



INDIA

The Indian benchmark bond yield posted its biggest single-session drop in two months on Wednesday, following a plunge in U.S. Treasury yields on growing bets that the Federal Reserve may start cutting rates in the first half of 2024.

The 10-year benchmark bond yield ended at 7.2204%, its lowest since Oct. 5, after closing at 7.2828% on Monday. The six basis points (bps) drop was the biggest single-session fall since Sept. 14.

Indian bond yields have fallen, tracking a sharp downmove in the U.S. Treasury yields, but there should be some consolidation at around 7.20%-7.25 levels

U.S. yields slumped on Tuesday - with the 10-year sliding nearly 20 bps to 4.43%, its lowest since Sept. 22 - after softer-than-expected consumer inflation led to bets that the Fed would start cutting rates next year. The probability of a rate cut in March is now at 31% and of one in May is at 65%.

Traders also said the trading range for the Indian benchmark bond yield has also shifted lower to the 7.20%-7.26% band as U.S. yields tumbled.

That comes with expectations of a long pause on domestic rates, which was firmed after data showed India's retail inflation eased to 4.87% in October from 5.02% in September and edged closer to the central bank's target of 4%.

The Indian rupee strengthened 0.23% versus the U.S. dollar, and quoted at 83.14 per dollar as U.S. Treasury yields plunged on expectations that the Federal Reserve will pivot to rate cuts by May next year.

Repo: The weighted average call rates in the interbank segment remained the same at 6.79% vs 6.79% as on the previous day while that the TREP segment decreased to 6.77% vs 6.78% as on the previous day.

Market Observations

G-sec

- Demand was seen in 30 and 40-year G-sec by life insurance companies.
- T-bill cut off was in line with Market expectation. Demand was seen in 3-month t-bill @6.93 levels. Major buyers were mutual funds.

Corporate Bonds

- Banks and Mutual funds were seen on the selling side.
- Activity was seen in the 2025-2026 segment.

CP/CD

- Activity was seen in the 1-3-month segment.

GOI Yield	15-Nov	8-Nov	6-Nov	18-Oct
1 Year	7.100	7.136	7.125	7.113
5 Year	7.197	7.251	7.281	7.360
10 Year	7.220	7.271	7.307	7.347

AAA Bmk	15-Nov	8-Nov	6-Nov	18-Oct
1 Year	7.72	7.72	7.70	7.53
5 Year	7.77	7.75	7.80	7.77
10 Year	7.73	7.73	7.75	7.73

CD	15-Nov	8-Nov	6-Nov	18-Oct
3 Month	7.25	7.22	7.25	7.15
6 Month	7.50	7.50	7.55	7.45
1 Year	7.70	7.75	7.70	7.70

CP	15-Nov	8-Nov	6-Nov	18-Oct
3 Month	7.45	7.32	7.35	7.25
6 Month	7.70	7.60	7.65	7.55
1 Year	7.95	7.85	7.80	7.80

OIS Rate	15-Nov	8-Nov	6-Nov	18-Oct
1 Year	6.83	6.85	6.88	7.00
2 Year	6.52	6.57	6.59	6.77
3 Year	6.48	6.54	6.55	6.74
5 Year	6.44	6.53	6.56	6.75

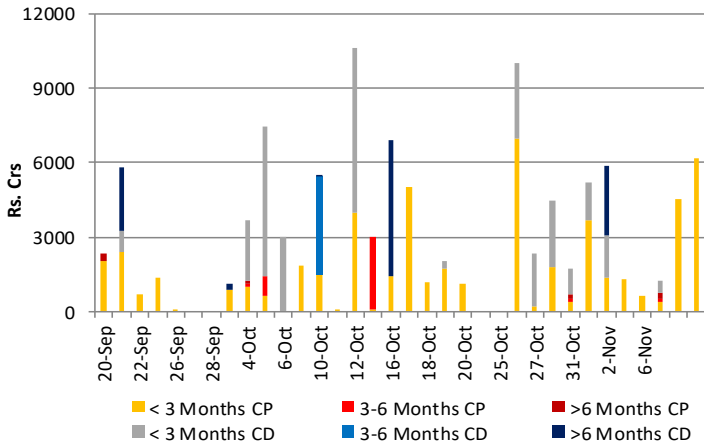
	15-Nov	8-Nov	6-Nov	18-Oct
Sensex	65,676	64,976	64,959	65,877
Nifty	19,675	19,444	19,412	19,671
USD/INR	83.14	83.27	83.22	83.26
Gold (USD)	1,973	1,950	1,978	1,948
Oil (USD)	82.06	79.54	85.18	91.50

10 Year Benchmarks	15-Nov	8-Nov	6-Nov	18-Oct
India	7.22	7.27	7.31	7.35
US	4.47	4.52	4.66	4.90
South Korea	3.81	4.01	4.06	4.29
Russia	12.11	12.14	11.98	12.34
Brazil	11.22	11.40	11.59	11.74
Germany	2.59	2.61	2.74	2.92
China	2.67	2.67	2.67	2.73

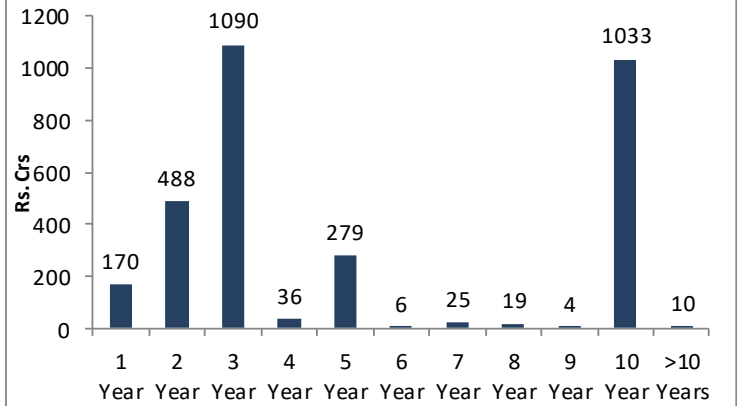
NDF	15-Nov	8-Nov	6-Nov	18-Oct
3 Month	83.32	83.47	83.47	83.59
1 Year	84.43	84.60	84.61	84.76
2 Year	86.49	86.66	86.69	86.71
3 Year	89.03	89.13	89.16	89.16



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	15-Nov	8-Nov	6-Nov	18-Oct
India	7.22	7.27	7.31	7.35
US	4.47	4.52	4.66	4.90
South Korea	3.81	4.01	4.06	4.29
Russia	12.11	12.14	11.98	12.34
Brazil	11.22	11.40	11.59	11.74
Germany	2.59	2.61	2.74	2.92
China	2.67	2.67	2.67	2.73

Top Traded Securities	Volume	2-Nov	1-Nov	26-Oct	4-Oct
7.26 2033	1,210	#N/A	#N/A	#N/A	#N/A
7.06 2028	1,015	#N/A	#N/A	#N/A	#N/A
7.62 2039	-	7.39	7.41	7.43	7.30
7.30 2053	280	7.43	7.45	7.48	7.30
6.64 2035	95	7.42	7.43	7.47	7.31
7.40 2035	-	7.44	7.45	7.47	7.30

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
8-Nov-23	1605	1113	493

EQUITY		
Gross Purchase	Gross Sales	Net Investment
5373	5266	107

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
6978	6379	599

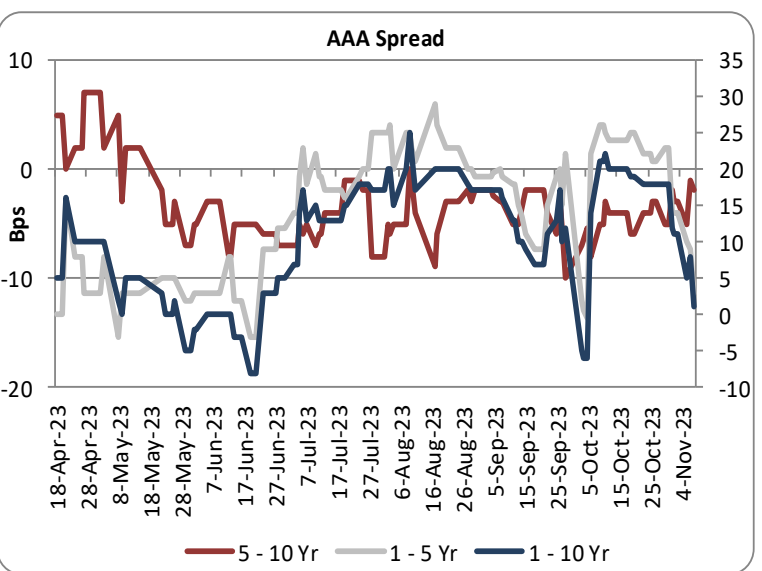
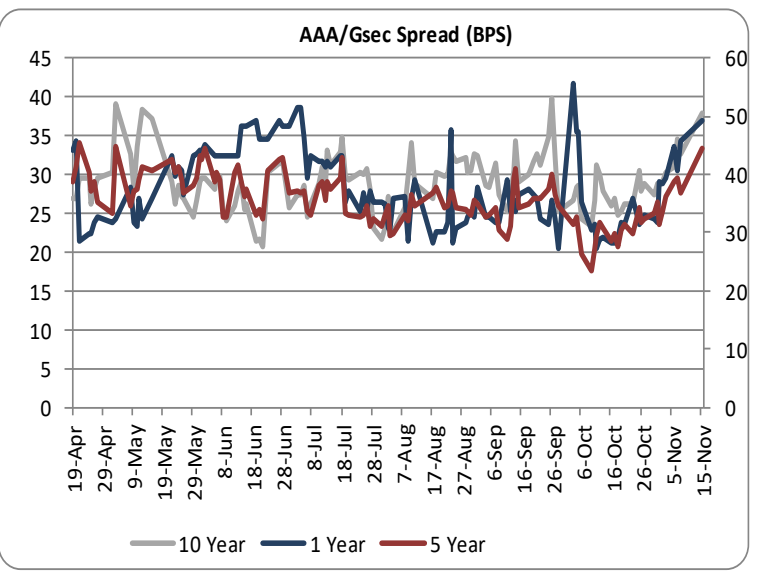
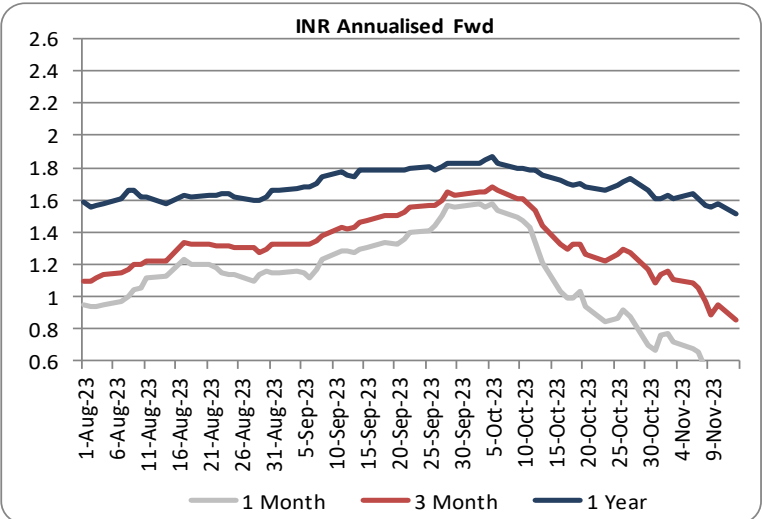
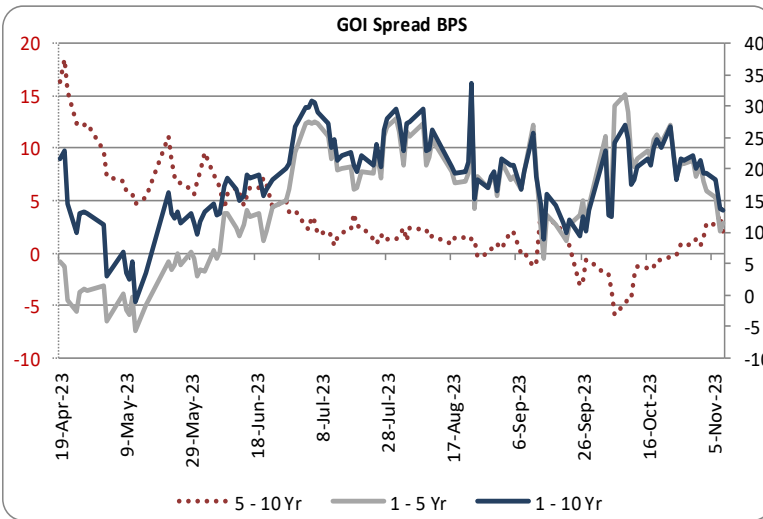
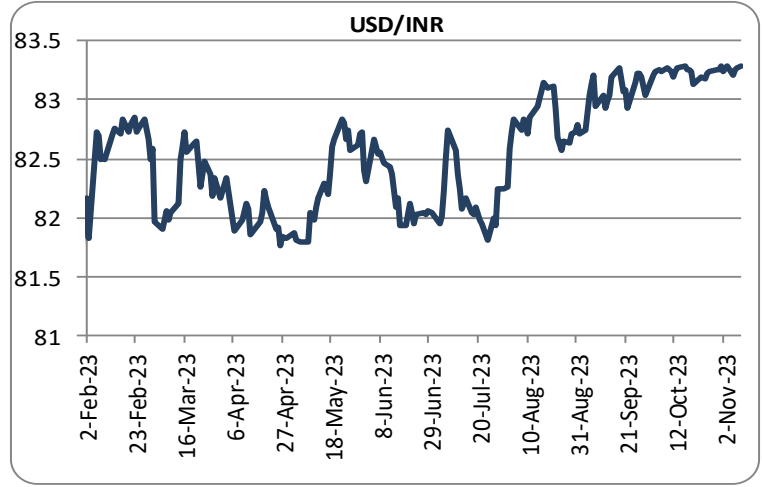
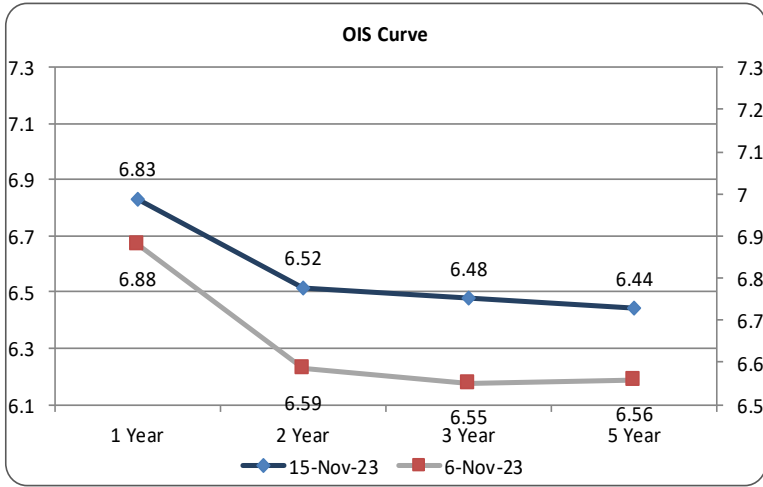
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
15-Nov-23	438	16	422

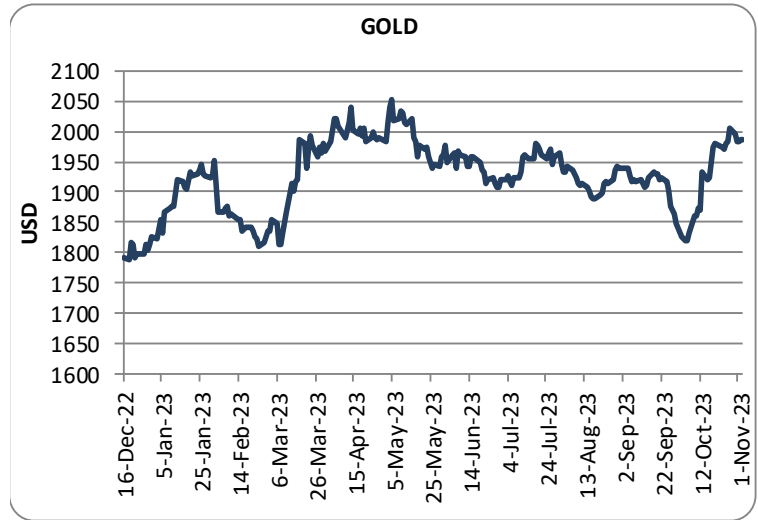
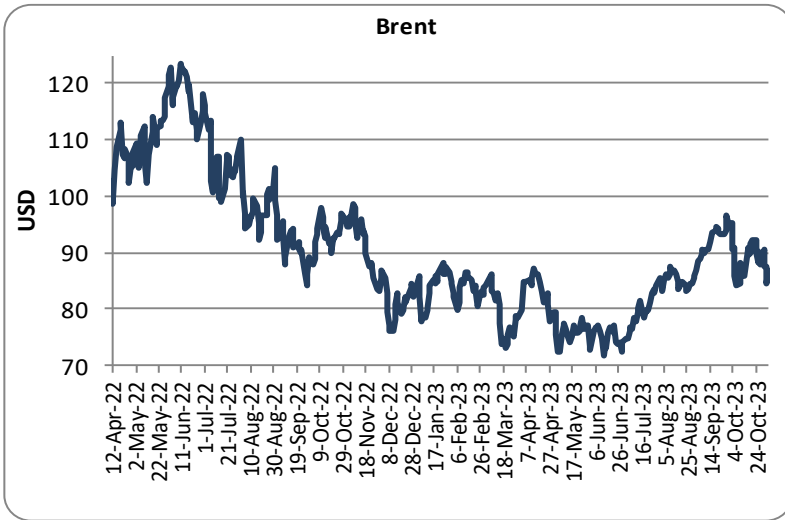
EQUITY		
Gross Purchase	Gross Sales	Net Investment
6330	7268	-938

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
6769	7285	-516

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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