demand was seen in 12 to 13 year SDL @7.52 centric levels. Major buyers were life insurance companies.
- Market experienced profit booking at levels and 10-year benchmark got given by 3 bps.

### Corporate Bonds

- Market levels reverted back to last week's levels even though g-sec rallied earlier in the day.
- Buying continues from Mutual funds and insurances.

### CP/CD

- Activity was seen across all the segments.

GOI Yield	25-Apr	24-Apr	18-Apr	24-Mar
1 Year	7.000	7.000	7.000	7.180
5 Year	7.004	6.974	7.033	7.148
10 Year	7.130	7.098	7.197	7.313

AAA Bmk	25-Apr	24-Apr	18-Apr	24-Mar
1 Year	7.42	7.42	7.55	7.83
5 Year	7.50	7.50	7.55	7.72
10 Year	7.52	7.52	7.60	7.75

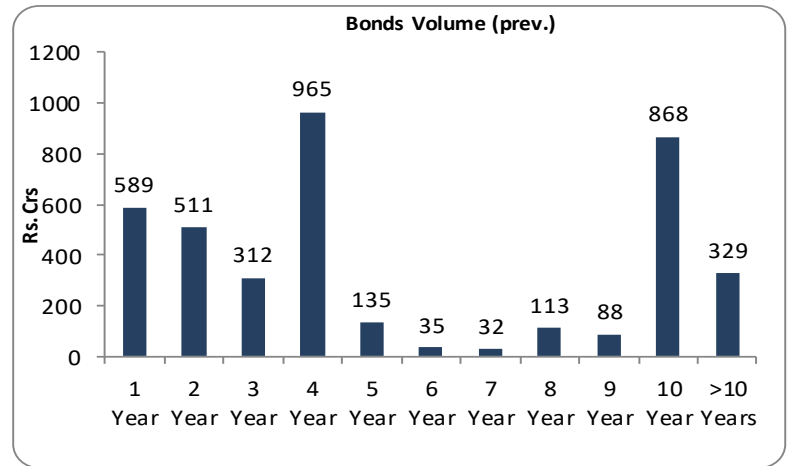
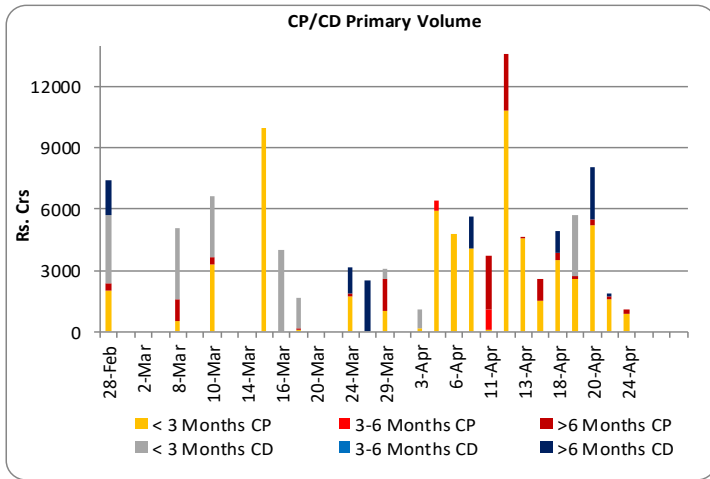
CD	25-Apr	24-Apr	18-Apr	24-Mar
3 Month	7.10	7.05	7.05	7.30
6 Month	7.30	7.25	7.25	7.60
1 Year	7.45	7.50	7.50	7.75

CP	25-Apr	24-Apr	18-Apr	24-Mar
3 Month	7.18	7.15	7.15	7.40
6 Month	7.40	7.35	7.35	7.70
1 Year	7.55	7.60	7.60	7.85

OIS Rate	25-Apr	24-Apr	18-Apr	24-Mar
1 Year	6.56	6.60	6.61	6.69
2 Year	6.16	6.21	6.24	6.27
3 Year	6.02	6.09	6.16	6.21
5 Year	6.02	6.09	6.17	6.21

	25-Apr	24-Apr	18-Apr	24-Mar
Sensex	60,131	60,056	59,727	57,527
Nifty	17,769	17,743	17,660	16,945
USD/INR	81.91	81.91	82.04	82.48
Gold (USD)	1,982	1,989	2,005	1,977
Oil (USD)	82.27	82.73	84.77	74.99

NDF	25-Apr	24-Apr	18-Apr	24-Mar
3 Month	82.31	82.24	82.50	82.87
1 Year	83.81	83.57	83.97	84.38
2 Year	86.11	85.89	86.31	86.83
3 Year	89.28	88.77	89.07	89.83



10 Year Benchmarks	25-Apr	24-Apr	18-Apr	24-Mar
India	7.10	7.11	7.22	7.32
US	3.44	3.52	3.57	3.38
South Korea	3.32	3.31	3.35	3.21
Russia	10.59	10.59	10.56	11.14
Brazil	12.67	12.70	12.47	13.03
Germany	2.45	2.49	2.47	2.13
China	2.82	2.82	2.84	2.88

Top Traded Securities	Volume	25-Apr	24-Apr	18-Apr	24-Mar
5.74 2026	255	6.96	6.95	7.01	7.16
7.38 2027	20	6.98	6.97	7.03	7.15
7.10 2029	-	7.06	7.06	7.13	7.24
6.54 2032	-	7.15	7.16	7.24	7.33
7.26 2032	-	7.14	7.14	7.22	7.31
7.54 2036	30	7.23	7.22	7.34	7.40

	DEBT		
	Gross Purchase	Gross Sales	Net Investment
MF			
13-Apr-23	4355	4829	-474

	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
13-Apr-23	3772	4559	-787

	TOTAL (Rs.Crs)		
	Gross Purchase	Gross Sales	Net Investment
13-Apr-23	8127	9389	-1262

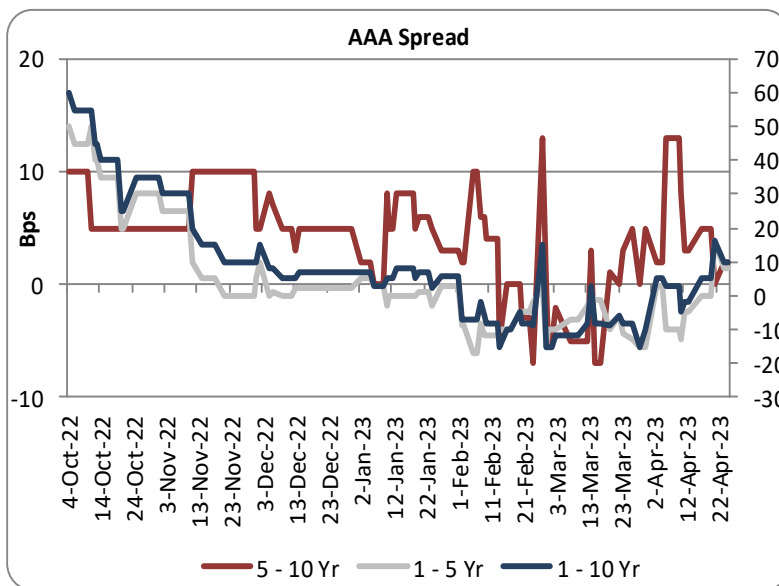
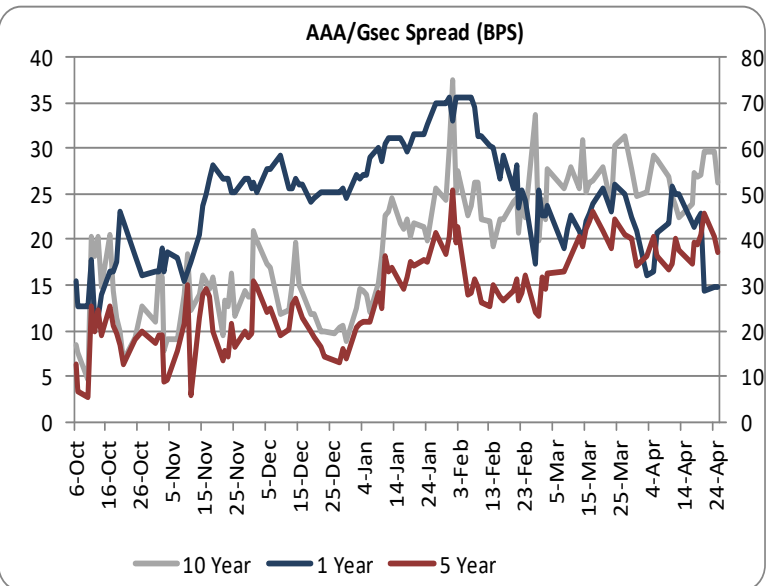
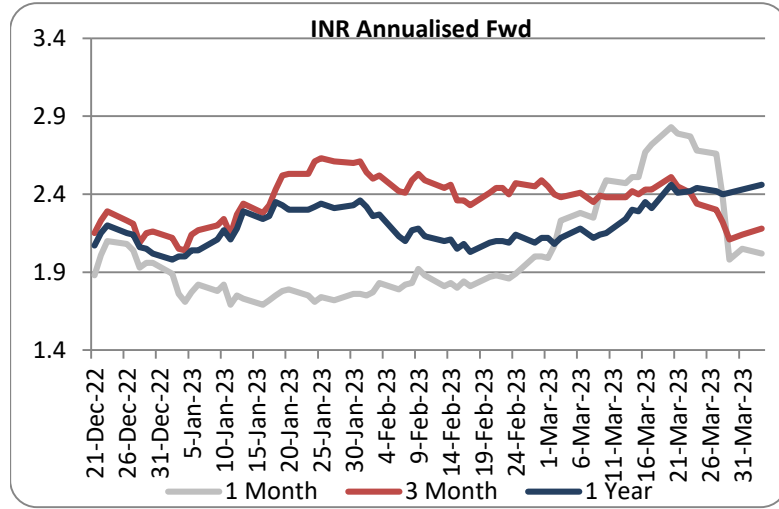
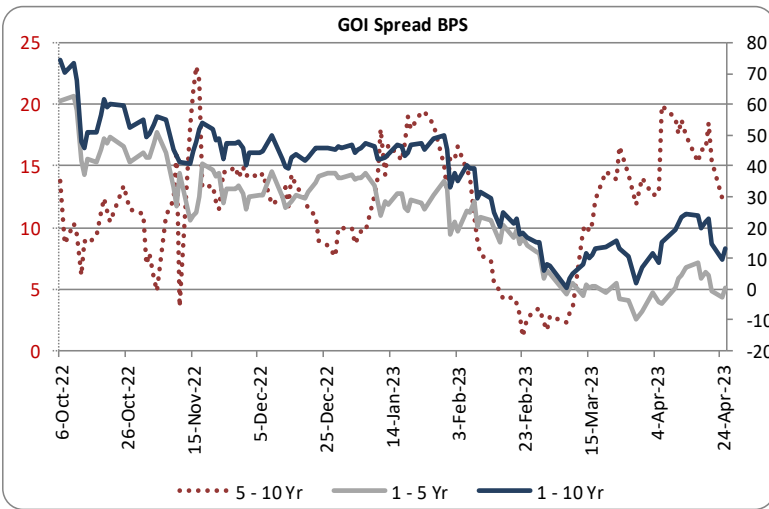
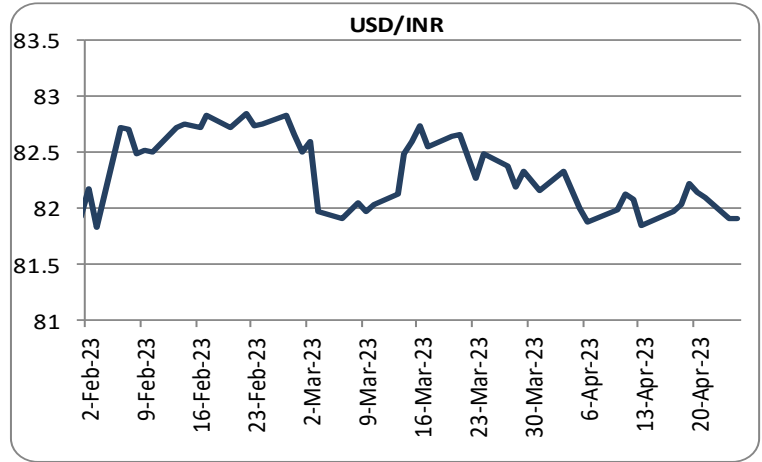
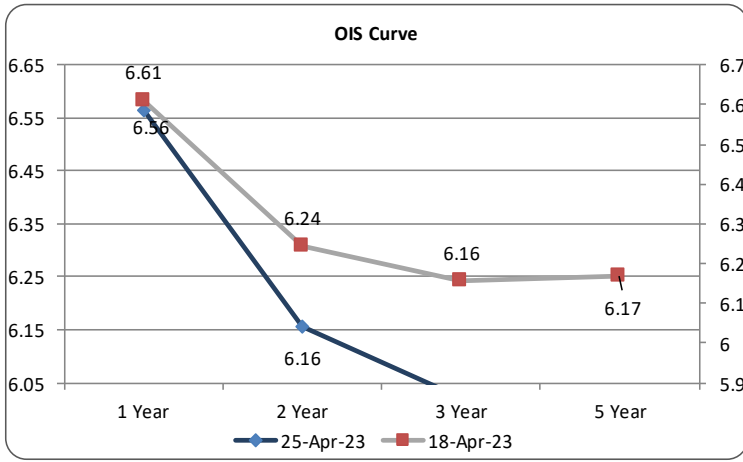
	DEBT		
	Gross Purchase	Gross Sales	Net Investment
FII			
25-Apr-23	667	1667	-1000

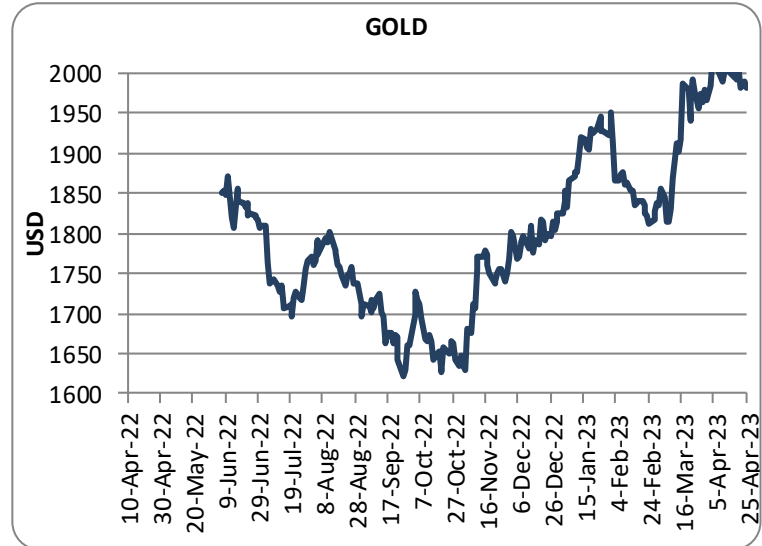
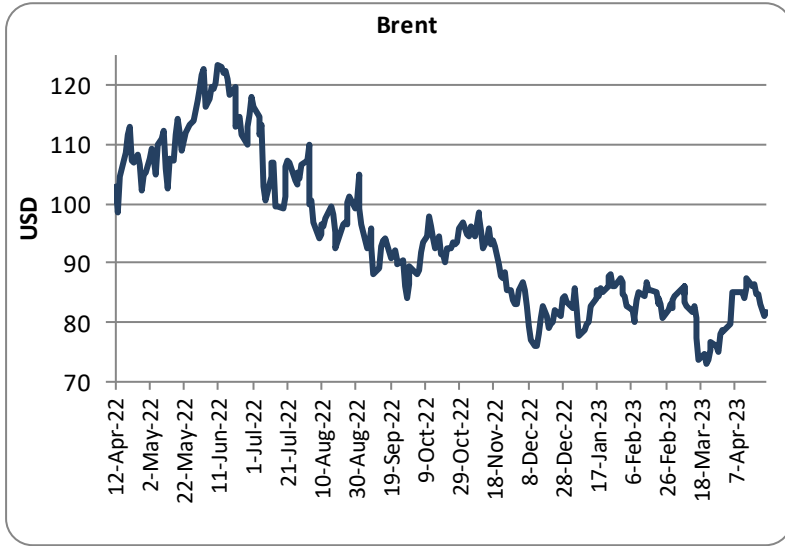
	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
25-Apr-23	6201	6537	-336

	TOTAL (Rs. Crs)		
	Gross Purchase	Gross Sales	Net Investment
25-Apr-23	6868	8204	-1336

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-22	4.4	6.3
CAD (\$ Bn)	Dec-22	-18.2	-30.9
Trade Deficit (\$ Bn)	Dec-22	-72.7	-78.3
WPI (%)	Mar-23	1.3	3.9
CPI (%)	Mar-23	5.7	6.4
IIP (%)	Feb-23	5.6	5.2
PMI Manufacturing	Mar-23	56.4	55.3
PMI Service	Mar-23	57.8	59.4

Economic Calender	Country	Date	Poll	Prior
CPI	UK	19-Apr-23	-	10.40
CPI	Japan	21-Apr-23	3.10	3.10
Retail Sales	UK	21-Apr-23	(3.10)	(3.50)
CPI	Australia	26-Apr-23	-	7.80
Industrial Output	Russia	26-Apr-23	(1.60)	(1.70)
Unemployment Rate	Japan	28-Apr-23	-	2.60
CPI	Germany	28-Apr-23	-	7.40
Retail Sales	Germany	02-May-23	-	(7.10)





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

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