



INDIA

- ❖ The benchmark 6.10% bond maturing in 2031 ended at 97.51 rupees, yielding 6.45%, as compared with 97.40 rupees and a yield of 6.47% yesterday.
- ❖ The benchmark BSE Sensex and the broader NSE index rose on the last day of 2021, settling 0.80% and 0.87% higher, respectively. The BSE index rose 22%, while the NSE index gained 24% in 2021.
- ❖ The rupee ended the year at 74.33, a decline of 1.7% from last year's 2.4% fall. It traded in a 72.25 to 76.32 range in 2021, touching its highest level in February while dropping to 76.32 in December.
- ❖ The Fed outlook prompted a jump in returns on shorter maturity Treasury yields and lifted the dollar index. The 2-year Treasury yield has surged almost 50 basis points over the last three months.
- ❖ The rupee did well relative to other EM currencies, thanks partly to foreign inflows into the primary equity market. Foreign portfolio investors poured in a record \$10.8 billion into Indian primary markets this year,
- ❖ India's trade deficit touched a record of \$23 billion in November amid a jump in gold and oil imports. Brent crude prices rose more than 50% this year, just shy of \$80 a barrel.
- ❖ Indian equities, buoyed by recovery prospects, outperformed Asian peers but slightly lagged their U.S. counterparts. The benchmark BSE Sensex posted a 22% return this year
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.38% vs 3.33% as on previous day, while that in the TREP segment increased to 3.45% vs 3.41% as on previous day.

Market Observations

G-sec

- Higher activity seen in the shorter maturity papers.
- RBI has not accepted a single bid in FRB 2028 and 6.10% GOI 2030 in its weekly Gsec auction.
- Gsec cut off on longer maturity came in line with market expectations.

Corporate Bonds

- Activity was witnessed in 1-2years segments.

CP

- The 3 month segment was most active.

CD

- The 3 month maturity papers were in demand.

GOI Yield	31-Dec	30-Dec	26-Nov	1-Dec
1 Year	4.150	4.220	4.110	4.120
5 Year	5.791	5.818	5.655	5.680
10 Year	6.454	6.469	6.330	6.353

AAA Bmk	31-Dec	30-Dec	26-Nov	1-Dec
1 Year	4.65	4.65	4.35	4.50
5 Year	6.15	6.15	6.05	6.00
10 Year	6.90	6.90	6.90	6.83

CD	31-Dec	30-Dec	26-Nov	1-Dec
3 Month	3.65	3.60	3.65	3.65
6 Month	4.15	3.95	3.95	3.95
1 Year	4.60	4.50	4.40	4.40

CP	31-Dec	30-Dec	26-Nov	1-Dec
3 Month	4.05	4.20	4.00	4.00
6 Month	4.65	4.70	4.55	4.55
1 Year	4.95	4.90	4.85	4.85

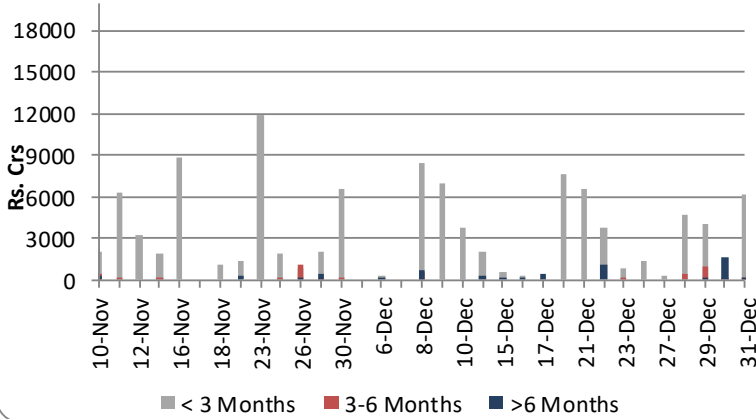
OIS Rate	31-Dec	30-Dec	26-Nov	1-Dec
1 Year	4.35	4.34	4.30	4.24
2 Year	4.87	4.85	4.78	4.74
3 Year	5.16	5.14	5.07	5.02
5 Year	5.38	5.37	5.41	5.33

	31-Dec	30-Dec	26-Nov	1-Dec
Sensex	58,254	57,794	57,107	57,685
Nifty	17,354	17,204	17,026	17,167
USD/INR	74.33	74.41	74.87	74.91
Gold (USD)	1,819	1,815	1,792	1,783
Oil (USD)	78.85	79.32	72.72	68.87

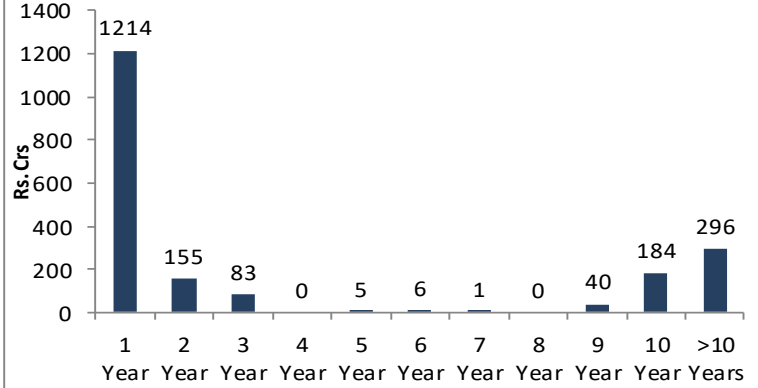
NDF	31-Dec	30-Dec	26-Nov	1-Dec
3 Month	75.21	75.30	75.70	75.79
1 Year	77.73	77.64	78.56	78.52
2 Year	81.32	81.43	82.02	82.31
3 Year	85.17	85.22	85.79	86.10



CP Primary Volume



Bonds Volume(29-12)



10 Year Benchmarks	31-Dec	30-Dec	26-Nov	1-Dec
India	6.46	6.47	6.33	6.35
US	1.51	1.51	1.48	1.40
South Korea	2.26	2.25	2.25	2.18
Russia	8.42	8.42	8.43	8.35
Brazil	10.31	10.31	11.71	11.46
Germany	-0.18	-0.18	-0.34	-0.33
China	2.78	2.78	2.87	2.88

Top Traded Securities	Volume	31-Dec	30-Dec	26-Nov	1-Dec
5.15 GOI 2025	1,650	5.65	5.67	5.43	5.44
5.63 GOI 2026	190	5.79	5.82	5.65	5.68
5.74 GOI 2026	8,200	5.86	5.88	5.72	5.72
6.10 GOI 2031	5	6.45	6.47	6.33	6.35
6.64 GOI 2035	-	6.90	6.92	6.76	6.77
6.67 GOI 2035	60	6.90	6.91	6.74	6.75

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
22-Dec-21	2908	1959	949

EQUITY		
Gross Purchase	Gross Sales	Net Investment
2311	1732	579

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
5219	3691	1528

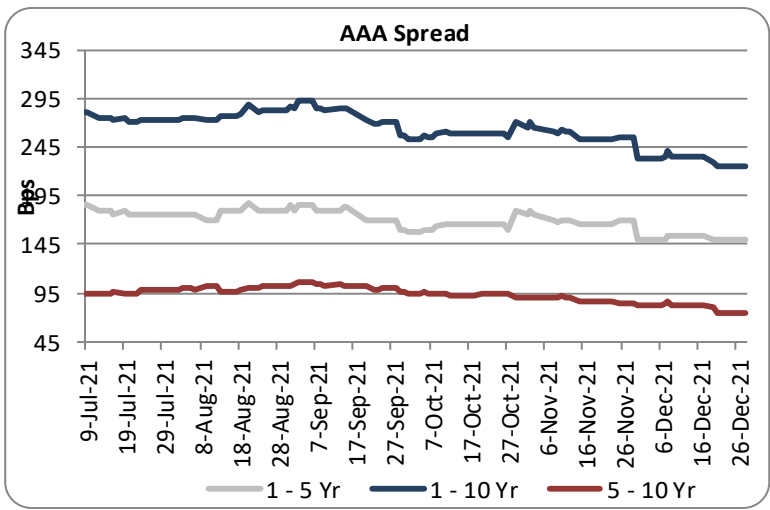
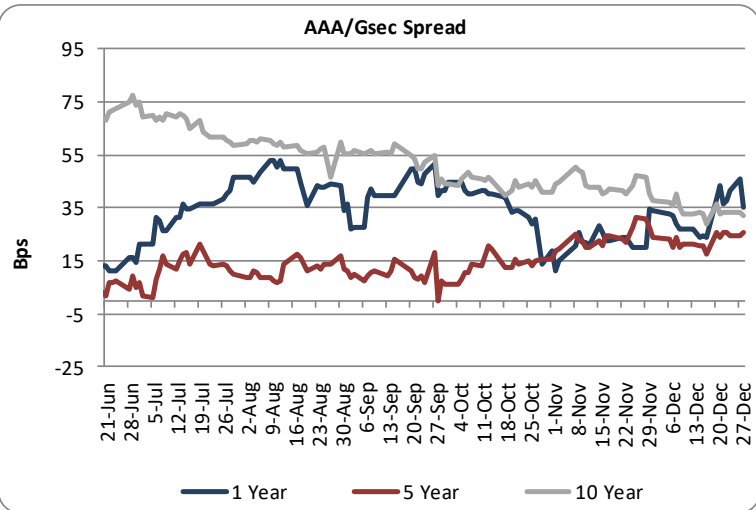
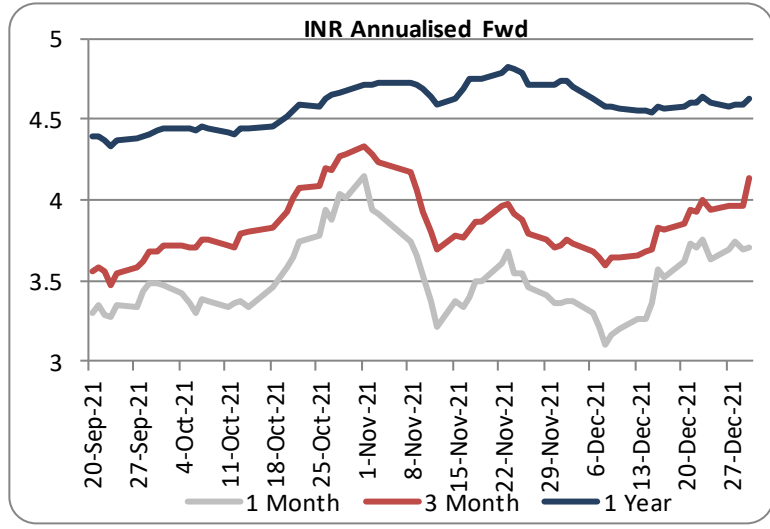
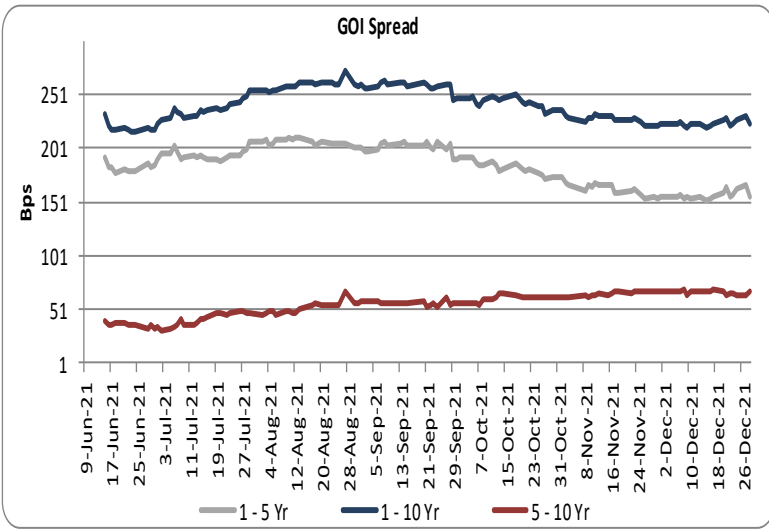
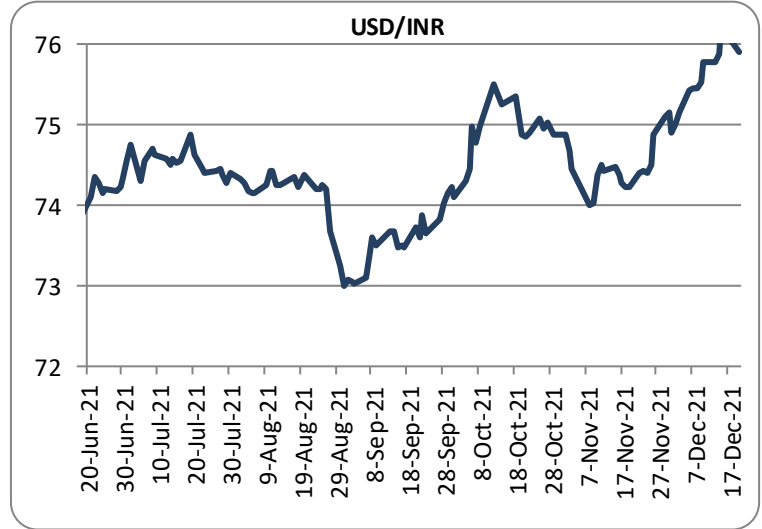
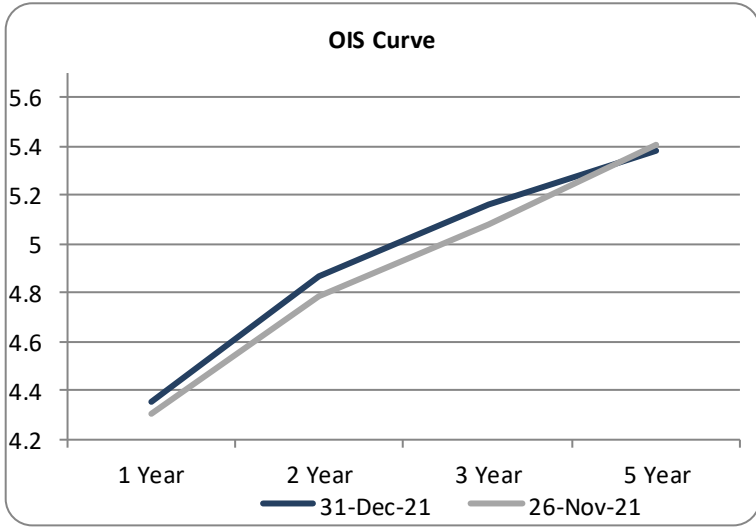
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
31-Dec-21	858	115	743

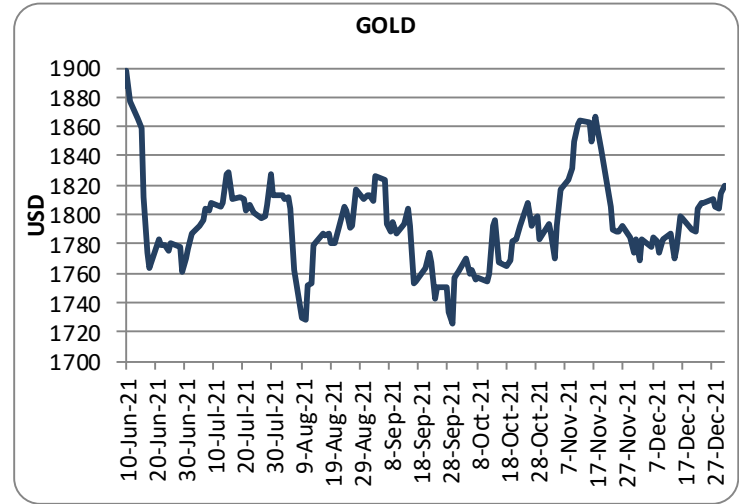
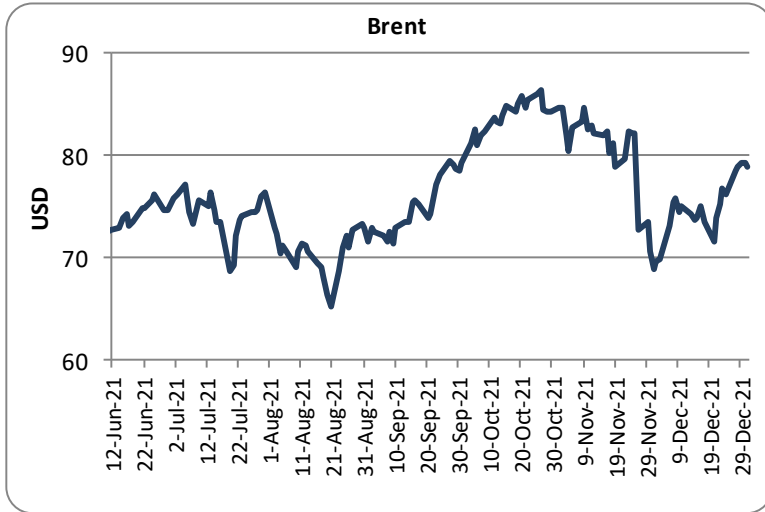
EQUITY		
Gross Purchase	Gross Sales	Net Investment
5363	6496	-1132

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
6221	6610	-389

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-21	8.4	20.1
CAD (\$ Bn)	Jun-21	6.5	-8.1
Trade Deficit (\$ Bn)	Jun-21	-30.7	-41.7
WPI (%)	Nov-21	14.2	12.5
CPI (%)	Nov-21	4.9	4.5
IIP (%)	Oct-21	3.2	3.3
PMI Manufacturing	Nov-21	57.6	55.9
PMI Service	Nov-21	58.1	58.4

Economic Calender	Country	Date	Poll	Prior
Unemployment Rate	Japan	28-Dec-21	2.70	2.70
Unemployment Rate	Russia	29-Dec-21	-	4.30
Industrial Output	South Korea	30-Dec-21	3.20	4.50
Industrial Output	Brazil	06-Jan-22	-	(7.80)
Retail Sales	Euro Zone	07-Jan-22	5.60	1.40
CPI	China	10-Jan-22	-	2.30
Unemployment Rate	Euro Zone	10-Jan-22	-	7.30
CPI	Russia	10-Jan-22	8.20	8.40





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

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