



INDIA

Indian government bond yields ended lower on Tuesday, tracking U.S. peers and a fall in oil prices. The 10-year benchmark 7.18% 2033 bond yield ended at 7.2813%, after closing at 7.3074% in the previous session.

The market sentiment turned positive as U.S. yields and oil prices came down, leading to fall in yields. Banking system liquidity is also in deficit, which is giving the comfort that the central bank may not announce bond sale.

Local bond yields opened marginally higher tracking U.S. yields, which rose overnight. The benchmark 10-year U.S. Treasury yield rose above 4.65% on Monday but eased in Asian trading hours and was last at 4.6141%.

Meanwhile, oil prices hit fresh 2 and ½ month lows on Tuesday as mixed economic data from China offset the impact of Saudi Arabia and Russia extending output cuts. The benchmark Brent crude contract fell below \$85 a barrel mark, and was last trading at \$83.55 a barrel.

Bond traders have raised concerns over declining trading volumes since the RBI announced the plan to sell bonds via auctions to absorb liquidity a month ago.

A sustained sale of bonds by the central bank in the secondary market has further fueled the uncertainty. The RBI sold government bonds worth 94.55 billion rupees on a net basis via screen-based trades in the four weeks to Oct. 27.

The Indian rupee weakened 0.06% versus the U.S. dollar, and quoted at 83.2575 per dollar, tracking a drop in Asian peers after China's exports shrank in October, while imports rose.

Repo: The weighted average call rates in the interbank segment remained the same at 6.76% vs 6.76% as on the previous day while that the TREP segment increased to 6.75% vs 6.73% as on the previous day.

GOI Yield	7-Nov	6-Nov	31-Oct	10-Oct
1 Year	7.145	7.125	7.154	7.100
5 Year	7.246	7.281	7.343	7.390
10 Year	7.281	7.307	7.356	7.347

AAA Bmk	7-Nov	6-Nov	31-Oct	10-Oct
1 Year	7.68	7.70	7.60	7.54
5 Year	7.77	7.80	7.83	7.80
10 Year	7.76	7.75	7.78	7.75

CD	7-Nov	6-Nov	31-Oct	10-Oct
3 Month	7.22	7.25	7.30	7.15
6 Month	7.50	7.55	7.50	7.35
1 Year	7.75	7.70	7.70	7.60

CP	7-Nov	6-Nov	31-Oct	10-Oct
3 Month	7.32	7.35	7.40	7.25
6 Month	7.60	7.65	7.60	7.45
1 Year	7.85	7.80	7.80	7.70

OIS Rate	7-Nov	6-Nov	31-Oct	10-Oct
1 Year	6.87	6.88	6.94	7.03
2 Year	6.60	6.59	6.69	6.82
3 Year	6.56	6.55	6.69	6.81
5 Year	6.57	6.56	6.69	6.84

	7-Nov	6-Nov	31-Oct	10-Oct
Sensex	64,942	64,959	63,875	66,079
Nifty	19,407	19,412	19,080	19,690
USD/INR	83.26	83.22	83.25	83.25
Gold (USD)	1,965	1,978	1,983	1,860
Oil (USD)	83.66	85.18	87.41	87.65

10 Year Benchmarks	7-Nov	6-Nov	31-Oct	10-Oct
India	7.28	7.31	7.35	7.35
US	4.61	4.66	4.88	4.66
South Korea	4.06	4.06	4.33	4.22
Russia	12.16	11.98	12.74	12.37
Brazil	11.59	11.59	11.83	11.71
Germany	2.69	2.74	2.81	2.78
China	2.67	2.67	2.71	2.71

NDF	7-Nov	6-Nov	31-Oct	10-Oct
3 Month	83.50	83.47	83.53	83.55
1 Year	84.58	84.61	84.77	84.75
2 Year	86.69	86.69	86.82	86.93
3 Year	89.22	89.16	89.17	89.53

Market Observations

G-sec

- SDL cut off was 2 to 3-bps higher than market expectations in 10-year maturity. Demand was seen at 7.68 and 7.69 levels post cut off.
- Demand was seen in 5 to 10-year illiquid G-sec by private banks and foreign banks. Major sellers were life insurance companies.

Corporate Bonds

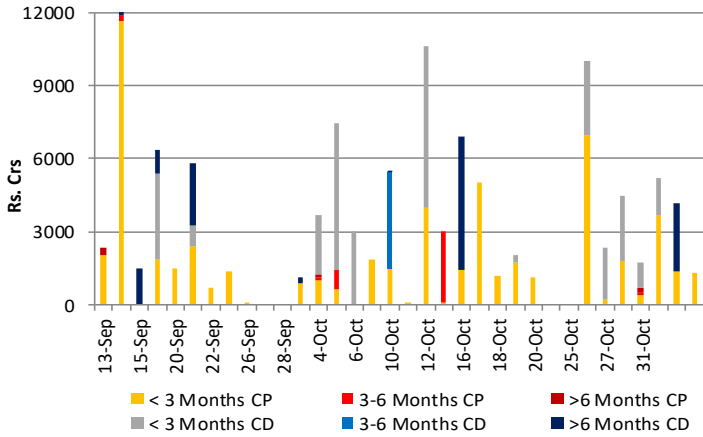
- Market was active in the 2024-25 segment.
- Mutual funds were active in this segment.

CP/CD

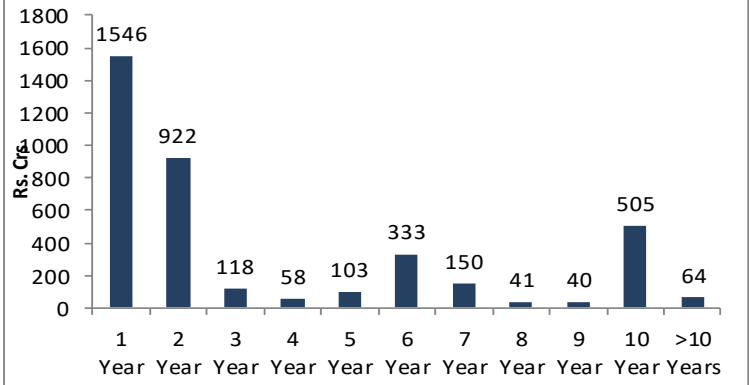
- Activity was seen in the 0-6-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	3-Nov	2-Nov	27-Oct	6-Oct
India	7.32	7.32	7.35	7.34
US	4.65	4.67	4.85	4.78
South Korea	4.11	4.17	4.28	4.24
Russia	12.18	12.27	12.52	12.27
Brazil	11.73	11.74	11.74	12.23
Germany	2.71	2.71	2.84	2.89
China	2.67	2.68	2.73	2.72

Top Traded Securities	Volume	2-Nov	1-Nov	26-Oct	4-Oct
7.26 2033	970	7.37	7.40	7.41	7.28
7.06 2028	715	7.46	7.48	7.50	7.37
7.62 2039	-	7.39	7.41	7.43	7.30
7.30 2053	445	7.43	7.45	7.48	7.30
6.64 2035	10	#N/A	7.43	7.47	7.31
7.40 2035	30	7.44	7.45	7.47	7.30

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
1-Nov-23	932	1115	-183

MF	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
1-Nov-23	951	1035	-84

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
1882	2150	-268

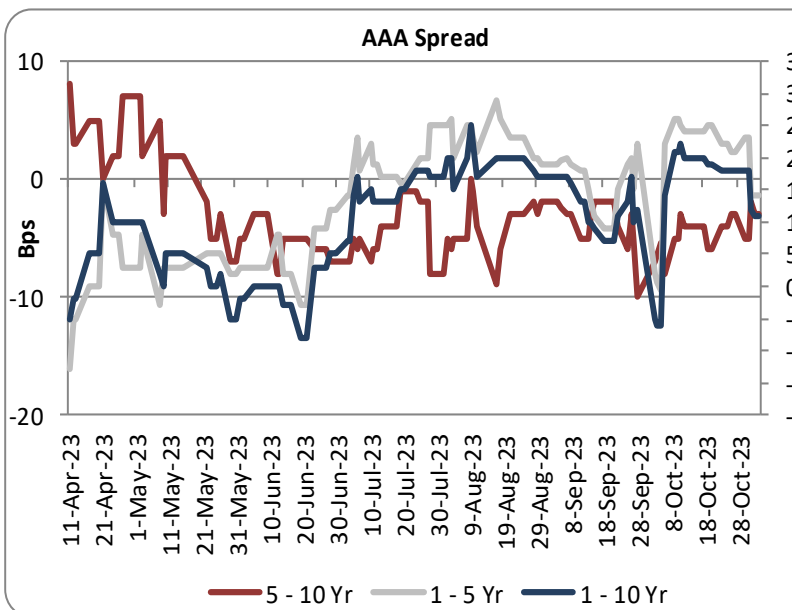
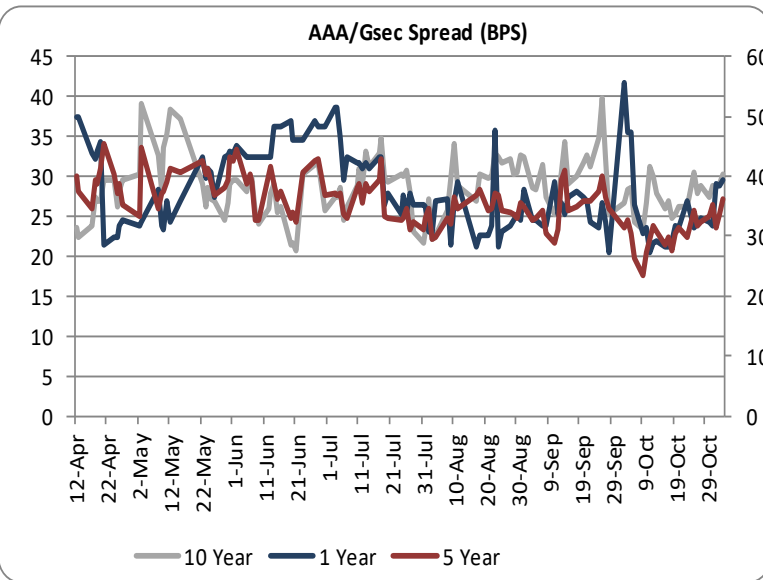
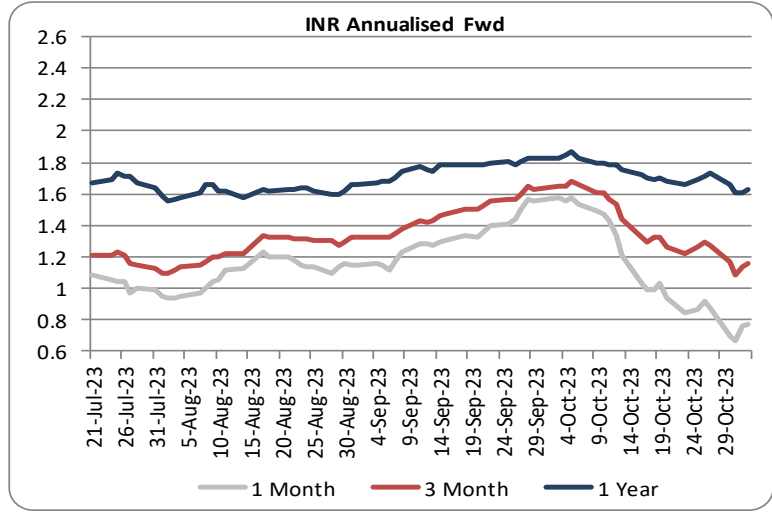
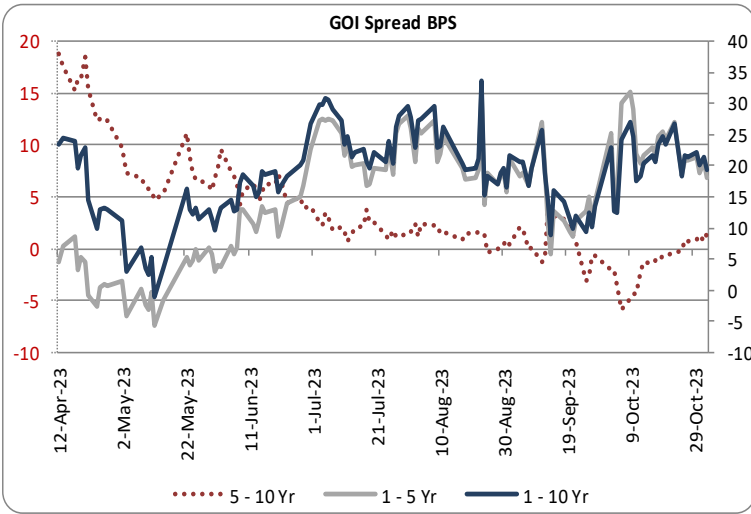
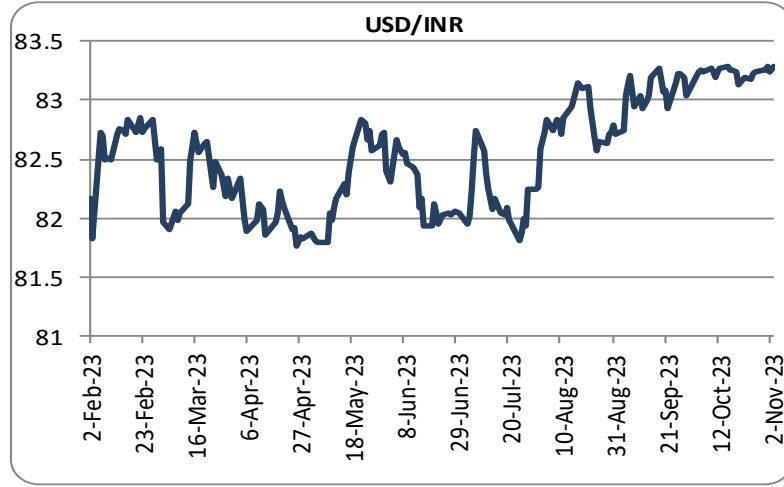
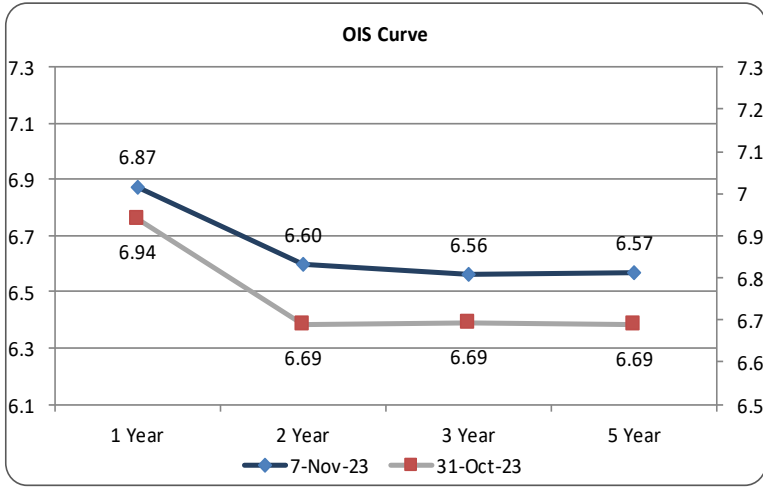
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
7-Nov-23	802	814	-12

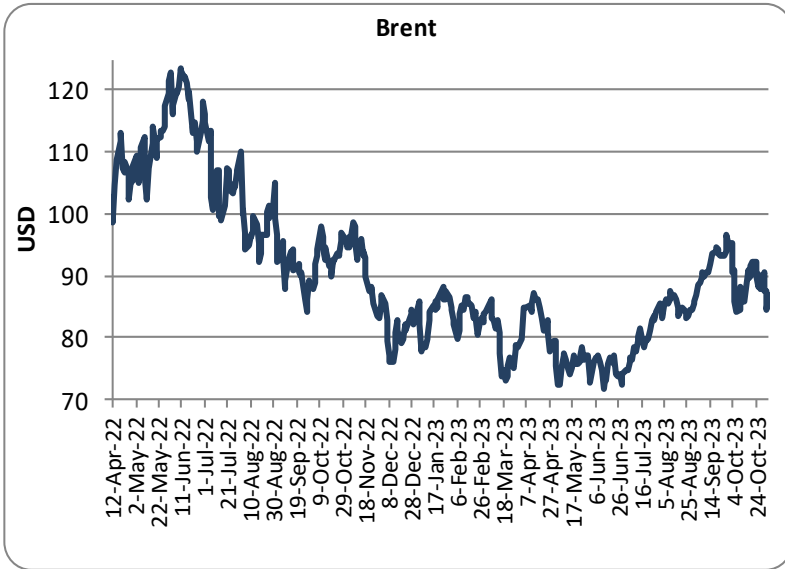
FII	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
7-Nov-23	8698	8338	360

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
9500	9151	348

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-23	7.8	6.1
CAD (\$ Bn)	Jun-23	-9.2	-1.3
Trade Deficit (\$ Bn)	Jun-23	-56.6	-52.6
WPI (%)	Sep-23	-0.3	-0.5
CPI (%)	Sep-23	5.0	6.8
IIP (%)	Aug-23	10.3	5.7
PMI Manufacturing	Oct-23	55.5	57.5
PMI Service	Oct-23	58.4	61

Economic Calender	Country	Date	Poll	Prior
CPI	Germany	8-Nov-23	3.8	3.8
Retail Sales	Euro Zone	08-Nov-23	(3.10)	(2.10)
CPI	China	09-Nov-23	(0.10)	-
Industrial Output	UK	10-Nov-23	1.10	1.30
WPI	India	14-Nov-23	-	(0.26)
GDP Q3	Euro Zone	14-Nov-23	-	0.10
CPI	USA	14-Nov-23	-	3.70
Retail Sales	China	15-Nov-23	-	5.50





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

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