



INDIA

Indian government bond yields started the week flattish, while they awaited the U.S. Federal Reserve policy decision and the domestic budget announcement for near-term directional cues.

India's benchmark 10-year yield ended at 7.1735%, on Monday, following its previous close at 7.1760%.

India's finance minister is due to announce budget for the next financial year on Thursday and the government may keep its gross market borrowing for 2024/25 close to the current fiscal year's level.

The government may target gross borrowing of the next fiscal year between 15 trillion rupees (\$180.5 billion) and 15.50 trillion rupees, against a planned 15.43 trillion rupees this year.

Market sentiment remained cautious as U.S. yields remained elevated, with the 10-year yield around 4.15%, while investors awaited the Fed's Jan. 30-31 meeting after strong economic data prompted a reduction in bets of the timing and pace of rate cuts in 2024.

The odds for a rate action in March stand around 48%, down from 87% last month.

Oil prices also rose, with the benchmark Brent crude contract moving towards the \$85 per barrel mark, on escalating tensions in the Middle East.

The Indian rupee weakened 0.02% versus the U.S. dollar, and quoted at 83.13 per dollar, as traders awaited the outcome of the U.S. Federal Reserve meeting and India's federal budget for fresh cues.

Repo: The weighted average call rates in the interbank segment increased to 6.78% vs 6.77% as on the previous day while that the TREP segment remained the same at 6.76% vs 6.76% as on the previous day.

GOI Yield	29-Jan	25-Jan	19-Jan	1-Jan
1 Year	7.140	7.150	7.153	7.100
5 Year	7.037	7.043	7.051	7.086
10 Year	7.174	7.176	7.179	7.197

AAA Bmk	29-Jan	25-Jan	19-Jan	1-Jan
1 Year	7.92	7.90	7.90	7.84
5 Year	7.75	7.67	7.67	7.74
10 Year	7.65	7.70	7.70	7.70

CD	29-Jan	25-Jan	19-Jan	1-Jan
3 Month	7.80	7.80	7.60	7.45
6 Month	7.85	7.85	7.75	7.60
1 Year	7.90	7.90	7.90	7.90

CP	29-Jan	25-Jan	19-Jan	1-Jan
3 Month	7.90	7.90	7.75	7.50
6 Month	7.95	7.95	7.85	7.70
1 Year	8.00	8.00	8.00	8.00

OIS Rate	29-Jan	25-Jan	19-Jan	1-Jan
1 Year	6.59	6.60	6.64	6.63
2 Year	6.25	6.26	6.32	6.29
3 Year	6.22	6.22	6.27	6.24
5 Year	6.19	6.19	6.24	6.20

	29-Jan	25-Jan	19-Jan	1-Jan
Sensex	71,942	70,701	71,683	72,272
Nifty	21,738	21,353	21,622	21,742
USD/INR	83.13	83.12	83.07	83.24
Gold (USD)	2,027	2,020	2,029	-
Oil (USD)	83.65	82.43	78.56	77.04

NDF	29-Jan	25-Jan	19-Jan	1-Jan
3 Month	83.44	83.45	83.48	83.49
1 Year	84.71	84.67	84.71	84.70
2 Year	87.20	87.02	87.11	87.28
3 Year	90.02	89.92	90.01	90.18

Market Observations

G-sec

- Demand was seen 10 to 15-year SDLs @7.63 to 7.68 levels. Major buyers were Insurance companies and pension funds.

- Demand was seen in 20yr+ G-sec as we could witness a rally of 1bps+ in 20 to 50yr G-sec.

Corporate Bonds

- Mutual funds were active on the buying as well as selling sides.

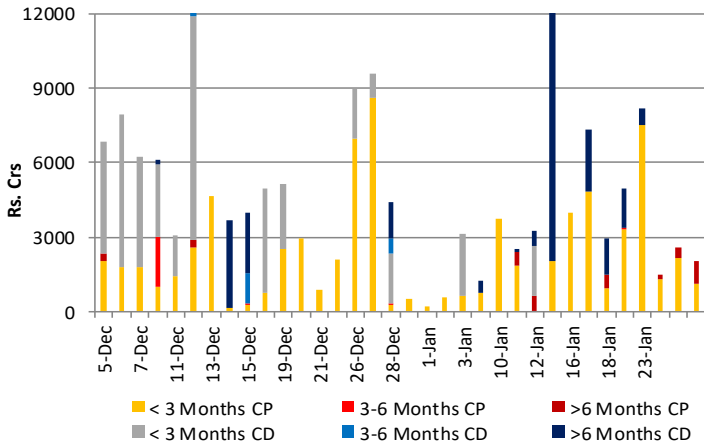
- Major activity was seen up to the 2027 segment.

CP/CD

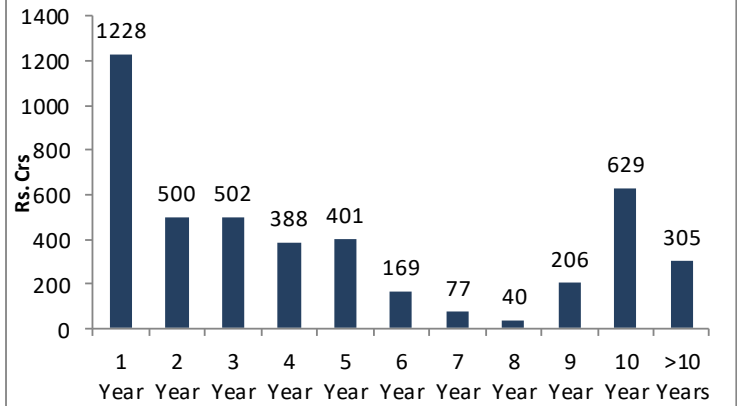
- Demand was seen across all segments.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	29-Jan	25-Jan	19-Jan	1-Jan
India	7.17	7.17	7.18	7.20
US	4.10	4.13	4.15	3.86
South Korea	3.44	3.42	3.42	3.18
Russia	12.24	12.21	12.18	12.30
Brazil	10.66	10.68	10.73	10.35
Germany	2.24	2.28	2.31	2.03
China	2.50	2.51	2.51	2.58

Top Traded Securities	Volume	24-Jan	23-Jan	17-Jan	26-Dec
7.26 2033	780	7.21	7.20	7.19	7.22
7.06 2028	215	7.26	7.28	7.28	7.36
7.62 2039	-	7.20	7.20	7.19	0.00
7.30 2053	1,160	7.36	7.36	7.37	7.41
6.64 2035	310	#N/A	7.26	7.25	7.27
7.40 2035	300	7.26	7.25	7.26	7.29

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
23-Jan-24	12447	12368	79

EQUITY	Gross Purchase	Gross Sales	Net Investment
	7175	9251	-2075

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
19622	21619	-1997

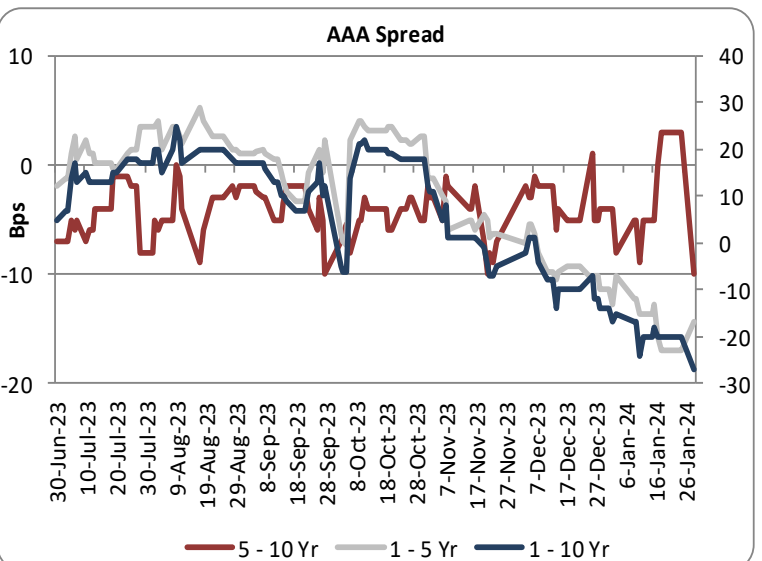
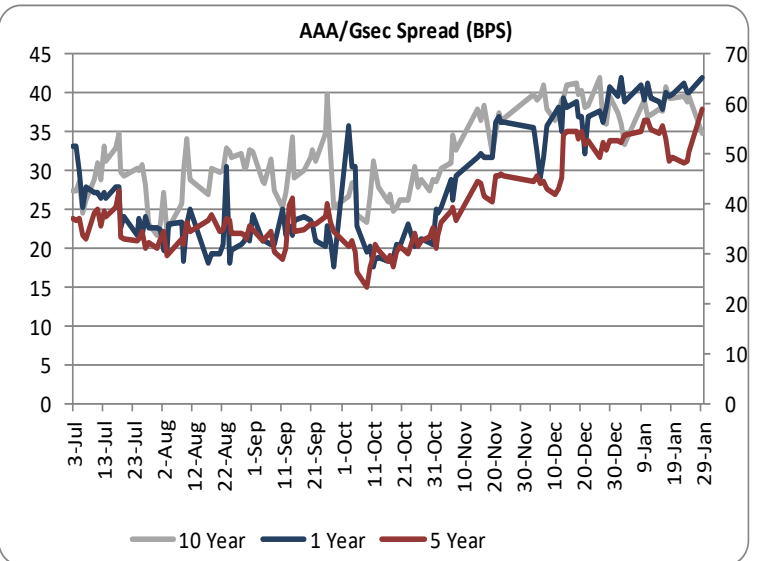
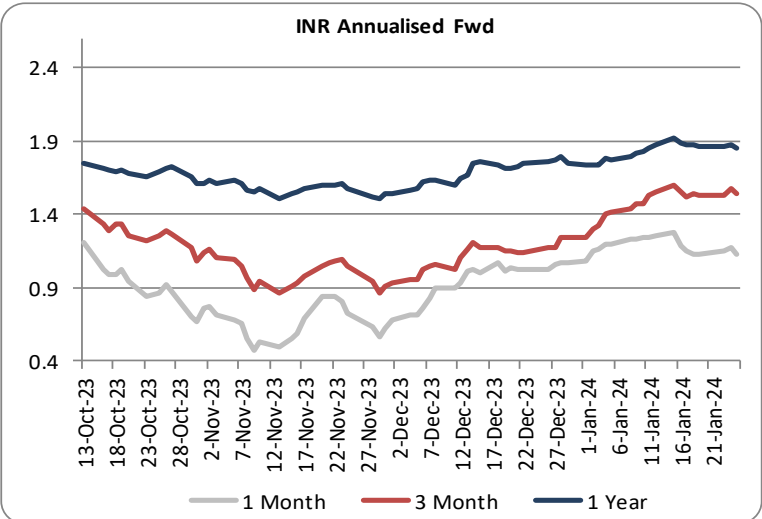
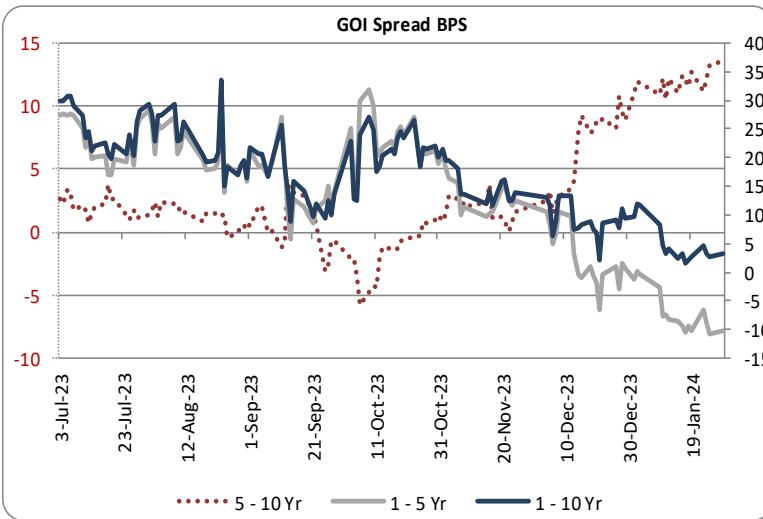
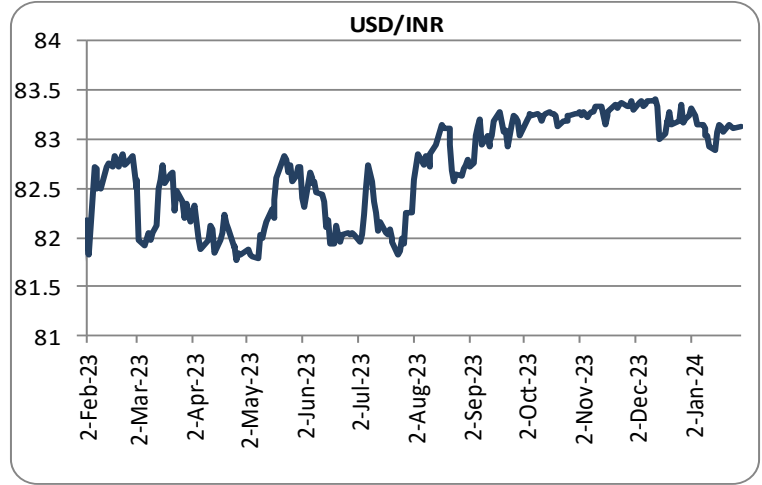
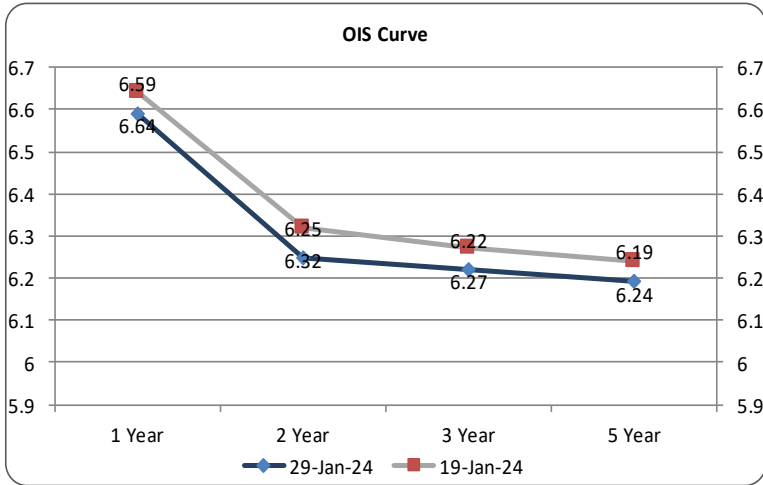
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
29-Jan-24	2431	2059	371

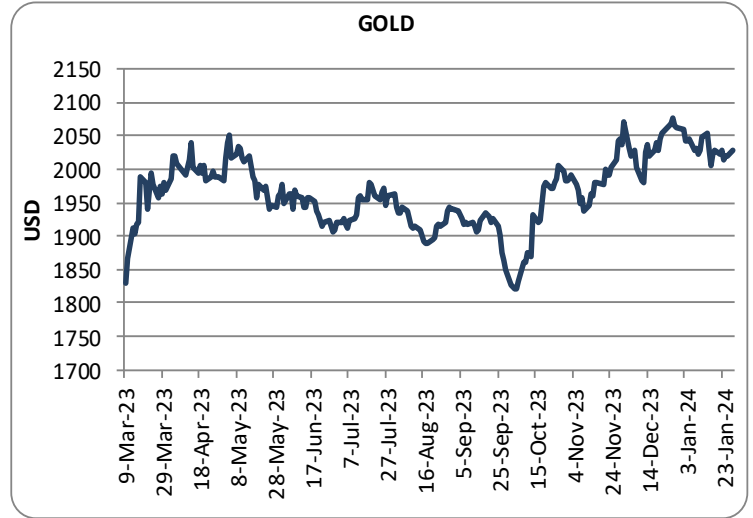
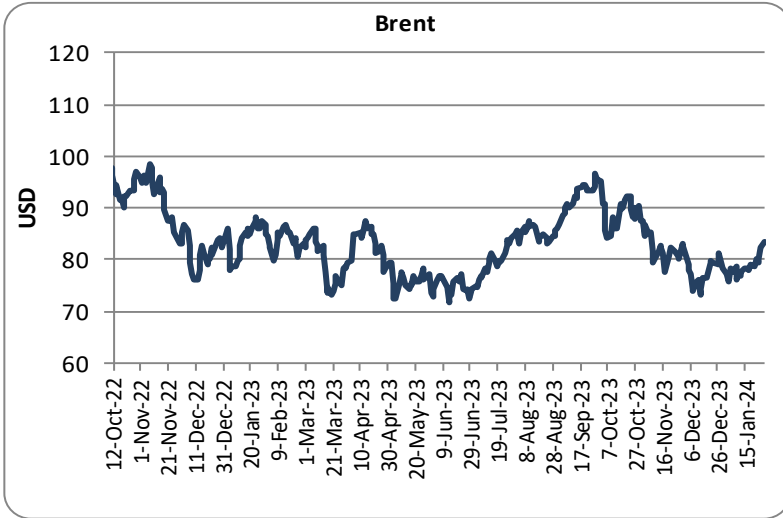
EQUITY	Gross Purchase	Gross Sales	Net Investment
	43302	38232	5070

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
45733	40292	5441

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 (%)	Dec-23	0.7	0.3
CPI (%)	Dec-23	5.7	5.6
IIP (%)	Nov-23	2.4	11.6
PMI Manufacturing	Dec-23	54.9	56
PMI Service	Dec-23	59	56.9

Economic Calender	Country	Date	Poll	Prior
CPI	Japan	19-Jan-24	0	2.8
Retail Sales	UK	19-Jan-24	1.10	0.10
Industrial Output	Poland	22-Jan-24	(5.00)	(0.70)
BOJ Rate Decision	Japan	23-Jan-24	-	(0.10)
Q4 GDP Advance	USA	25-Jan-24	1.80	4.90
Q4 GDP YY	Euro Zone	30-Jan-24	-	-
Retail Sales	Japan	31-Jan-24	-	5.30
CPI	Australia	31-Jan-24	-	5.40





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

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