



Indian government bond yields started the week lower, tracking a sharp drop in their U.S. peers and on expectations of political stability after India's ruling party won key state polls.

India's 10-year benchmark bond yield ended at 7.2699%, after ending the previous session at 7.2899%.

U.S. Treasury yields dropped on Friday after Fed Chair Jerome Powell's comments fanned optimism that the central bank was done hiking rates.

The probability of a rate cut in March is above 66% and traders are near certain of a cut in May, which pushed the U.S. 10-year yield to a three-month low. It was last around 4.25%.

Traders await the outcome of the Reserve Bank of India's monetary policy meeting on Friday. The RBI is expected to hold rates at 6.50% for a fifth consecutive meeting as inflation worries ebb.

The RBI had, in October, said it would sell bonds to suck out additional liquidity, and that pushed yields higher. However, the central bank has not conducted any auctions as yet and has stopped secondary sale of papers since the last few weeks.

Oil prices extended declines on Monday, pressured by investor skepticism over the latest OPEC+ decision on supply cuts and uncertainty surrounding global fuel demand, though the risk of supply disruptions from the Middle East conflict limited losses.

The Indian rupee weakened 0.09% versus the U.S. dollar, and quoted at 83.36 per dollar, pressured by a slight recovery in the greenback.

Repo: The weighted average call rates in the interbank segment increased to 6.74% vs 6.18% as on the previous day while that the TREP segment increased to 6.75% vs 6.59% as on the previous day.

Market Observations

G-sec

- Demand was seen in 10 to 15year illiquid G-sec by foreign banks.
- Selling was seen in 10 to 12 year SDLs by MFs and PDs, major buyers were Insurance companies.

Corporate Bonds

- Market activity was muted.
- Mutual funds were active on both sides up to 2026 maturity.
- Insurance companies were active in the longer segment.

CP/CD

- Activity was seen in the 3-month segment.

GOI Yield	4-Dec	24-Nov	22-Nov	2-Nov
1 Year	7.140	7.130	7.120	7.130
5 Year	7.245	7.254	7.244	7.310
10 Year	7.270	7.270	7.244	7.325

AAA Bmk	4-Dec	24-Nov	22-Nov	2-Nov
1 Year	7.82	7.82	7.82	7.64
5 Year	7.82	7.84	7.83	7.78
10 Year	7.80	7.77	7.75	7.75

CD	4-Dec	24-Nov	22-Nov	2-Nov
3 Month	7.35	7.30	7.30	7.27
6 Month	7.60	7.60	7.60	7.50
1 Year	7.75	7.75	7.75	7.70

CP	4-Dec	24-Nov	22-Nov	2-Nov
3 Month	7.90	7.45	7.45	7.37
6 Month	8.00	7.70	7.70	7.60
1 Year	8.15	7.95	7.95	7.80

OIS Rate	4-Dec	24-Nov	22-Nov	2-Nov
1 Year	6.86	6.92	6.90	6.92
2 Year	6.57	6.65	6.62	6.63
3 Year	6.53	6.63	6.59	6.62
5 Year	6.49	6.60	6.56	6.62

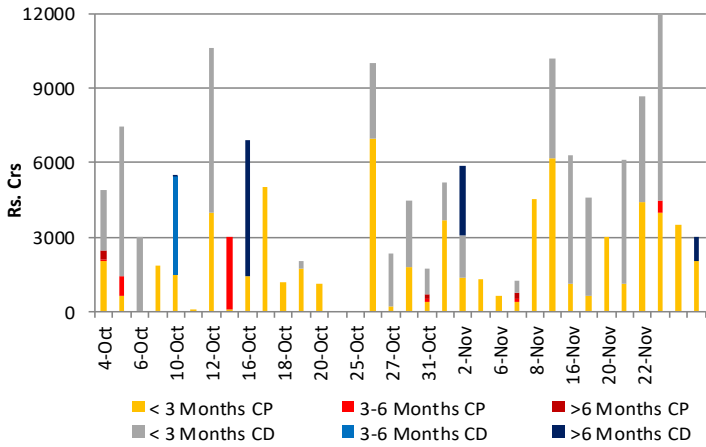
	4-Dec	24-Nov	22-Nov	2-Nov
Sensex	68,865	65,970	66,023	64,081
Nifty	20,687	19,795	19,812	19,133
USD/INR	83.37	83.37	83.32	83.24
Gold (USD)	2,067	2,002	1,990	1,986
Oil (USD)	77.93	80.58	81.96	86.85

10 Year Benchmarks	4-Dec	24-Nov	22-Nov	2-Nov
India	7.27	7.27	7.25	7.32
US	4.25	4.48	4.42	4.67
South Korea	3.62	3.78	3.76	4.17
Russia	12.27	12.03	11.97	12.27
Brazil	10.92	11.12	11.08	11.74
Germany	2.38	2.65	2.56	2.71
China	2.69	2.71	2.68	2.68

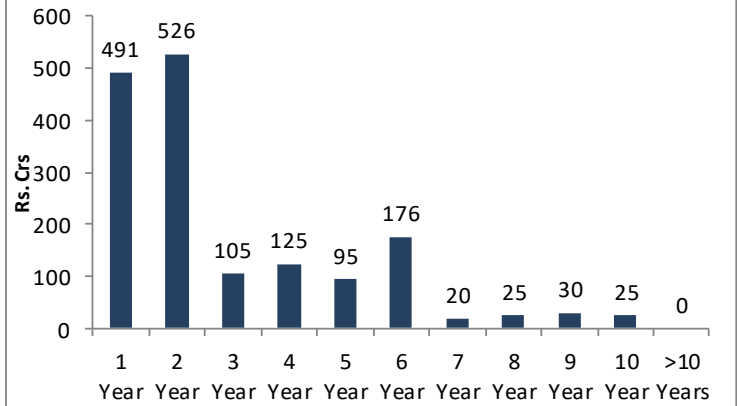
NDF	4-Dec	24-Nov	22-Nov	2-Nov
3 Month	83.58	83.55	83.52	83.47
1 Year	84.76	84.66	84.68	84.73
2 Year	87.11	86.81	86.85	86.78
3 Year	89.55	89.21	89.25	89.28



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	4-Dec	24-Nov	22-Nov	2-Nov
India	7.27	7.27	7.25	7.32
US	4.25	4.48	4.42	4.67
South Korea	3.62	3.78	3.76	4.17
Russia	12.27	12.03	11.97	12.27
Brazil	10.92	11.12	11.08	11.74
Germany	2.38	2.65	2.56	2.71
China	2.69	2.71	2.68	2.68

Top Traded Securities	Volume	16-Nov	15-Nov	9-Nov	18-Oct
7.26 2033	890	7.27	7.28	7.31	7.40
7.06 2028	490	7.38	7.37	7.41	7.48
7.62 2039	-	7.30	7.29	7.36	7.42
7.30 2053	1,800	7.42	7.42	7.44	7.53
6.64 2035	435	7.33	7.33	7.39	7.44
7.40 2035	90	7.35	7.33	7.35	7.44

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
22-Nov-23	5137	3690	1447

	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
22-Nov-23	9378	8052	1326

	TOTAL (Rs.Crs)		
	Gross Purchase	Gross Sales	Net Investment
22-Nov-23	14514	11742	2773

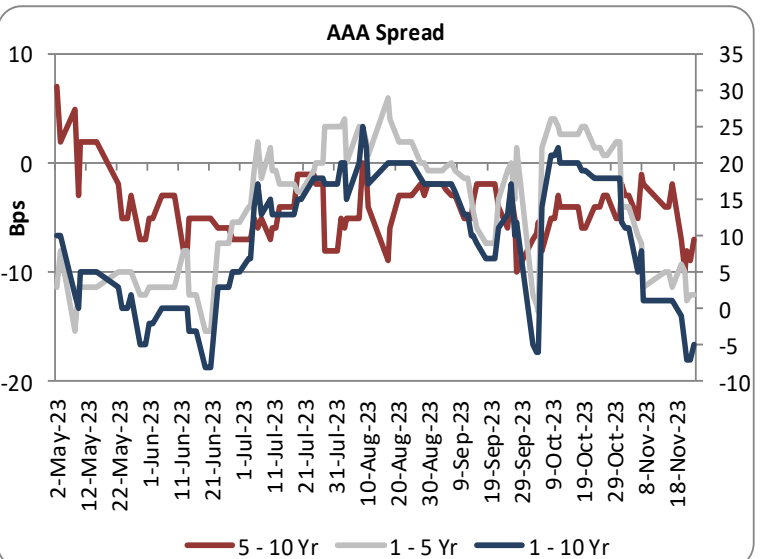
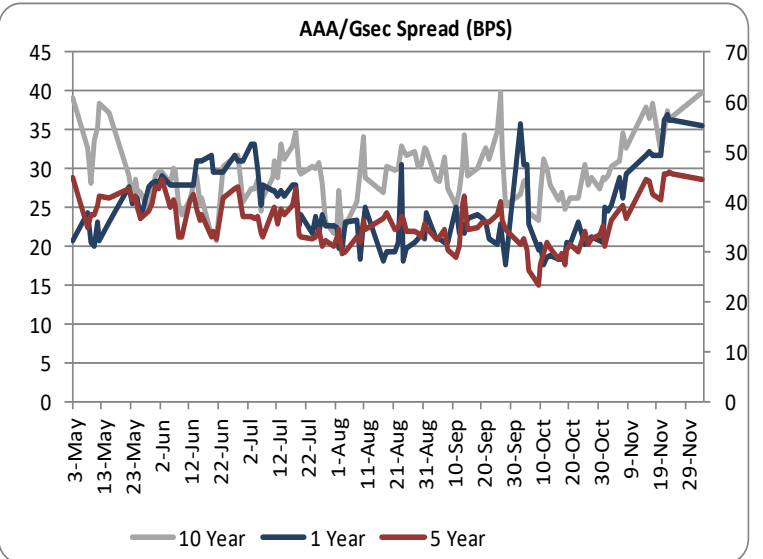
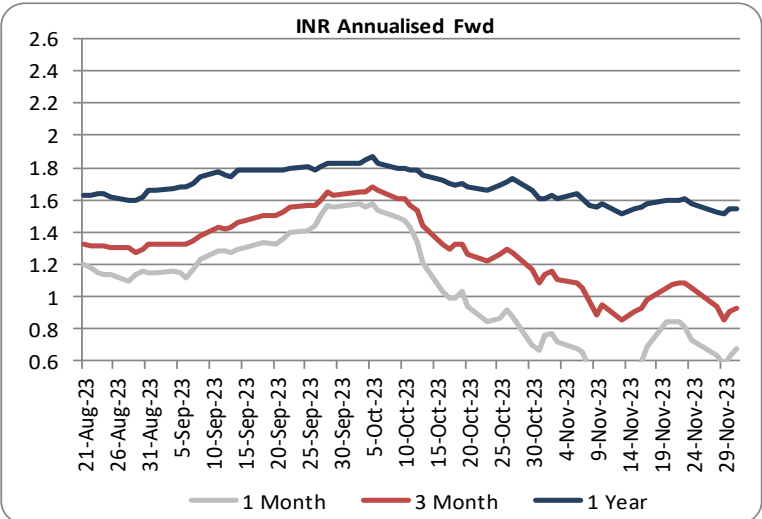
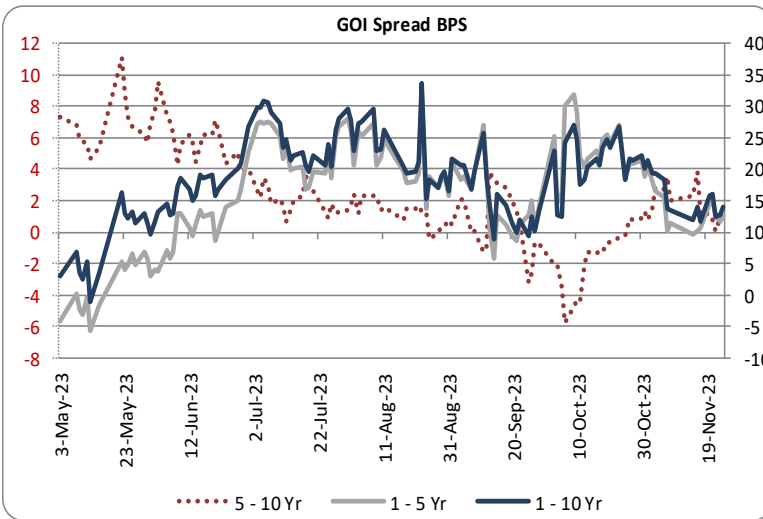
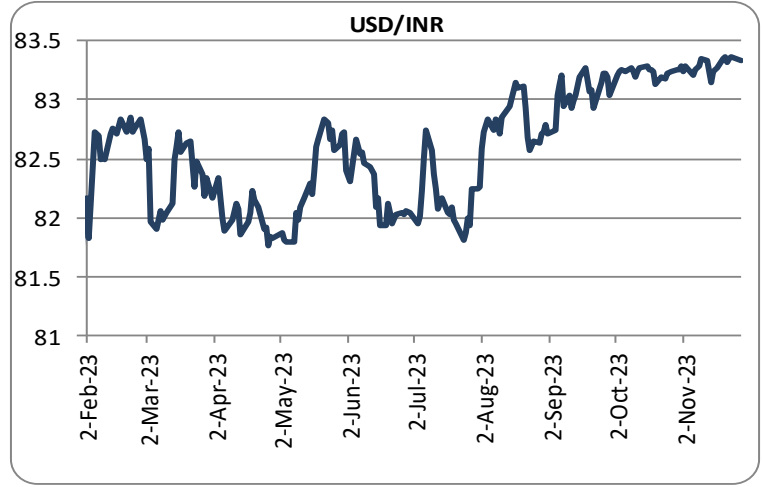
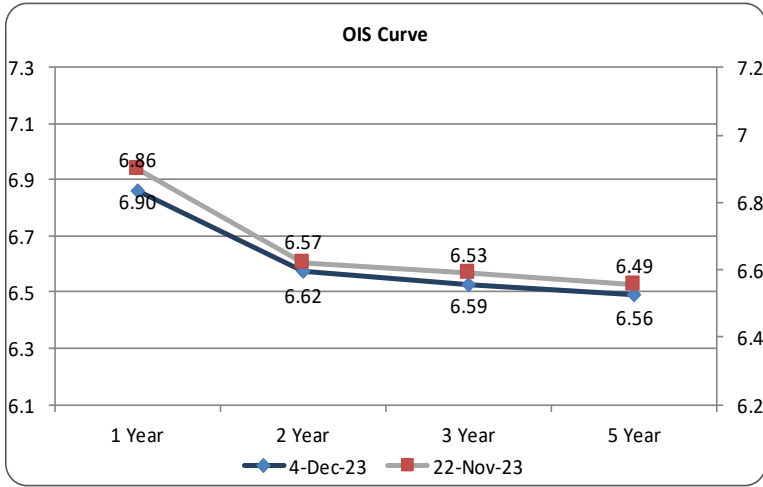
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
4-Dec-23	1612	520	1092

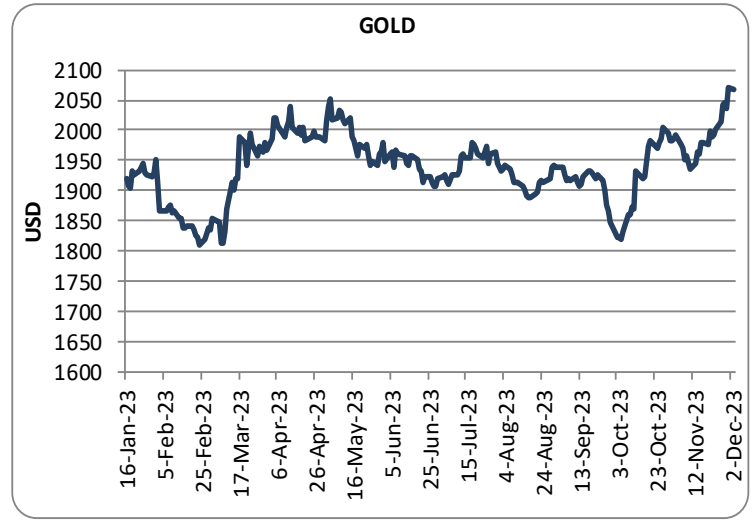
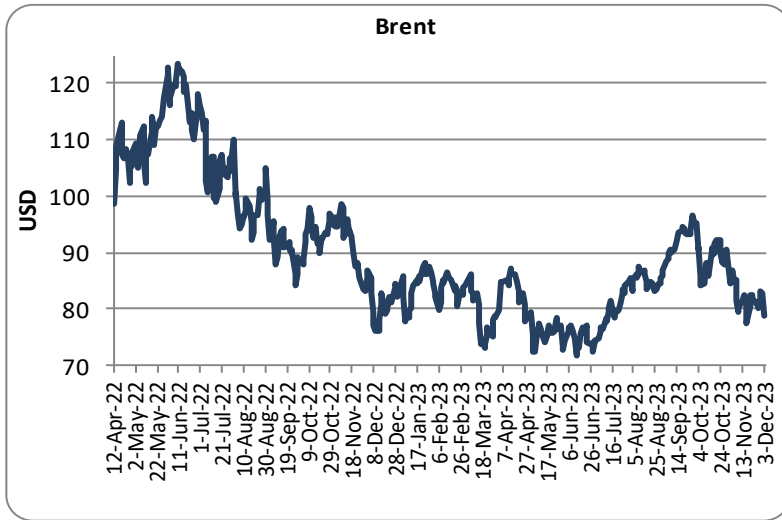
	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
4-Dec-23	15582	9864	5717

	TOTAL (Rs. Crs)		
	Gross Purchase	Gross Sales	Net Investment
4-Dec-23	17194	10384	6810

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-23	7.6	7.8
CAD (\$ Bn)	Jun-23	-9.2	-1.3
Trade Deficit (\$ Bn)	Jun-23	-56.6	-52.6
WPI (%)	Oct-23	-0.5	-0.3
CPI (%)	Oct-23	4.9	5.0
IIP (%)	Sep-23	5.8	10.3
PMI Manufacturing	Nov-23	56	55.5
PMI Service	Oct-23	58.4	61

Economic Calender	Country	Date	Poll	Prior
CPI	Japan	5-Dec-23	3.7	3.8
Retail Sales	Euro Zone	06-Dec-23	(0.90)	(2.90)
Industrial Production	Germany	07-Dec-23	-	(3.86)
Repo Rate	India	08-Dec-23	6.50	6.50
Unemployment Rate	USA	08-Dec-23	3.90	3.90
Unemployment Rate	UK	12-Dec-23	-	4.20
CPI	India	12-Dec-23	-	4.87
Industrial Output	India	12-Dec-23	-	5.80





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

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