



BONDWATCH

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INDIA

Indian government bond yields ended lower on Tuesday on value buying, with yields struggling to break the upside, and as market participants anticipate the central bank might delay an open market sale of bonds.

The 10-year benchmark 7.18% 2033 bond yield ended at 7.3264%, after closing at 7.3355% in the previous session.

India's banking system liquidity continues to remain in deficit and is expected to widen in the coming days amid tax outflows, which may delay the start of debt sales by the Reserve Bank of India (RBI). The RBI is expected to sell 500 billion rupees (\$6.01 billion) of bonds to manage liquidity, with traders expecting the sales to start this quarter.

U.S. Treasury yields rose on fresh supply of debt, while investors try to gauge the Federal Reserve's efforts to curb high inflation, with the 10-year yield trading above 4.70%.

Foreign market participants have more than doubled their purchases of Indian government bonds, which would be a part of JPMorgan's emerging market bond index, but bank treasury officials do not expect large inflows until the inclusion starts next year.

Meanwhile, oil prices dipped marginally amid hopes that the U.S. would ease sanctions on Venezuela, but the benchmark Brent crude continued to hover around the \$90-per-barrel mark.

Worries that the Middle East conflict will affect supply have pushed oil prices higher, which has a direct impact on inflation.

The Indian rupee strengthened 0.02% versus the U.S. dollar, and quoted at 83.25 per dollar. Traders continue to look for triggers that could help the local unit break out of the narrow range which has prevailed over recent trading sessions.

Repo: The weighted average call rates in the interbank segment remained the same at 6.72% vs 6.72% as on the previous day while that the TREP segment decreased to 6.74% vs 6.75% as on the previous day.

Market Observations

G-sec

- Demand was seen in 2053 and 2063 paper by Foreign banks @7.50 centric level.
- SDL cut off was 1 to 2bps better than market expectations.
- Demand was seen in 11-year UP SDL by Life insurance companies and PD's @7.65 levels.

Corporate Bonds

- Mutual funds were active in the 2025-2026 segment.

CP/CD

- Activity was seen in the 3-month segment.

GOI Yield	16-Oct	13-Oct	9-Oct	15-Sep
1 Year	7.120	7.112	7.110	7.040
5 Year	7.349	7.329	7.428	7.168
10 Year	7.336	7.317	7.381	7.199

AAA Bmk	16-Oct	13-Oct	9-Oct	15-Sep
1 Year	7.53	7.53	7.54	7.53
5 Year	7.77	7.77	7.80	7.64
10 Year	7.73	7.73	7.75	7.62

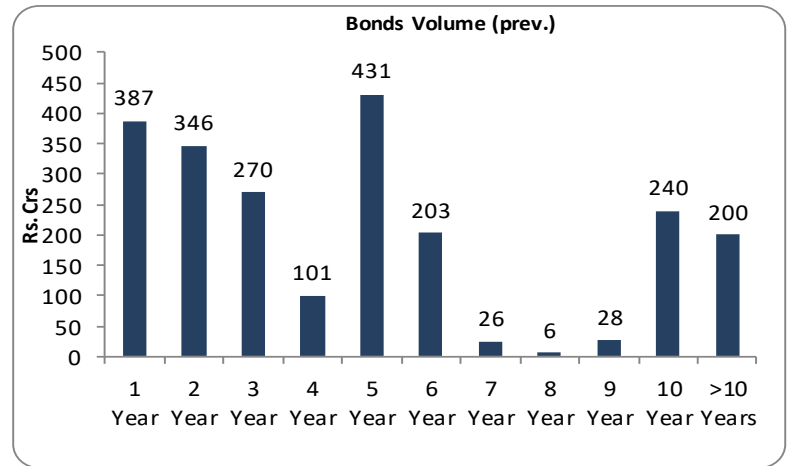
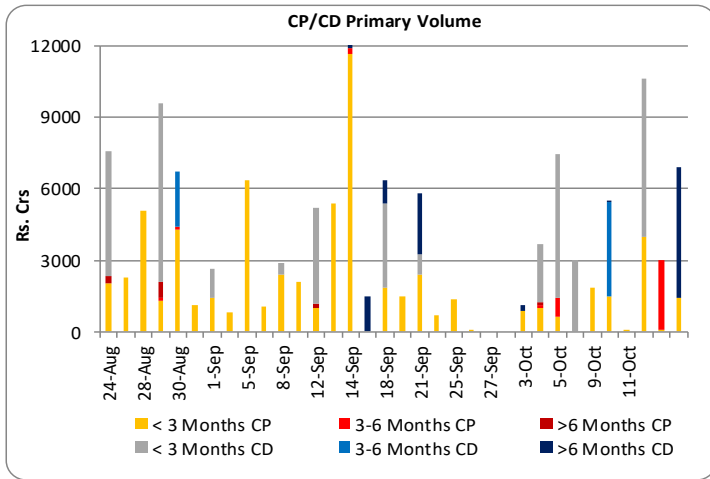
CD	16-Oct	13-Oct	9-Oct	15-Sep
3 Month	7.15	7.18	7.15	7.10
6 Month	7.45	7.40	7.35	7.25
1 Year	7.70	7.60	7.60	7.55

CP	16-Oct	13-Oct	9-Oct	15-Sep
3 Month	7.15	7.28	7.25	7.20
6 Month	7.55	7.50	7.45	7.35
1 Year	7.80	7.70	7.70	7.65

OIS Rate	16-Oct	13-Oct	9-Oct	15-Sep
1 Year	6.98	6.94	7.05	7.05
2 Year	6.71	6.68	6.85	6.84
3 Year	6.69	6.66	6.85	6.79
5 Year	6.68	6.67	6.89	6.73

	16-Oct	13-Oct	9-Oct	15-Sep
Sensex	66,167	66,283	65,512	67,839
Nifty	19,732	19,751	19,512	20,192
USD/INR	83.28	83.26	83.26	83.19
Gold (USD)	1,916	1,932	1,861	1,924
Oil (USD)	90.68	90.89	88.15	93.93

NDF	16-Oct	13-Oct	9-Oct	15-Sep
3 Month	83.56	83.62	83.78	83.36
1 Year	84.74	84.77	84.99	84.53
2 Year	86.84	86.83	87.13	86.75
3 Year	89.33	89.43	89.73	89.55



10 Year Benchmarks	16-Oct	13-Oct	9-Oct	15-Sep
India	7.34	7.32	7.39	7.16
US	4.70	4.63	4.78	4.32
South Korea	4.18	4.18	4.24	3.93
Russia	12.24	12.24	12.32	12.49
Brazil	11.90	11.83	11.81	11.27
Germany	2.78	2.73	2.77	2.67
China	2.70	2.71	2.70	2.67

Top Traded Securities	Volume	8-Sep	7-Sep	1-Sep	10-Aug
7.26 2033	895	7.20	7.17	7.18	7.15
7.06 2028	265	7.26	7.24	7.25	7.30
7.62 2039	-	7.21	7.20	7.19	7.18
7.30 2053	265	#N/A	#N/A	#N/A	7.23
6.64 2035	140	7.17	7.16	7.22	7.24
7.40 2035	-	7.20	7.18	7.24	7.23

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
12-Oct-23	5212	4001	1212

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
12-Oct-23	5098	4823	275

TOTAL (Rs.Crs)			
	Gross Purchase	Gross Sales	Net Investment
12-Oct-23	10310	8823	1486

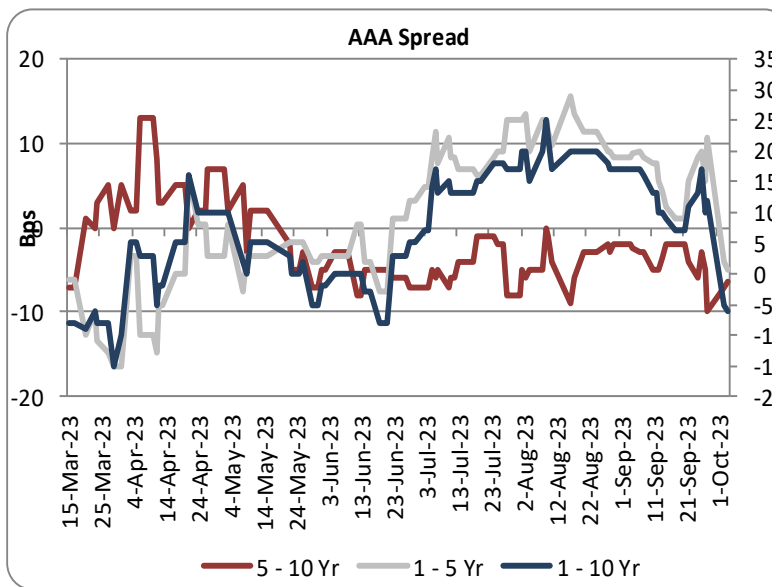
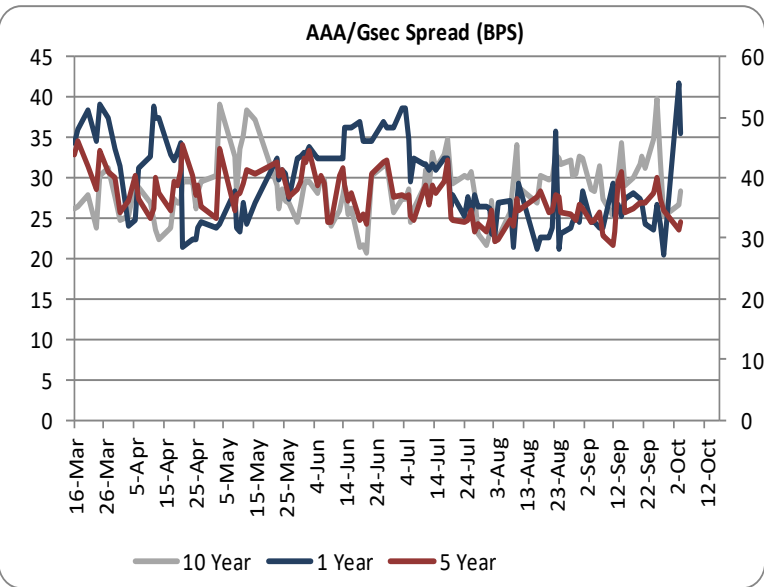
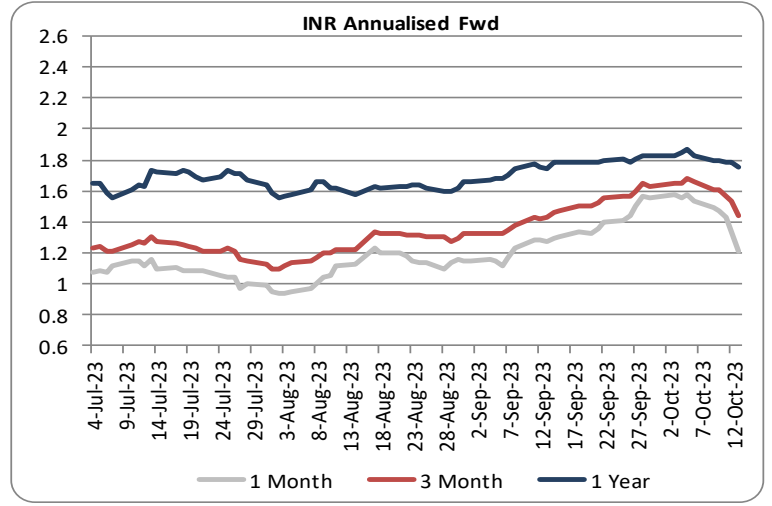
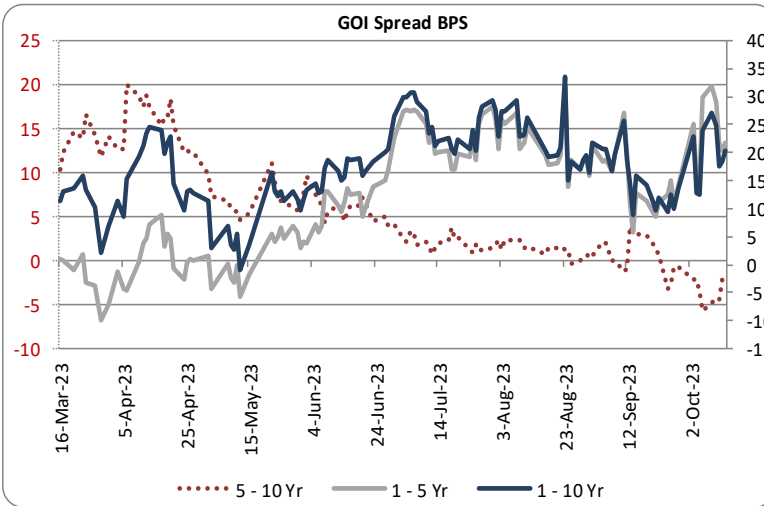
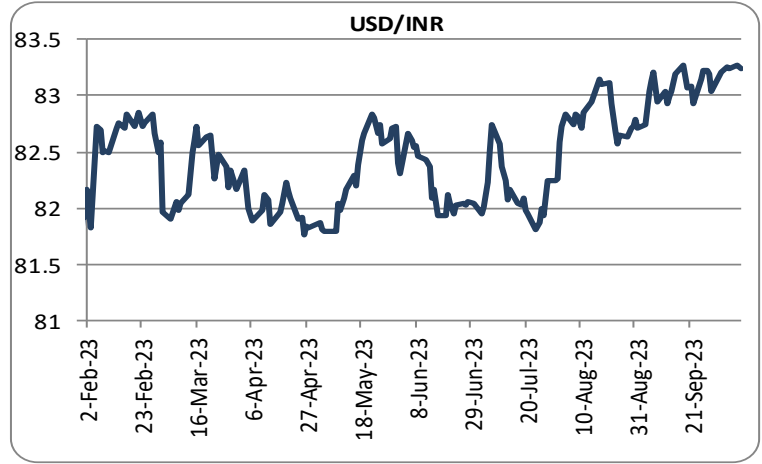
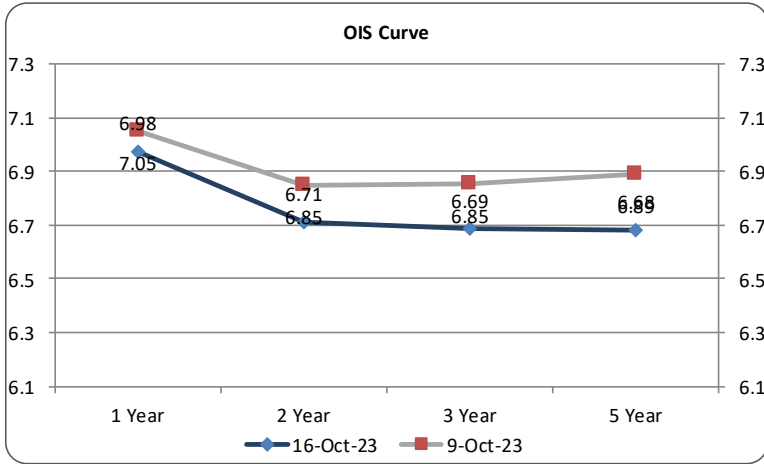
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
16-Oct-23	1634	906	727

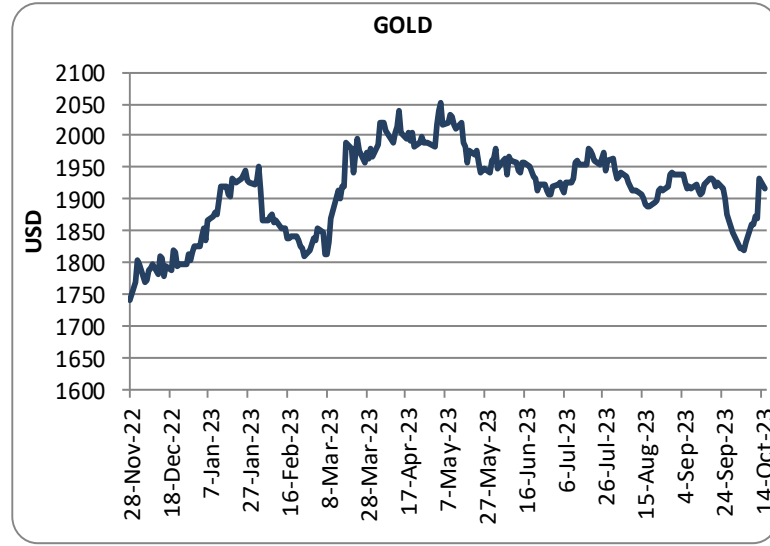
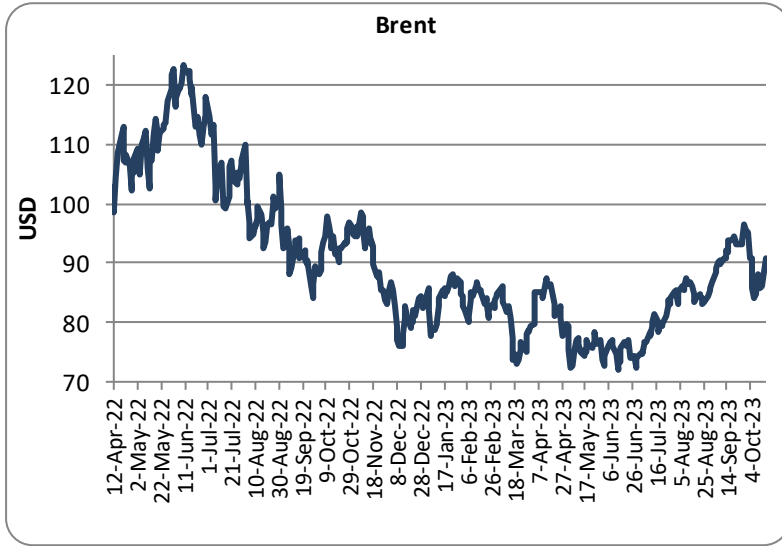
EQUITY			
	Gross Purchase	Gross Sales	Net Investment
16-Oct-23	10345	9964	382

TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
16-Oct-23	11979	10870	1109

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	Sep-23	57.5	58.6
PMI Service	Sep-23	61	60.1

Economic Calender	Country	Date	Poll	Prior
Repo Rate	India	6-Oct-23	6.5	6.5
Unemployment Rate	USA	06-Oct-23	3.70	3.80
Industrial Output	Germany	09-Oct-23	-	(2.25)
CPI	Germany	11-Oct-23	-	4.50
CPI	India	12-Oct-23	-	6.83
CPI	USA	12-Oct-23	-	3.70
CPI	China	13-Oct-23	-	0.10
WPI	India	13-Oct-23	-	(0.52)





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

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