



BONDWATCH

Daily

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INDIA

Indian government bond yields ended marginally lower on Thursday as U.S. Treasury yields eased slightly during Asian hours, while investors await results of the country's elections due next week.

India's benchmark 10-year yield ended at 6.9966%, following its previous close of 7.0129%.

The 10-year U.S. yield eased below 4.60% during Asia hours after rising on Tuesday as commentary from Minneapolis Federal Reserve Bank President Neel Kashkari prompted a further reduction in bets of rate cuts.

Bets of a rate cut in September have eased to 47% from 58% in the previous week.

India's government bought back bonds worth 51.11 billion rupees (\$613.7 million) maturing within this financial year, against target of 400 billion rupees, in its fourth such attempt in as many weeks. It has already bought back securities worth around 230 billion rupees so far, and reduced the supply of Treasury bills by 600 billion rupees till the end of June.

Traders now await results of the country's general election due on June 4, while the Reserve Bank of India's monetary policy decision is due on June 7, with the central bank expected to maintain status quo on interest rates.

The Indian rupee strengthened 0.03% versus the U.S. dollar and quoted at 83.32 per dollar, halting a three-day losing streak, supported by dollar inflows related to the rebalancing of the MSCI equity indices.

Repo: The weighted average call rates in the interbank segment decreased to 6.47% vs 6.49% as on the previous day while that the TREP segment decreased to 6.36% vs 6.41% as on the previous day.

GOI Yield	30-May	29-May	22-May	29-Apr
1 Year	7.020	7.030	7.015	7.060
5 Year	7.053	7.054	7.027	7.197
10 Year	6.997	7.013	6.992	7.197

AAA Bmk	30-May	29-May	22-May	29-Apr
1 Year	7.70	7.70	7.70	7.70
5 Year	7.64	7.64	7.63	7.73
10 Year	7.50	7.53	7.55	7.55

CD	30-May	29-May	22-May	29-Apr
3 Month	7.15	7.15	7.15	7.25
6 Month	7.45	7.45	7.40	7.45
1 Year	7.70	7.70	7.65	7.65

CP	30-May	29-May	22-May	29-Apr
3 Month	7.25	7.25	7.25	7.35
6 Month	7.55	7.55	7.55	7.55
1 Year	7.80	7.80	7.75	7.75

OIS Rate	30-May	29-May	22-May	29-Apr
1 Year	6.83	6.83	6.78	6.88
2 Year	6.55	6.55	6.50	6.64
3 Year	6.49	6.49	6.44	6.60
5 Year	6.44	6.44	6.39	6.58

	30-May	29-May	22-May	29-Apr
Sensex	73,886	74,503	74,221	74,671
Nifty	22,489	22,705	22,598	22,643
USD/INR	83.32	83.35	83.28	83.47
Gold (USD)	2,337	2,339	2,378	2,334
Oil (USD)	83.56	83.60	81.90	88.40

NDF	30-May	29-May	22-May	29-Apr
3 Month	83.56	83.50	83.48	83.69
1 Year	84.68	84.71	84.63	84.82
2 Year	86.68	86.62	86.63	86.82
3 Year	88.98	89.06	89.07	89.17

Market Observations

G-sec

- Demand was seen in 2026 SDLs by PDs and private banks @7.28 centric level.
- Demand was seen in 9-year illiquid G-sec by private banks @7.08 levels.
- Selling was seen in 8 to 10-year SDLs @7.39 centric levels.

Corporate Bonds

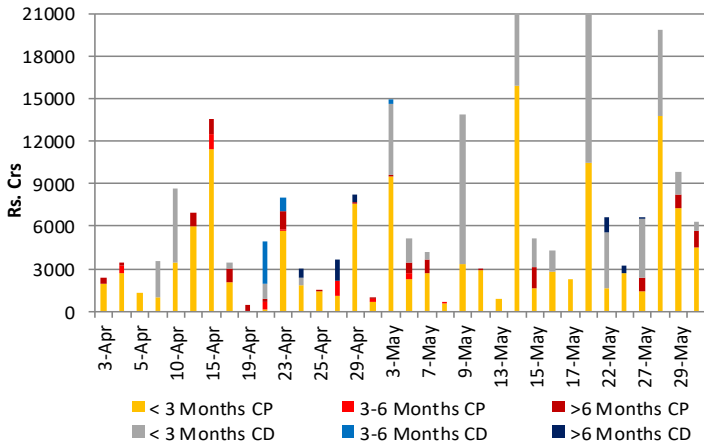
- Major activity was seen in the 2025-2028 segment.
- Mutual funds and banks were active on the buying as well as selling side.

CP/CD

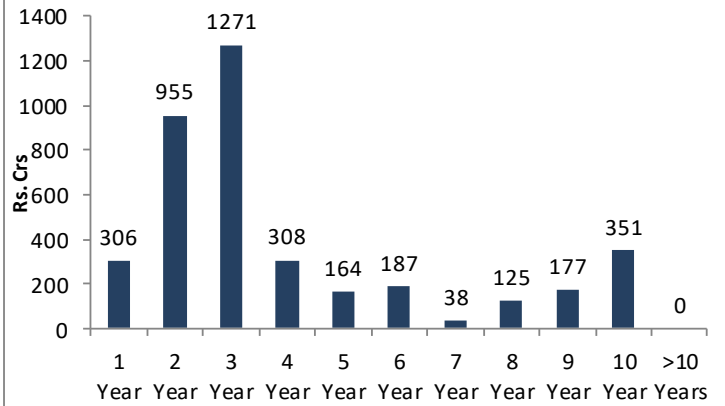
- Major activity was seen in the 1-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	30-May	29-May	22-May	29-Apr
India	7.00	7.01	7.00	7.20
US	4.59	4.62	4.43	4.61
South Korea	3.57	3.54	3.47	3.71
Russia	14.83	14.81	14.22	14.41
Brazil	11.84	11.84	11.81	11.64
Germany	2.68	2.68	2.53	2.53
China	2.31	2.30	2.31	2.21

Top Traded Securities	Volume	17-May	16-May	10-May	16-Apr
7.26 2033	200	7.12	7.10	7.14	7.20
7.06 2028	1,250	7.08	7.08	7.11	7.18
7.62 2039	-	7.13	7.12	7.17	7.24
7.30 2053	510	7.17	7.16	7.21	7.28
6.64 2035	40	7.14	7.12	7.15	7.21
7.40 2035	90	7.18	7.11	7.18	7.21

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
28-May-24	10587	7330	3258

EQUITY		
Gross Purchase	Gross Sales	Net Investment
11241	13017	-1776

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
0	0	0

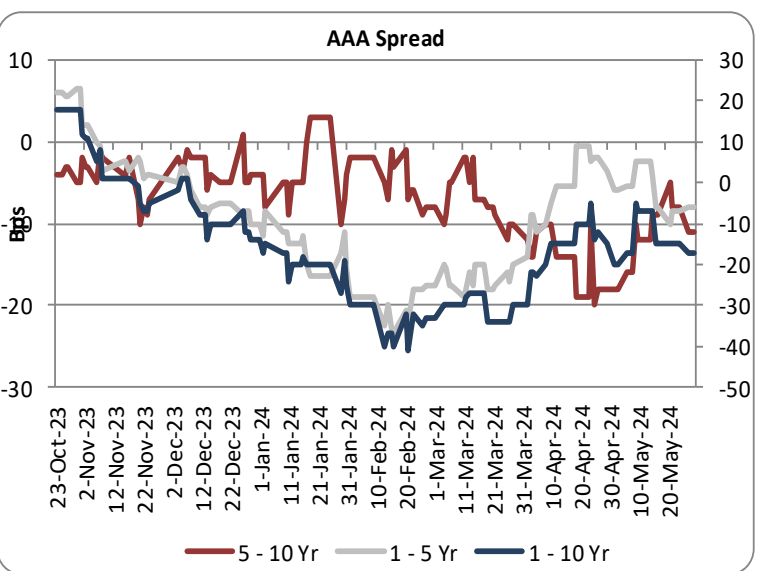
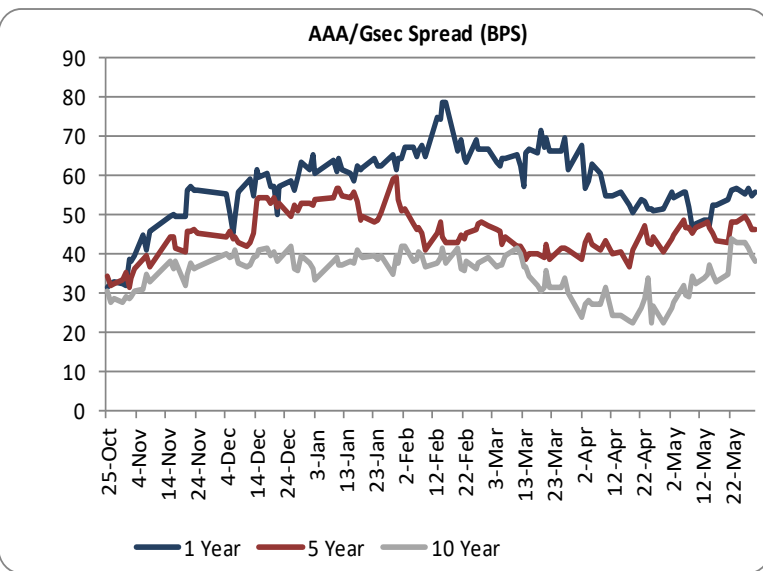
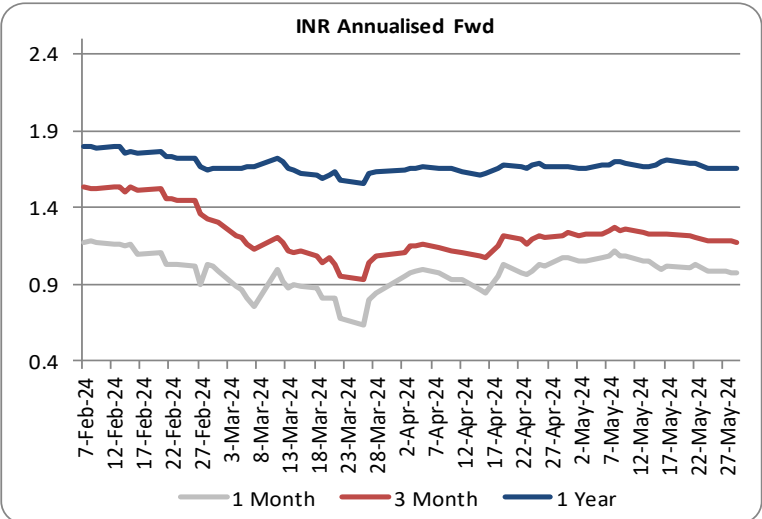
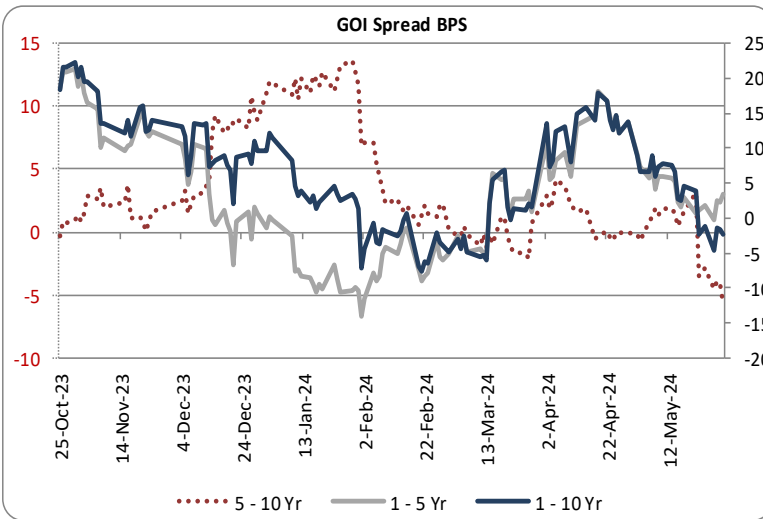
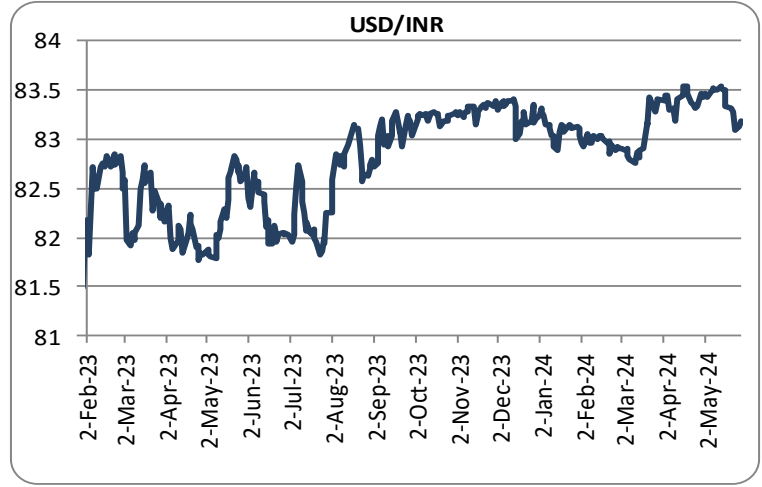
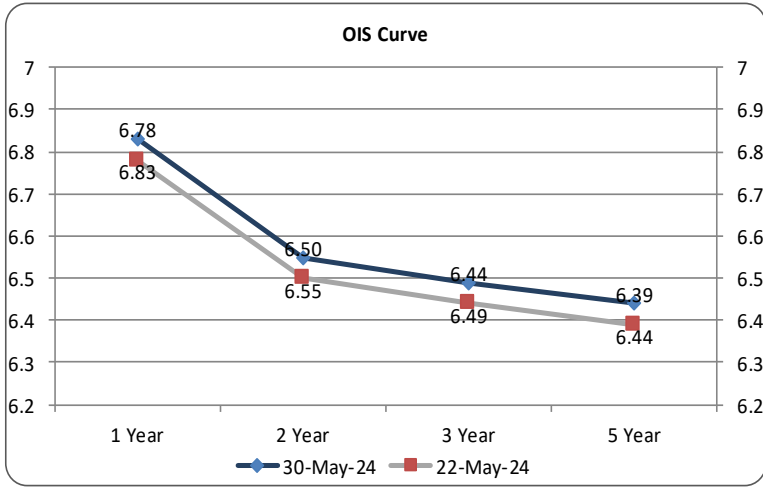
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
30-May-24	2508	1071	1437

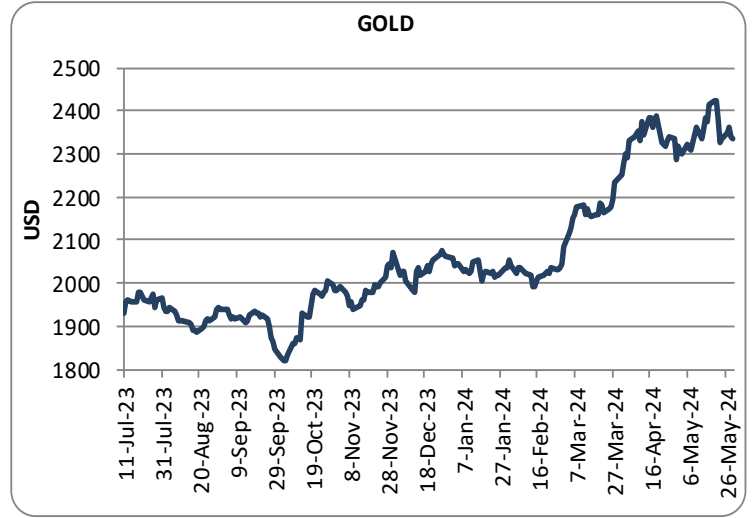
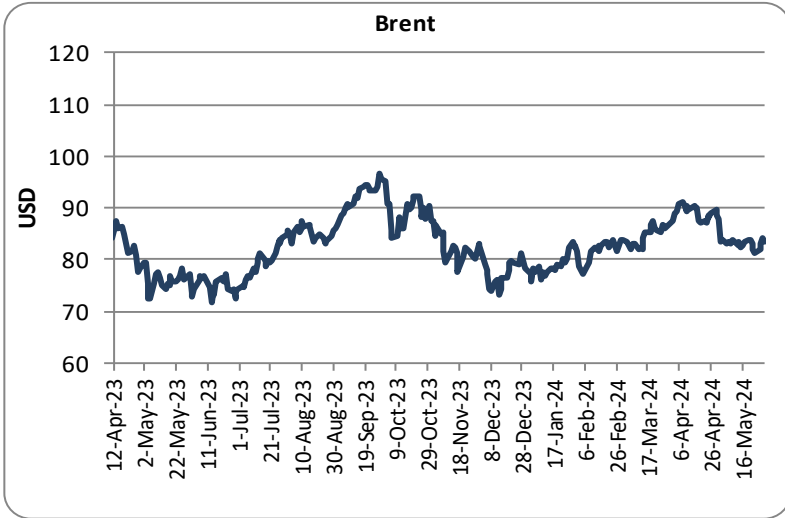
EQUITY		
Gross Purchase	Gross Sales	Net Investment
15490	19801	-4311

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
17997	20872	-2875

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 (%)	Apr-24	1.3	0.5
CPI (%)	Apr-24	4.8	4.9
IIP (%)	Mar-24	4.9	5.6
PMI Manufacturing	Apr-24	58.8	59.1
PMI Service	Apr-24	60.8	61.2

Economic Calender	Country	Date	Poll	Prior
CPI	Australia	29-May-24	0	3.8
CPI	Germany	29-May-24	2.40	2.20
Unemployment rate	Euro Zone	30-May-24	6.50	6.50
Unemployment rate	Japan	31-May-24	2.60	2.60
GDP Quaterly	India	31-May-24	6.70	8.40
GDP Yearly	Brazil	04-Jun-24	-	2.10
Industrial Output	Brazil	05-Jun-24	-	(2.80)
Refinancing Rate	Euro Zone	06-Jun-24	-	4.50





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

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