



Indian government bond yields ended lower on Wednesday, mirroring the movement in their U.S. peers, while investors shifted focus to the Reserve Bank of India's (RBI) monetary policy decision due on Thursday.

The 10-year benchmark 7.26% 2032 bond yield ended at 7.2750%, after closing at 7.3142% on Monday.

The RBI is expected to raise interest rates for the seventh consecutive time on Thursday, with a 25-basis point (bps) move to take the repo rate to a seven-year high of 6.75%. The RBI raised the repo rate by 250 bps last financial year as India's retail inflation stayed above the central bank's upper tolerance level of 6% for most of the year, including in January and February.

The Indian government will start this year's borrowing programme on Thursday by selling bonds worth 330 billion rupees (about \$4 billion), which includes a new five-year paper as well as a 2033 note that will soon replace the existing benchmark bond.

U.S. Treasury yields fell on Tuesday after data showed job openings in February dropped to a near two-year-low, implying the labour market is finally cooling and could allow the Federal Reserve to ease up on monetary policy.

The Indian rupee strengthened 0.41% versus the U.S. dollar, and quoted at 82.00 per dollar, amid a rally in equities and as traders cited dollar sales by foreign banks.

Repo: The weighted average call rates in the interbank segment decreased to 6.26% vs 6.31% as on the previous day while that the TREP segment decreased to 6.23% vs 6.26% as on the previous day.

Market Observations

G-sec

- Mutual funds seen buying 3 to 4 year maturity SDL'S.
- Higher demand seen in longer maturity Gsec.

Corporate Bonds

- Market yields were slightly better from Monday tracking G-sec.
- Activity seen in 3-5yr segment especially from MFs - all action before upcoming policy meet.

CP/CD

- Demand was seen in the 3 month segment and the 1 year segment.

GOI Yield	5-Apr	3-Apr	29-Mar	30-May
1 Year	7.190	7.200	7.270	5.930
5 Year	7.148	7.188	7.171	7.121
10 Year	7.275	7.314	7.290	7.409

AAA Bmk	5-Apr	3-Apr	29-Mar	30-May
1 Year	7.65	7.65	7.85	6.35
5 Year	7.68	7.68	7.70	7.30
10 Year	7.70	7.70	7.70	7.70

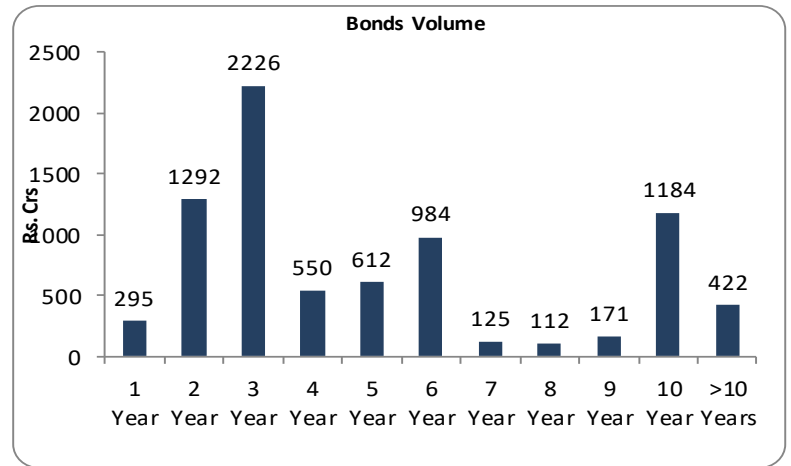
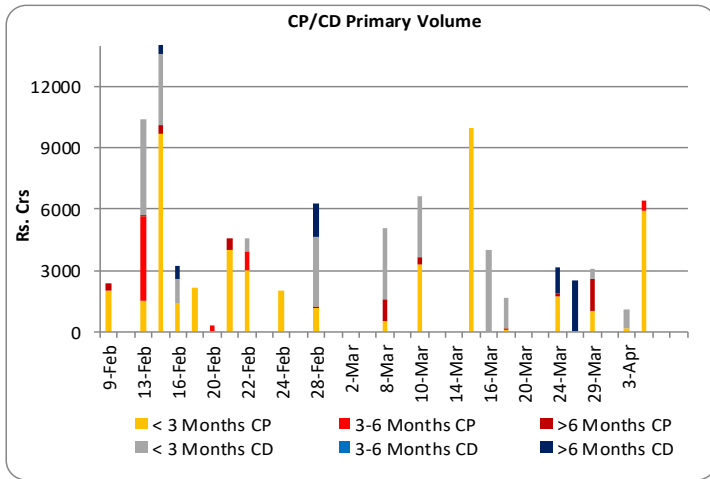
CD	5-Apr	3-Apr	29-Mar	30-May
3 Month	7.20	7.20	7.50	5.10
6 Month	7.40	7.40	7.74	5.75
1 Year	7.50	7.50	7.78	6.30

CP	5-Apr	3-Apr	29-Mar	30-May
3 Month	7.30	7.30	7.60	5.30
6 Month	7.50	7.50	7.84	5.90
1 Year	7.60	7.60	7.88	6.35

OIS Rate	5-Apr	3-Apr	29-Mar	30-May
1 Year	6.81	6.86	6.80	6.19
2 Year	6.39	6.44	6.36	6.62
3 Year	6.28	6.33	6.26	6.87
5 Year	6.28	6.34	6.26	6.94

	5-Apr	3-Apr	29-Mar	30-May
Sensex	59,689	59,106	57,960	55,926
Nifty	17,557	17,398	17,081	16,661
USD/INR	82.00	82.33	82.34	77.54
Gold (USD)	2,023	1,984	1,964	1,856
Oil (USD)	84.92	84.93	78.28	121.67

NDF	5-Apr	3-Apr	29-Mar	30-May
3 Month	82.43	82.64	82.70	78.22
1 Year	84.13	84.18	84.30	80.55
2 Year	86.92	87.00	86.61	83.42
3 Year	89.36	89.75	89.56	86.33



10 Year Benchmarks	5-Apr	3-Apr	29-Mar	30-May
India	7.28	7.32	7.30	7.41
US	3.34	3.43	3.57	2.75
South Korea	3.33	3.39	3.29	3.21
Russia	10.43	10.32	10.34	9.50
Brazil	12.70	12.84	12.90	12.59
Germany	2.25	2.24	2.31	1.05
China	2.87	2.87	2.87	2.76

Top Traded Securities	Volume	5-Apr	3-Apr	29-Mar	30-May
5.74 2026	345	7.14	7.17	7.17	7.12
7.38 2027	-	7.15	7.19	7.17	#N/A
7.10 2029	-	7.19	7.23	7.21	0.00
6.54 2032	-	7.29	7.33	7.31	7.41
7.26 2032	50	7.28	7.31	7.29	#N/A
7.54 2036	-	7.33	7.38	7.35	7.59

	DEBT		
	Gross Purchase	Gross Sales	Net Investment
MF			
31-Mar-23	6345	4115	2231

	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
	10556	8156	2400

	TOTAL (Rs.Crs)		
	Gross Purchase	Gross Sales	Net Investment
	16902	12271	4631

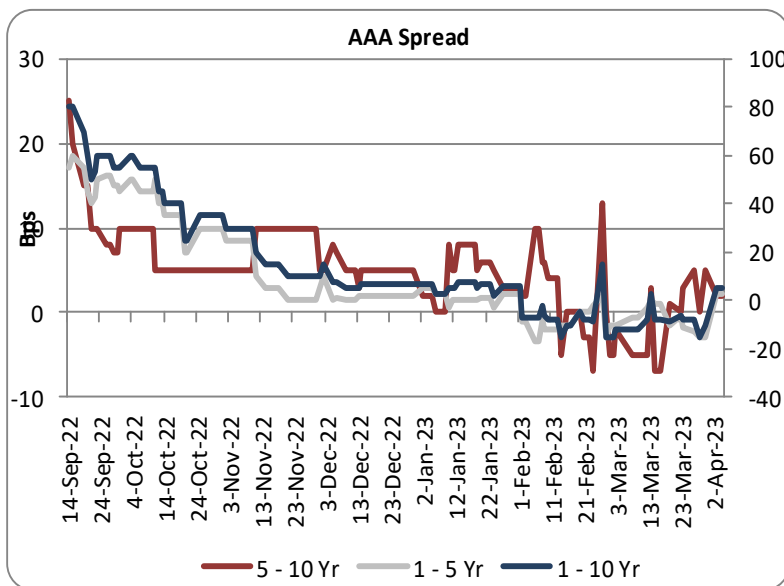
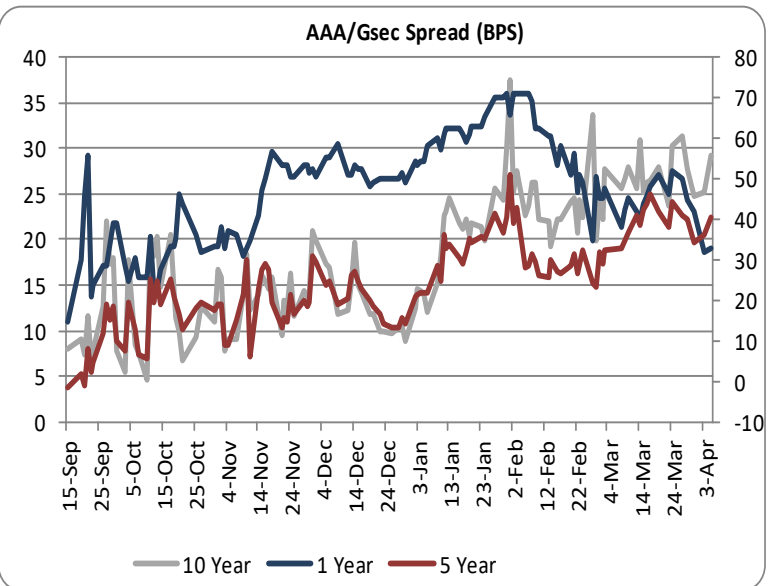
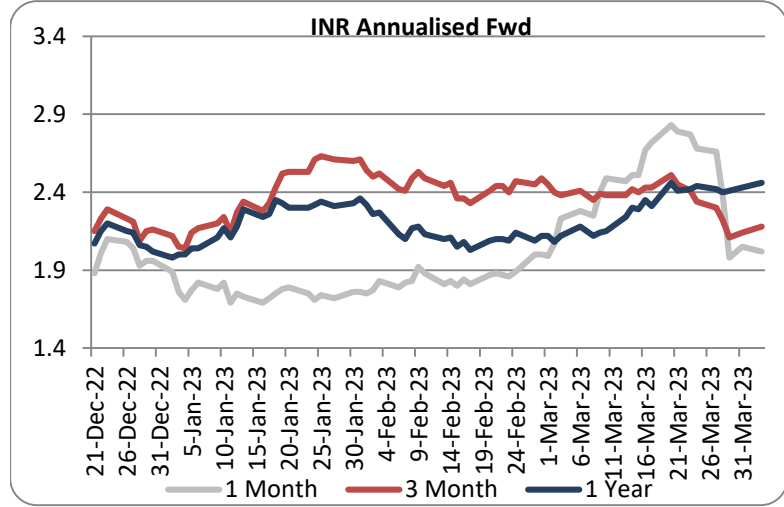
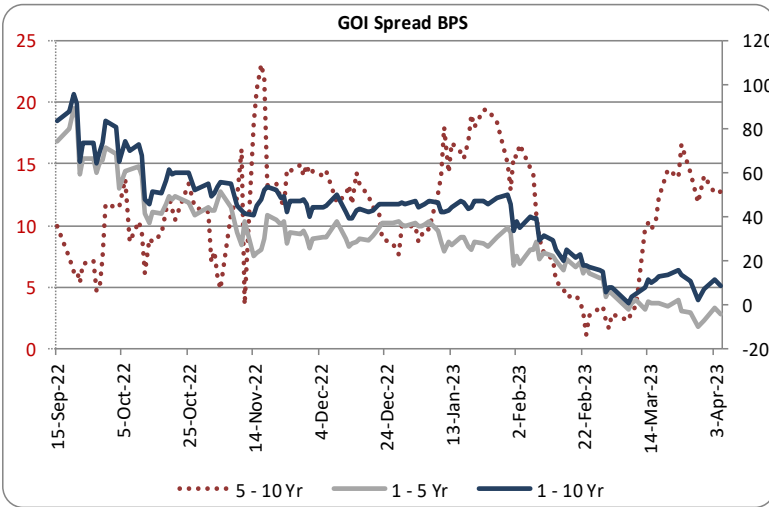
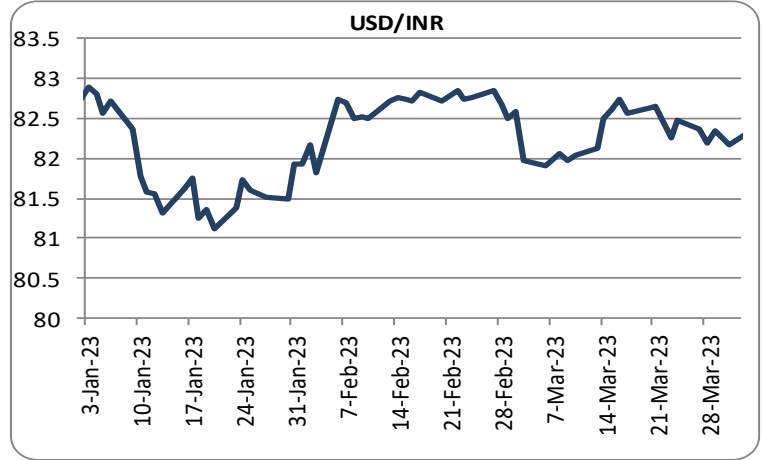
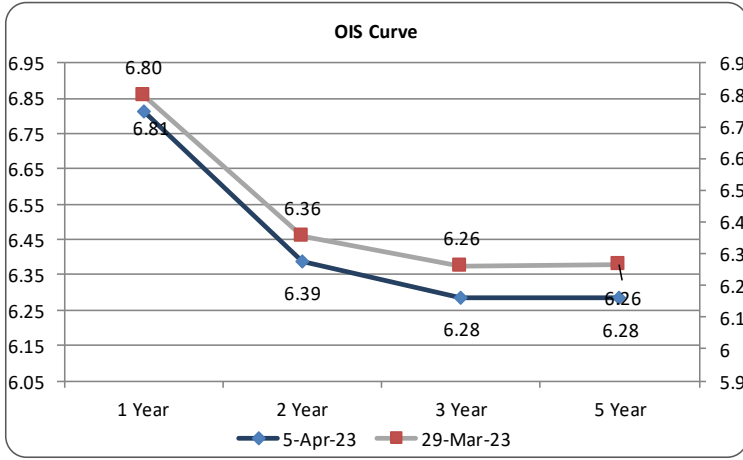
	DEBT		
	Gross Purchase	Gross Sales	Net Investment
FII			
5-Apr-23	0	0	0

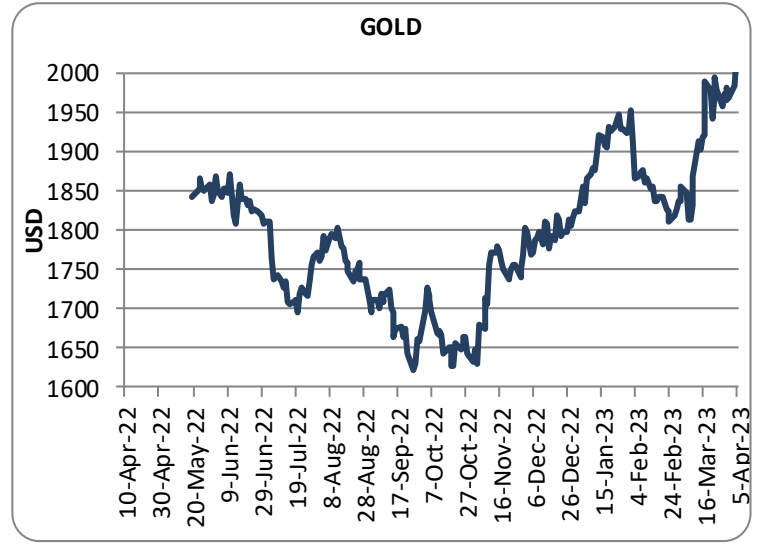
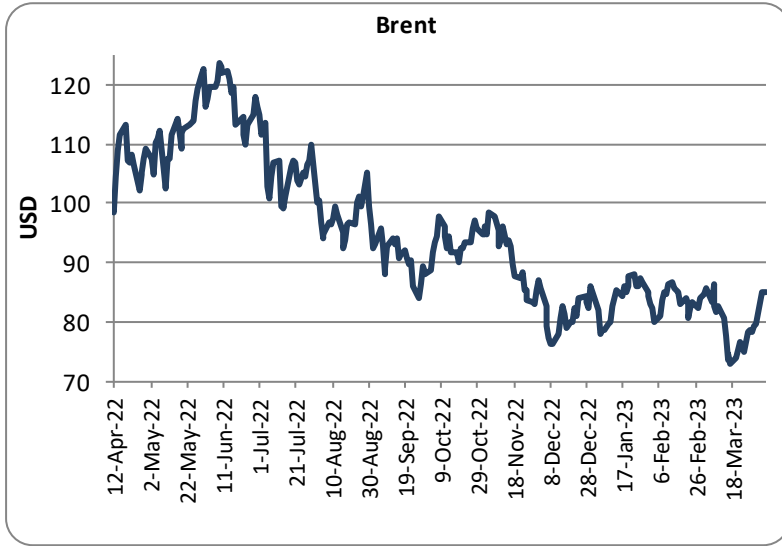
	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
	5004	4440	564

	TOTAL (Rs. Crs)		
	Gross Purchase	Gross Sales	Net Investment
	5004	4440	564

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	Mar-23	57.8	59.4

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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