



BONDWATCH

Daily

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INDIA

Indian government bond yields ended higher on Tuesday, tracking a surge in U.S. peers as strong economic data trimmed rate-cut expectations. In addition, a shift in the domestic debt auction methodology weighed on sentiment in the first trading session for debt markets in the new financial year.

The benchmark 10-year bond yield ended at 7.1160%, following its previous close of 7.0556%.

U.S. yields rose on Monday following stronger-than-expected manufacturing data. The 10-year U.S. yield was around 4.35%, with the odds of a rate cut in June easing to 59% from over 70% last week.

Back home, market participants await the Reserve Bank of India's (RBI) monetary policy decision on Friday, with expectations it will maintain status quo.

The RBI has kept its key repo rate unchanged for six consecutive meetings and reiterated its commitment to sustainably meet the 4% inflation target.

The government will auction new 10-year bonds worth 200 billion rupees (\$2.40 billion) on Friday to kick start its borrowing program for this financial year. However, the new 10-year government bond unlikely to be priced at a steep premium over the existing benchmark paper, due to the high quantum and a change in the methodology of the auction to the multiple price-based method.

The Indian rupee weakened 0.02% versus the U.S. dollar, and quoted at 83.42 per dollar, ducking weakness in its Asian peers, and finding support from exporters' mild dollar sales and expectations of central bank intervention.

Repo: The weighted average call rates in the interbank segment increased to 6.44% vs 6.15% as on the previous day while that the TREP segment decreased to 6.41% vs 6.69% as on the previous day.

Market Observations

G-sec

- Good buying demand was visible by MFs in 3-month t-bill at 6.82 levels.
- Good buying demand was also visible by Mutual funds in JFM 2025 SDLs at 7.12 centric levels.
- SDL cut off came in line with market expectations.

Corporate Bonds

- Mutual funds were active in the 2025-2027 segment.
- Muted activity seen throughout the day.

CP/CD

- Major activity was seen in the shorter to 3-month segment.

GOI Yield	2-Apr	28-Mar	26-Mar	4-Mar
1 Year	6.980	7.040	7.080	7.090
5 Year	7.088	7.049	7.108	7.064
10 Year	7.116	7.056	7.091	7.060

AAA Bmk	2-Apr	28-Mar	26-Mar	4-Mar
1 Year	7.78	7.78	7.87	7.85
5 Year	7.60	7.58	7.65	7.65
10 Year	7.48	7.48	7.53	7.55

CD	2-Apr	28-Mar	26-Mar	4-Mar
3 Month	7.35	7.55	7.70	7.68
6 Month	7.50	7.65	7.75	7.75
1 Year	7.60	7.60	7.70	7.75

CP	2-Apr	28-Mar	26-Mar	4-Mar
3 Month	7.45	7.85	7.85	7.80
6 Month	7.60	7.90	7.90	7.85
1 Year	7.70	7.85	7.85	7.90

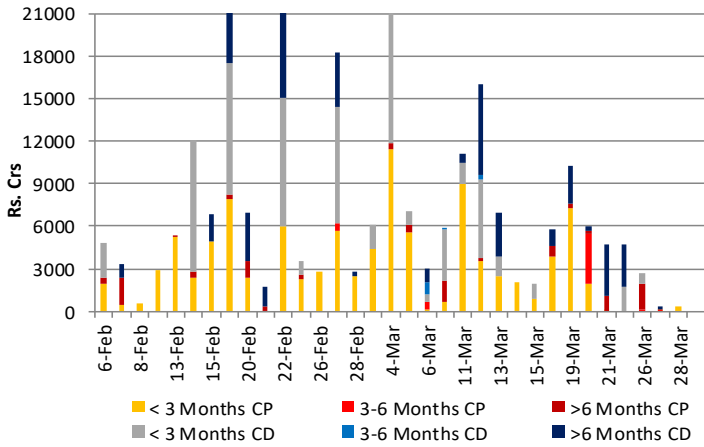
OIS Rate	2-Apr	28-Mar	26-Mar	4-Mar
1 Year	6.77	6.74	6.77	6.75
2 Year	6.49	6.44	6.49	6.43
3 Year	6.44	6.39	6.44	6.37
5 Year	6.40	6.33	6.40	6.32

	2-Apr	28-Mar	26-Mar	4-Mar
Sensex	73,904	73,651	72,470	73,872
Nifty	22,453	22,327	22,005	22,406
USD/INR	83.39	83.40	83.28	82.89
Gold (USD)	2,259	2,232	2,179	2,115
Oil (USD)	88.70	87.48	86.25	82.80

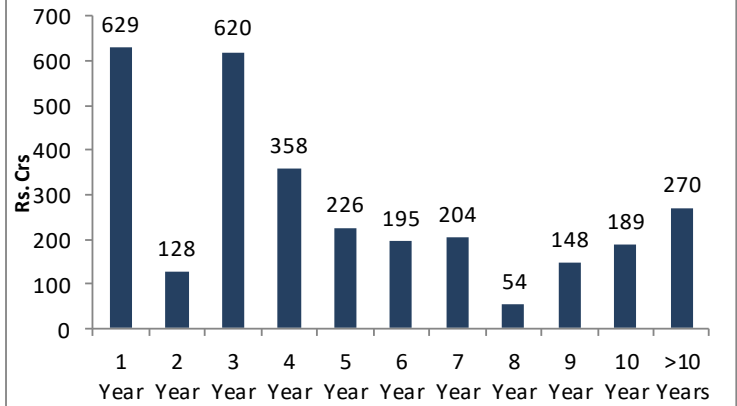
NDF	2-Apr	28-Mar	26-Mar	4-Mar
3 Month	83.63	83.59	83.41	83.04
1 Year	84.75	84.70	84.61	84.27
2 Year	86.90	86.76	86.70	86.53
3 Year	89.47	89.42	89.36	89.10



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	2-Apr	28-Mar	26-Mar	4-Mar
India	7.12	7.05	7.09	7.06
US	4.36	4.19	4.23	4.22
South Korea	3.43	3.38	3.39	3.43
Russia	14.04	13.82	13.92	13.02
Brazil	11.07	10.98	10.94	10.71
Germany	2.40	2.29	2.35	2.40
China	2.30	2.31	2.31	2.36

Top Traded Securities	Volume	28-Mar	27-Mar	21-Mar	28-Feb
7.26 2033	880	7.08	7.11	7.09	7.09
7.06 2028	30	7.06	7.10	7.07	7.06
7.62 2039	-	7.09	7.11	7.09	7.10
7.30 2053	540	7.12	7.16	7.14	7.15
6.64 2035	10	7.10	7.13	7.14	7.12
7.40 2035	180	7.08	7.15	7.14	7.12

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
28-Mar-24	308	487	-179

EQUITY	Gross Purchase	Gross Sales	Net Investment
	603	537	67

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
912	1024	-112

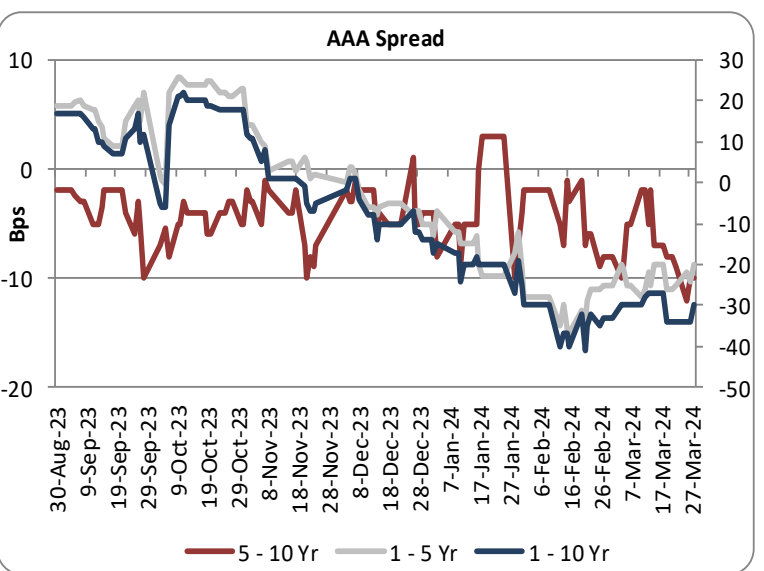
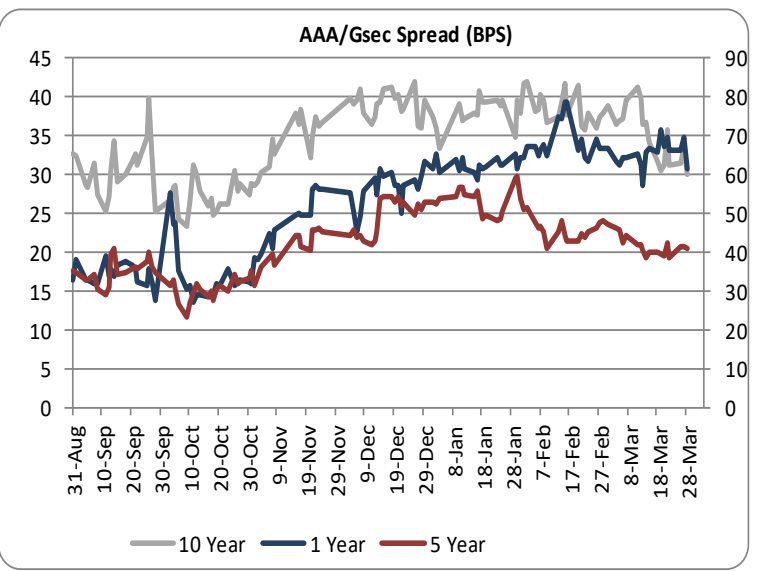
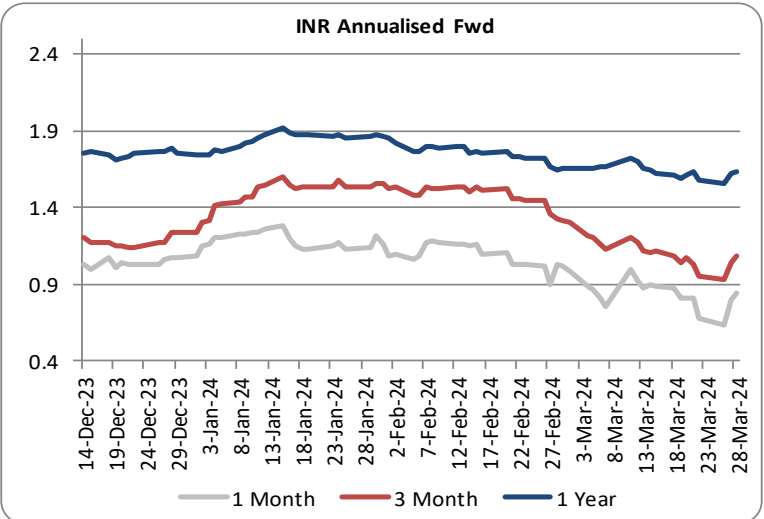
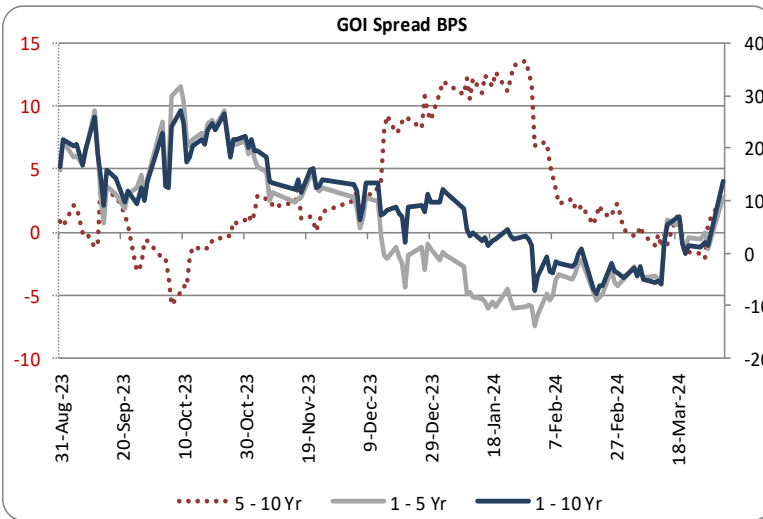
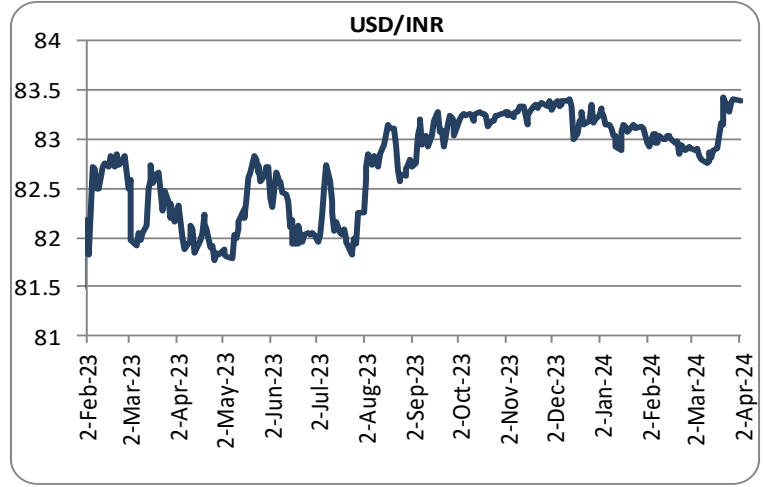
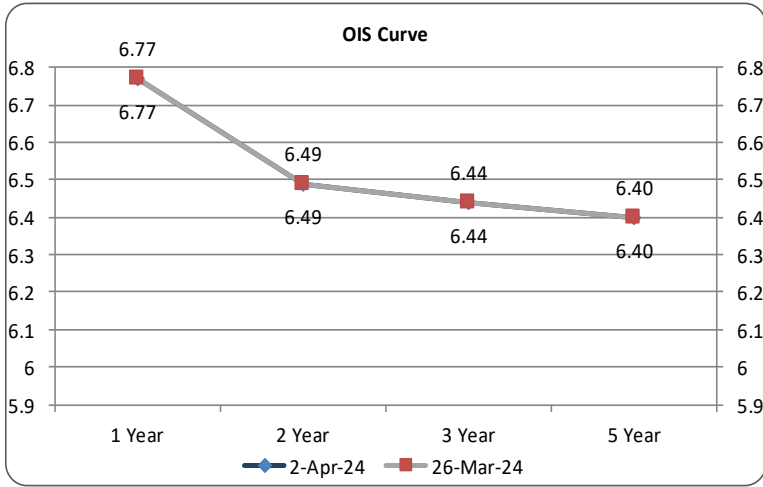
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
2-Apr-24	5992	1269	4723

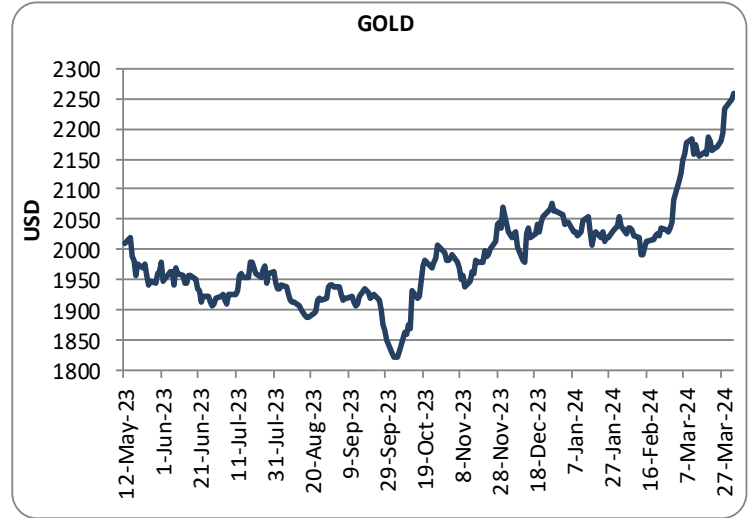
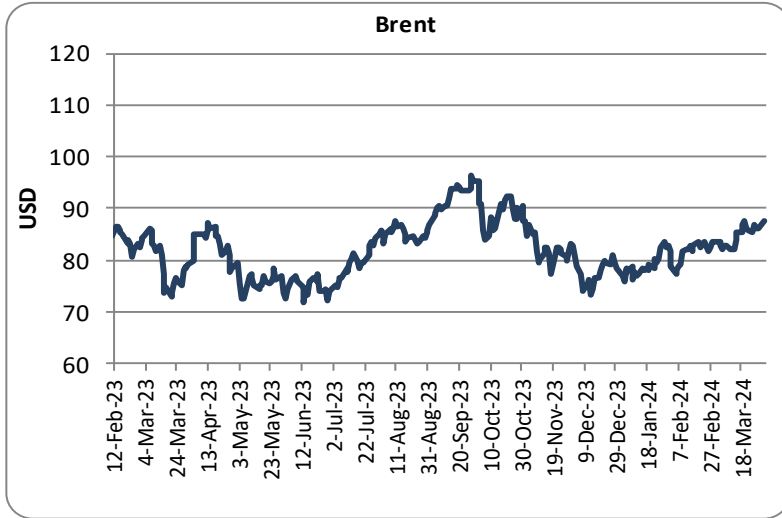
EQUITY	Gross Purchase	Gross Sales	Net Investment
	39848	37493	2355

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
45840	38761	7078

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 (%)	Feb-24	0.2	0.3
CPI (%)	Feb-24	5.1	5.1
IIP (%)	Jan-24	3.8	4.2
PMI Manufacturing	Mar-24	59.1	56.9
PMI Service	Feb-24	60.6	61.8

Economic Calender	Country	Date	Poll	Prior
CPI	Euro Zone	3-Apr-24	0	2.6
Unemployment rate	Euro Zone	03-Apr-24	6.40	6.40
Industrial Output	Brazil	03-Apr-24	5.60	3.60
Unemployment rate	Russia	03-Apr-24	2.90	2.90
Retail Sales	Euro Zone	05-Apr-24	(1.30)	(1.00)
CPI	USA	10-Apr-24	-	3.20
CPI	China	11-Apr-24	-	0.70
Refinancing Rate	Euro Zone	11-Apr-24	-	4.50





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

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