



BONDWATCH

Daily

INDIA

April 01, 2023

The 10-year benchmark 7.26% 2032 bond yield ended at 7.3142%, after closing at 7.3180% on Friday. The yield ended the 2023 financial year higher, registering a rise of 48 basis points.

Indian markets will remain closed on Tuesday on account of a local holiday.

Indian government bond yields shed the day's highs to end little changed on Monday, the first trading session of the financial year, as focus shifted to the central bank's policy decision as well as commentary after oil prices jumped.

Oil prices jumped on Monday after the Organization of the Petroleum Exporting Countries and allies, including Russia, known as OPEC+, said there would be an additional cut of about 1.16 million bpd. This brought the total volume of cuts by OPEC+ to 3.66 million bpd, which is roughly equal to 3.70% of global demand.

India's retail inflation stayed above the central bank's upper tolerance range for the most of the last financial year forcing the Reserve Bank of India to hike rates by 250 bps to 6.50%. The RBI will raise the interest rate by 25 bps on Thursday and then pause for the rest of the year.

The Indian rupee weakened 0.21% versus the U.S. dollar, and quoted at 82.3325 per dollar, as an unexpected output cut by oil producing club OPEC+ sent crude prices higher and weighed on Asian currencies.

Repo: The weighted average call rates in the interbank segment decreased to 6.31% vs 6.37% as on the previous day while that the TREP segment decreased to 6.26% vs 6.92% as on the previous day.

Market Observations

G-sec

- Higher activity was seen across the yield curve.
- Mutual funds seen buying 3 to 5 year maturity SDL's.
- Higher demand seen in 20 year and above maturity paper.

Corporate Bonds

- Market volume overall lower with MFs active in both sides in 2025-2026 segment

CP/CD

- Demand was seen in the 1 day to 3 month segment.

GOI Yield	3-Apr	31-Mar	27-Mar	3-Mar
1 Year	7.200	7.250	7.200	7.340
5 Year	7.188	7.177	7.161	7.389
10 Year	7.314	7.318	7.304	7.416

AAA Bmk	3-Apr	31-Mar	27-Mar	3-Mar
1 Year	7.65	7.80	7.83	7.95
5 Year	7.68	7.65	7.70	7.85
10 Year	7.70	7.70	7.75	7.83

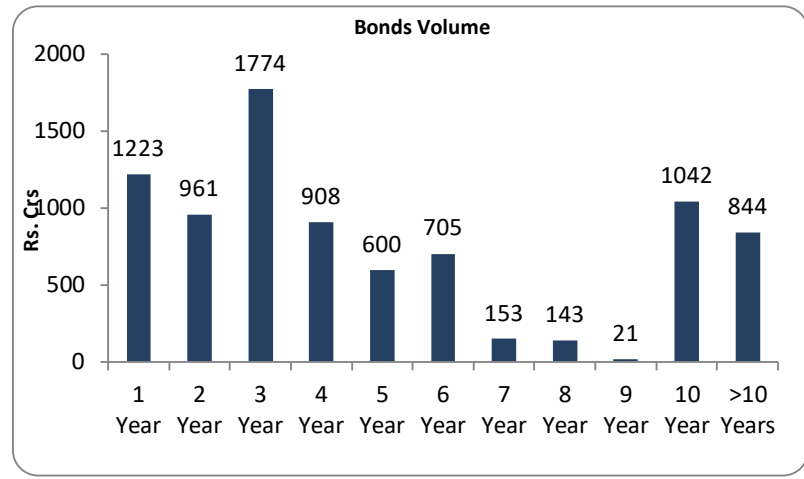
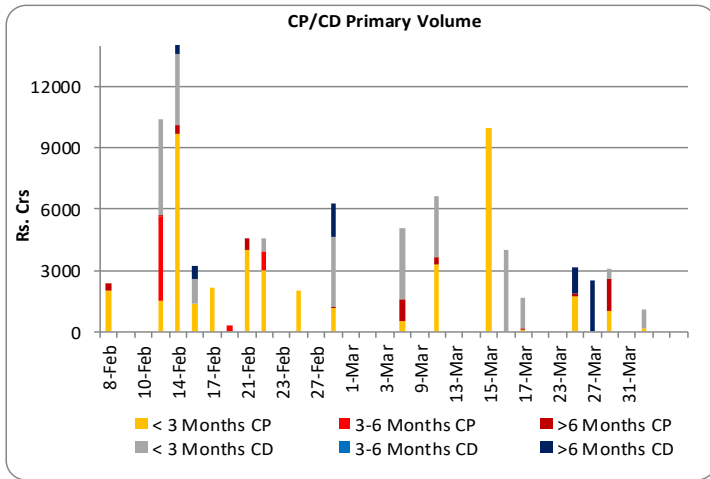
CD	3-Apr	31-Mar	27-Mar	3-Mar
3 Month	7.20	7.15	7.50	7.65
6 Month	7.40	7.30	7.74	7.85
1 Year	7.50	7.50	7.78	7.93

CP	3-Apr	31-Mar	27-Mar	3-Mar
3 Month	7.30	7.25	7.60	7.85
6 Month	7.50	7.40	7.84	8.10
1 Year	7.60	7.60	7.88	8.15

OIS Rate	3-Apr	31-Mar	27-Mar	3-Mar
1 Year	6.86	6.81	6.74	7.05
2 Year	6.44	6.38	6.30	6.74
3 Year	6.33	6.29	6.22	6.66
5 Year	6.34	6.30	6.23	6.65

	3-Apr	31-Mar	27-Mar	3-Mar
Sensex	59,080	58,992	57,654	59,809
Nifty	17,392	17,360	16,986	17,594
USD/INR	82.35	82.17	82.37	81.97
Gold (USD)	1,964	1,968	1,957	1,855
Oil (USD)	84.16	79.77	78.12	85.83

NDF	3-Apr	31-Mar	27-Mar	3-Mar
3 Month	82.81	82.52	82.71	82.22
1 Year	84.45	83.93	84.23	83.40
2 Year	86.66	86.50	86.40	85.42
3 Year	89.94	89.45	89.74	88.10



10 Year Benchmarks	3-Apr	31-Mar	27-Mar	3-Mar
India	7.33	7.32	7.31	7.42
US	3.53	3.49	3.53	3.96
South Korea	3.39	3.33	3.26	3.78
Russia	10.31	10.31	11.16	11.01
Brazil	12.90	12.93	12.91	13.58
Germany	2.34	2.31	2.23	2.71
China	2.87	2.86	2.86	2.92

Top Traded Securities	Volume	3-Apr	31-Mar	27-Mar	3-Mar
5.74 2026	250	7.19	7.17	7.15	7.36
7.38 2027	-	7.20	7.18	7.16	7.39
7.10 2029	10	7.24	7.22	7.23	7.40
6.54 2032	-	7.35	7.33	7.32	7.43
7.26 2032	70	7.33	7.32	7.30	7.42
7.54 2036	-	7.40	7.39	7.38	7.46

	DEBT		
	Gross Purchase	Gross Sales	Net Investment
MF			
24-Mar-23	3047	1331	1716

	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
	4504	4759	-255

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
7551	6090	1462

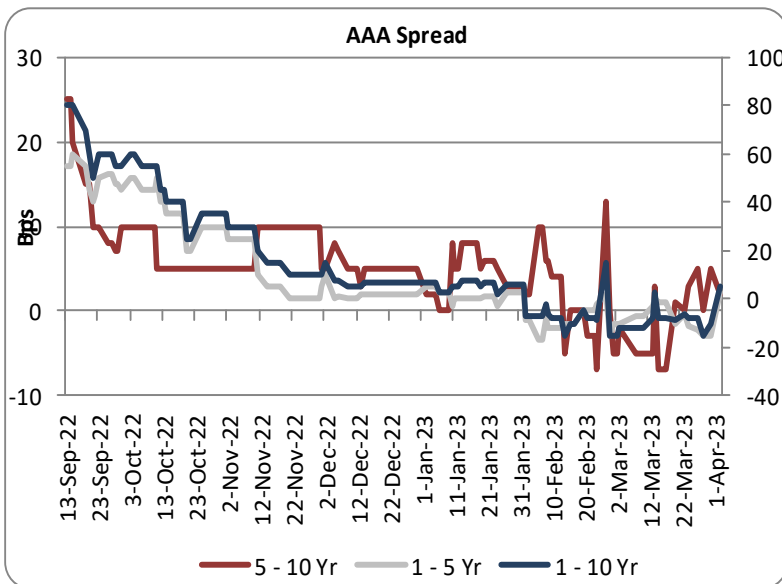
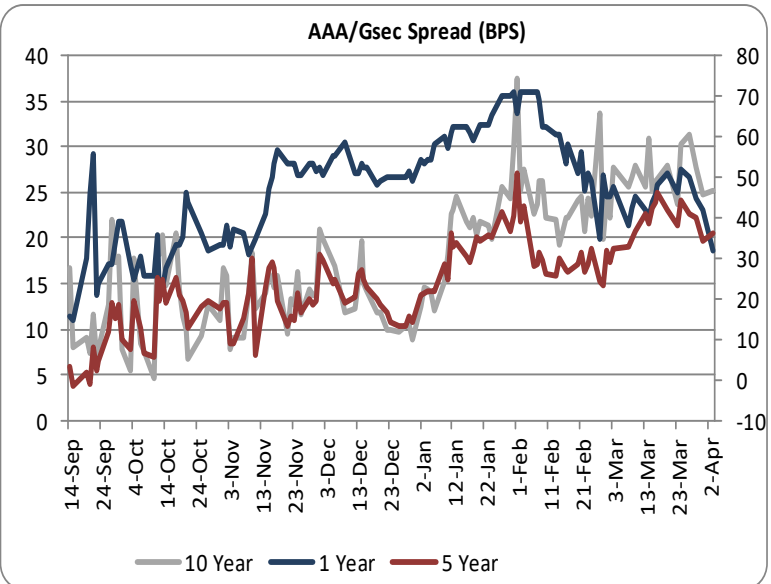
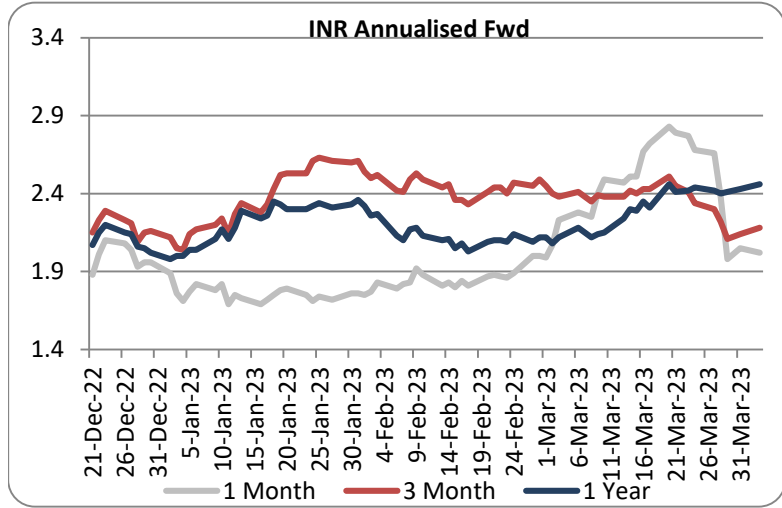
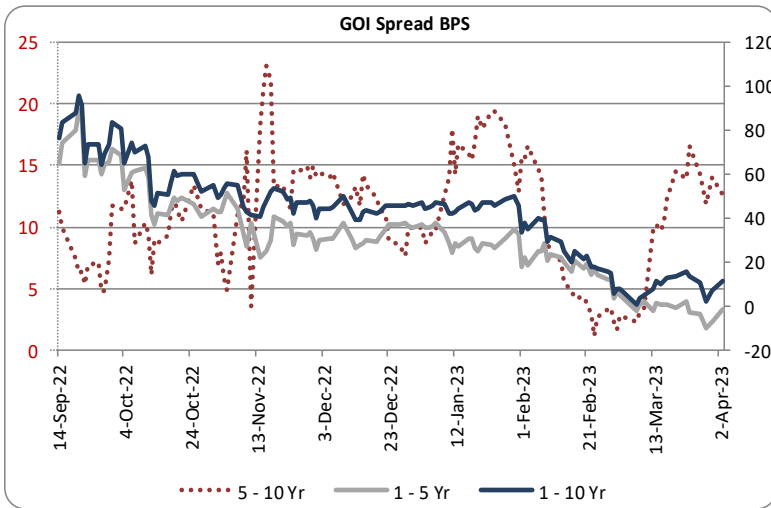
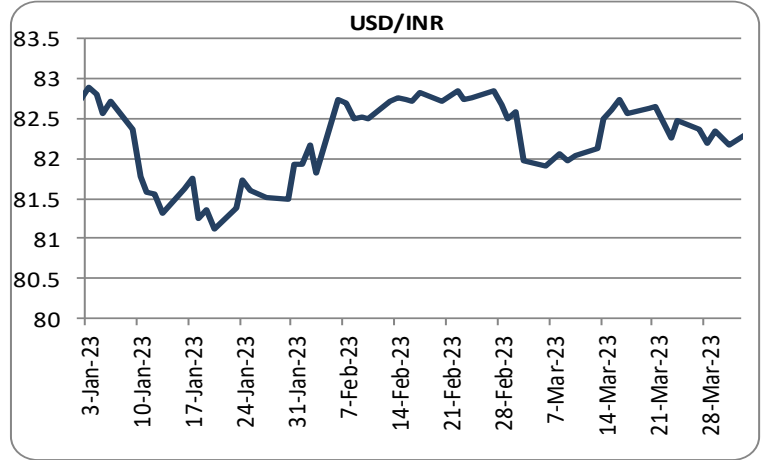
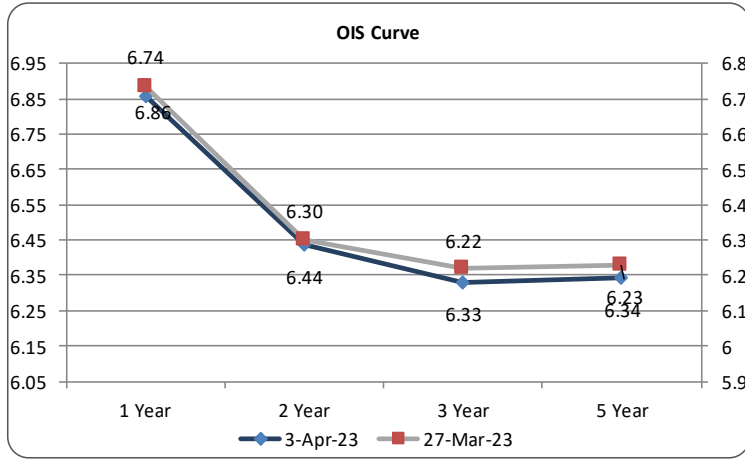
	DEBT		
	Gross Purchase	Gross Sales	Net Investment
FII			
3-Apr-23	2907	2860	47

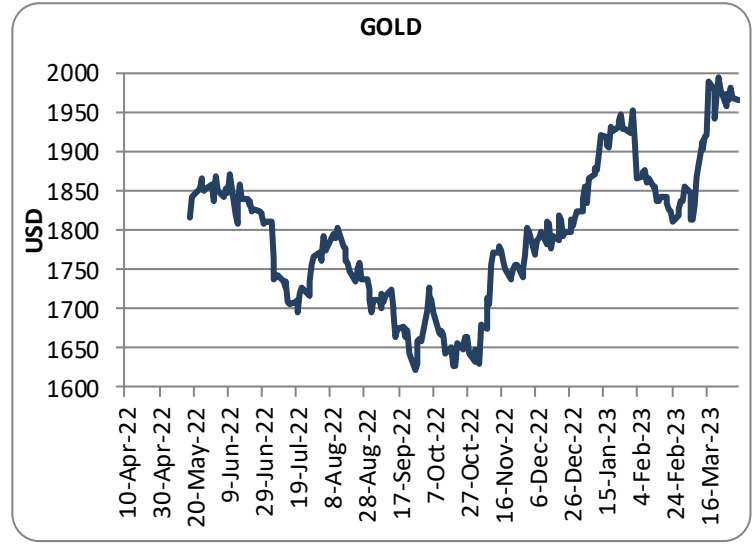
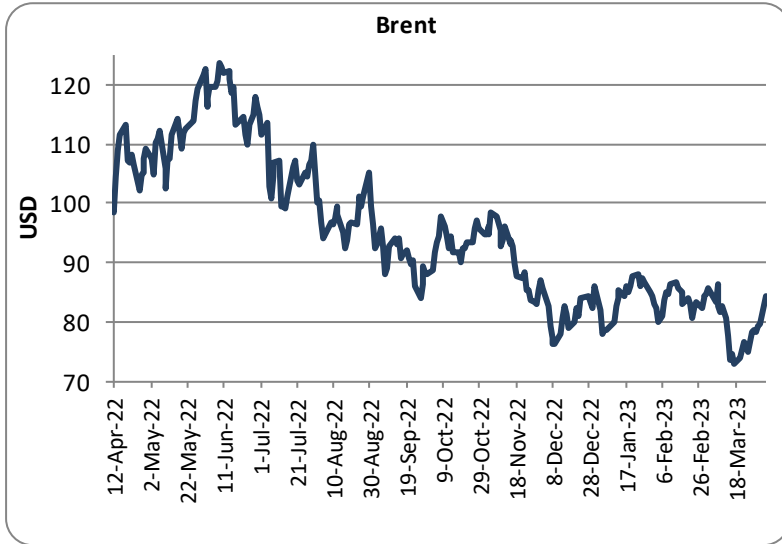
	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
	12995	10629	2366

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
15902	13489	2413

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 (%)	Feb-23	3.9	4.7
CPI (%)	Feb-23	6.4	6.5
IIP (%)	Jan-23	5.2	4.3
PMI Manufacturing	Mar-23	56.4	55.3
PMI Service	Feb-23	59.4	57.2

Economic Calender	Country	Date	Poll	Prior
Repo Rate	India	06-Apr-23	6.75	6.50
Industrial Production	Germany	06-Apr-23	-	(1.20)
Unemployment Rate	Canada	06-Apr-23	5.10	5.00
Unemployment Rate	USA	07-Apr-23	3.60	3.60
Retail Sales	Euro Zone	11-Apr-23	-	(2.30)
Industrial Output	India	12-Apr-23	-	5.20
CPI	USA	12-Apr-23	-	6.00
CPI	Russia	12-Apr-23	3.40	11.00





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

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