



## INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 98.04 rupees, yielding 6.81%, the highest since Feb. 4, versus 98.35 rupees, and a yield of 6.77% on Monday. The yield posted its biggest single-session spike since Feb. 22.
- ❖ Crude oil prices spiked on heightened worries of disruption in fuel supplies, following sanctions on Russian banks. The U.S. has also banned Russian flights using American airspace, following similar moves by the European Union and Canada.
- ❖ Benchmark Brent futures rose briefly above \$113 per barrel today, the highest since June 2014.
- ❖ The Govt. aims to borrow a record 14.95 trillion rupees via sale of bonds in the next fiscal year. It skipped borrowing 780 billion rupees in this fiscal year by cancelling some debt auctions in recent weeks.
- ❖ The Govt. which targeted to wrap up the IPO in this fiscal year ending Mar. 31, has sought the capital market regulator's approval to sell up to 5% stake in LIC and the draft prospectus put its embedded value at about 5.40 trillion rupees. The cabinet also recently approved changes to foreign direct investment rules to permit foreign ownership up to 20% in state-run LIC under the so-called automatic route.
- ❖ The Indian rupee dropped for a second straight day against the dollar, as oil supply concerns from Russia sent prices of the key commodity to multi-year highs, casting a shadow on the country's growth and inflation outlook. The rupee was quoted at 75.70 per dollar its lowest since Dec. 20, versus 75.34 in the previous session. It had fallen to an intraday low of 75.86 earlier today. Despite the recent volatility, the rupee has held on to a broad range of 75 to 76, which traders attribute to the Reserve Bank of India's intervention that was meant to curtail any out-sized intraday moves on the unit.
- ❖ Repo: The weighted average call rates in the interbank segment decreased to 3.27% vs 3.28% as on previous day while that in the TREP segment increased to 3.25% vs 3.23% as on previous day.

GOI Yield	2-Mar	28-Feb	23-Feb	31-Jan
1 Year	4.620	4.550	4.500	4.480
5 Year	6.025	5.970	6.000	6.030
10 Year	6.829	6.770	6.739	6.684

AAA Brnk	2-Mar	28-Feb	23-Feb	31-Jan
1 Year	5.00	4.90	4.85	4.80
5 Year	6.35	6.30	6.15	6.30
10 Year	7.03	7.00	7.12	7.12

CD	2-Mar	28-Feb	23-Feb	31-Jan
3 Month	3.90	3.90	3.85	3.95
6 Month	4.40	4.40	4.30	4.15
1 Year	4.80	4.80	4.80	4.80

CP	2-Mar	28-Feb	23-Feb	31-Jan
3 Month	4.05	4.05	4.00	4.22
6 Month	4.60	4.60	4.55	4.82
1 Year	5.10	5.10	5.00	5.23

OIS Rate	2-Mar	28-Feb	23-Feb	31-Jan
1 Year	4.35	4.32	4.32	4.49
2 Year	4.90	4.87	4.86	5.05
3 Year	5.33	5.30	5.30	5.39
5 Year	5.79	5.76	5.80	5.70

	2-Mar	28-Feb	23-Feb	31-Jan
Sensex	55,469	56,247	57,232	58,014
Nifty	16,606	16,794	17,063	17,340
USD/INR	75.70	75.34	74.56	74.61
Gold (USD)	1,927	1,908	1,908	1,796
Oil (USD)	110.92	100.99	96.84	91.21

NDF	2-Mar	28-Feb	23-Feb	31-Jan
3 Month	76.65	76.01	75.49	75.40
1 Year	78.93	78.33	77.77	77.87
2 Year	82.37	81.78	81.09	81.17
3 Year	86.02	85.33	84.53	85.15

### Market Observations

#### G-sec

- Bond yields surged for the second consecutive session, with the benchmark rate settling at a one-month high, as a jump in crude oil prices, amid the escalating Ukrainian crisis, spooked investors.
- Insurance companies seen selling longer end papers.
- US 10-year yield at 1.73%, down almost 25 basis points over last two sessions on safe haven demand

#### Corporate Bonds

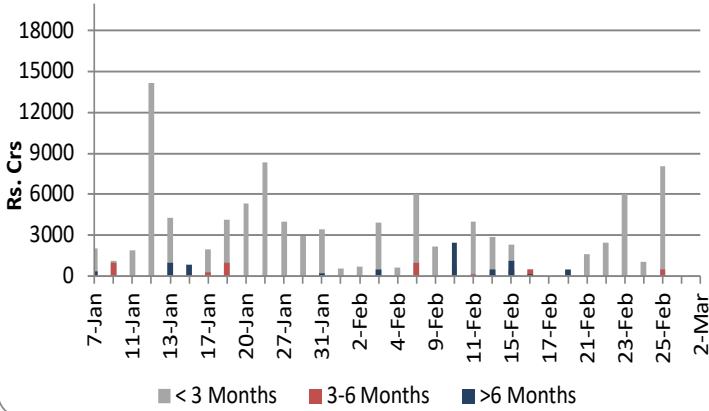
- Yields were higher as brent crude ended at \$110 today from the fallout of Russia's invasion of Ukraine raised worries of domestic inflation accelerating.

#### CP/CD

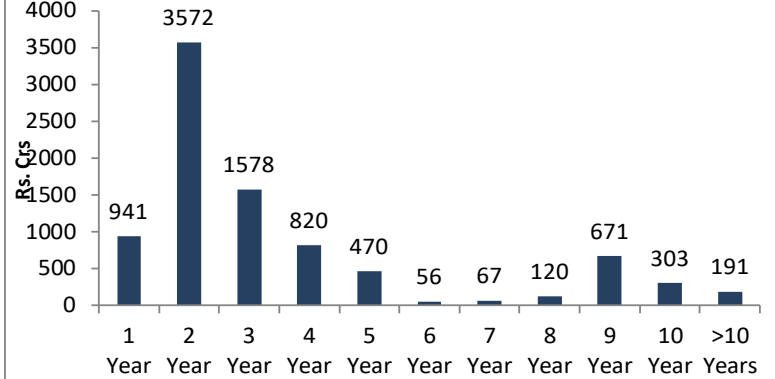
- The shorter end of the curve witnessed most demand (1-3-month papers)



**CP Primary Volume**



**Bonds Volume**



10 Year Benchmarks	2-Mar	28-Feb	23-Feb	31-Jan
India	6.82	6.77	6.74	6.68
US	1.77	1.82	2.00	1.78
South Korea	2.61	2.68	2.72	2.59
Russia	12.93	12.81	10.85	9.44
Brazil	11.32	11.32	11.49	11.08
Germany	-0.02	0.16	0.23	0.01
China	2.83	2.79	2.82	2.72

Top Traded Securities	Volume	2-Mar	28-Feb	23-Feb	31-Jan
5.15 GOI 2025	1825	5.82	5.77	5.75	#N/A
5.63 GOI 2026	305	6.02	5.97	5.91	5.89
5.74 GOI 2026	5820	6.10	6.05	6.00	6.03
6.10 GOI 2031	10	6.83	6.77	6.76	6.68
6.64 GOI 2035	0	7.09	7.04	7.02	7.11
6.67 GOI 2035	50	7.08	7.01	7.00	7.11

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
18-Feb-22	2067	1353	714

EQUITY		
Gross Purchase	Gross Sales	Net Investment
2004	696	1308

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
4071	2049	2022

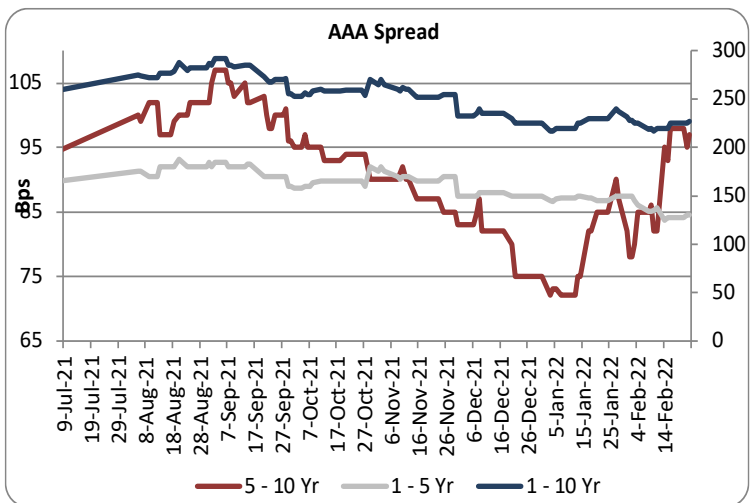
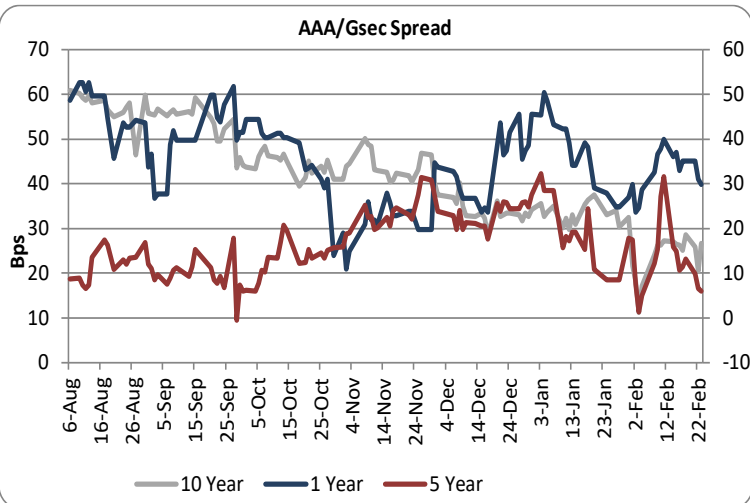
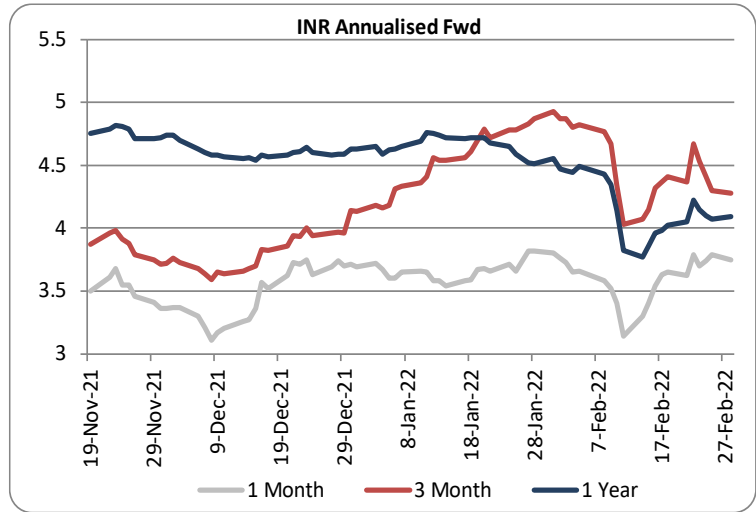
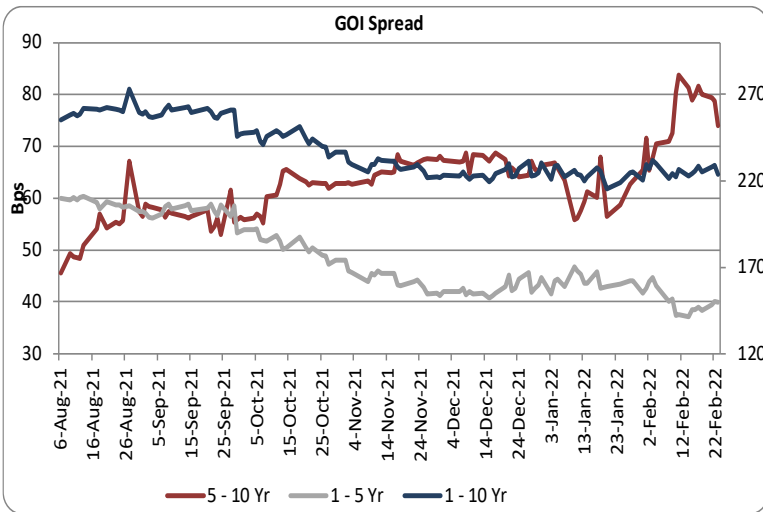
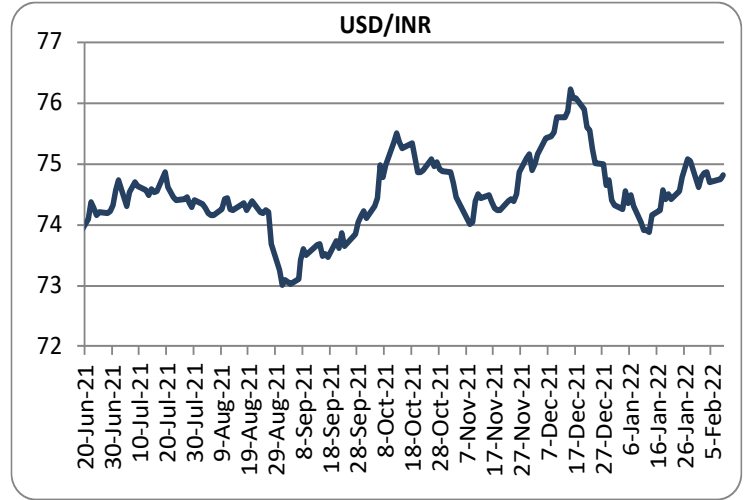
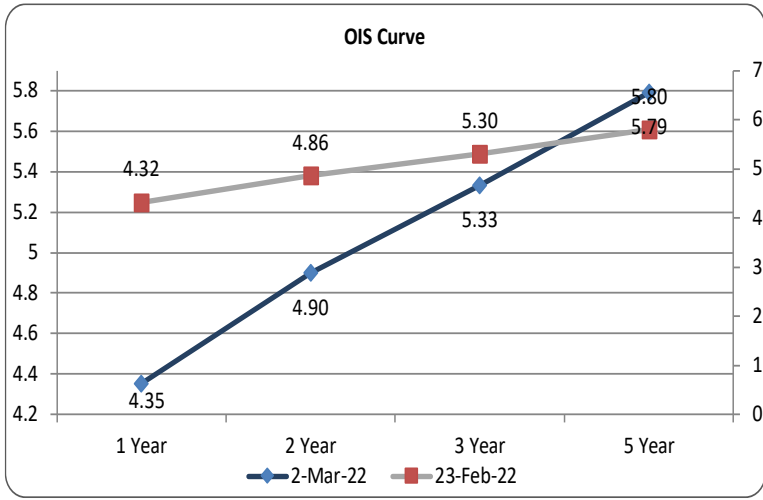
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
2-Mar-22	557	1260	-703

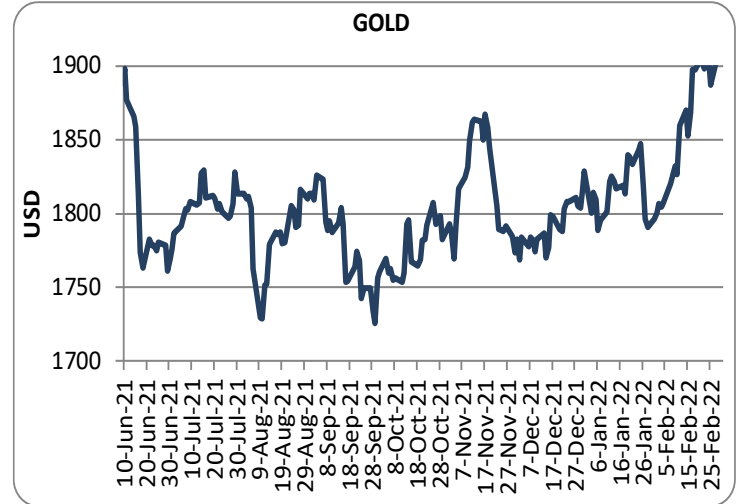
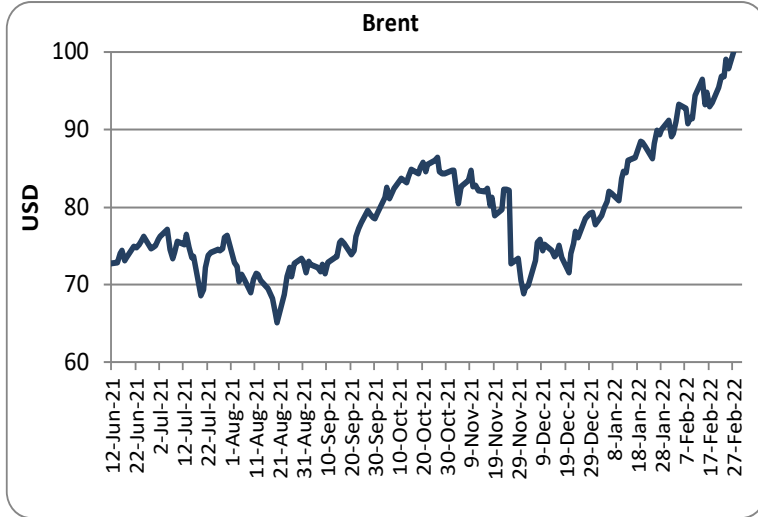
EQUITY		
Gross Purchase	Gross Sales	Net Investment
15666	19800	-4134

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
16223	21060	-4837

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-21	5.4	8.4
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Jan-22	13.0	13.6
CPI (%)	Jan-22	6.0	5.7
IIP (%)	Dec-21	0.4	1.4
PMI Manufacturing	Feb-22	54.9	54
PMI Service	Jan-22	51.5	55.5

Economic Calender	Country	Date	Poll	Prior
Retail Sales	Japan	28-Feb-22	1.40	1.20
Exports	Thailand	28-Feb-22	-	23.00
GDP	Switzerland	28-Feb-22	-	4.10
GDP	India	28-Feb-22	6.00	8.40
Unemployment Rate	EuroZone	03-Mar-22	7.00	7.00
CPI	Phillippines	04-Mar-22	-	3.00
GDP	Brazil	04-Mar-22	-	4.00
Unemployment Rate	USA	04-Mar-22	3.90	4.00





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

**LKP SECURITIES LTD.**, 203, Embassy Centre, Nariman Point, Mumbai- 400021

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