



BONDWATCH

Daily

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INDIA

Indian government bond yields ended lower on Tuesday on value buying after a recent fall in bond prices, while investors await the minutes from the Reserve Bank of India's (RBI) latest policy meeting.

The benchmark 10-year yield ended at 7.0610%, following its previous close at 7.0968%. Earlier in the day, thirteen Indian states raised 282 billion rupees (\$3.40 billion) through the sale of bonds. The cut-offs were lower than expected and aided market sentiment.

All eyes are now on the minutes from the RBI's latest policy meeting. They are due on Thursday and will act as a key trigger for the market.

The RBI left interest rates and its policy stance unchanged earlier this month while reiterating its commitment to meeting its 4% inflation target on a sustainable basis.

Meanwhile, U.S. yields climbed on Friday after economic data showed producer prices increased more than expected in January, ratcheting down market expectations for the timing of a rate cut from the Federal Reserve this year.

The odds of a U.S. rate cut in May have fallen to 30% from 61% last week. In India, market participants have also pushed back rate cut expectations to the third quarter of the financial year starting April 1.

Oil prices edged lower on Tuesday but remained near three-week highs on heightened Middle East tensions and China showing signs of economic recovery.

The Indian rupee strengthened 0.06% versus the U.S. dollar, and quoted at 82.96 per dollar, aided by dollar sales from large and mid-size foreign banks.

Repo: The weighted average call rates in the interbank segment increased to 6.70% vs 6.20% as on the previous day while that the TREP segment decreased to 6.46% vs 6.38% as on the previous day.

Market Observations

G-sec

- SDL cut off was in line with market expectations.
- Demand was seen in March assets by mutual funds. T-bills @6.65 levels and SBI Rights issue @7.05 centric levels.

Corporate Bonds

- Major activity was seen in the MMY segment and the 2025-2026 segment.
- Mutual funds were active on buying as well as selling side.

CP/CD

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

GOI Yield	20-Feb	16-Feb	13-Feb	23-Jan
1 Year	7.130	7.090	7.125	7.130
5 Year	7.055	7.076	7.074	7.063
10 Year	7.061	7.097	7.100	7.175

AAA Bmk	20-Feb	16-Feb	13-Feb	23-Jan
1 Year	7.92	8.00	8.00	7.90
5 Year	7.61	7.63	7.65	7.67
10 Year	7.60	7.60	7.60	7.70

CD	20-Feb	16-Feb	13-Feb	23-Jan
3 Month	7.82	7.85	7.90	7.75
6 Month	7.85	7.85	7.90	7.85
1 Year	7.85	7.85	7.85	7.90

CP	20-Feb	16-Feb	13-Feb	23-Jan
3 Month	7.85	7.85	8.00	7.85
6 Month	7.85	7.85	8.00	7.95
1 Year	7.95	7.95	8.00	8.00

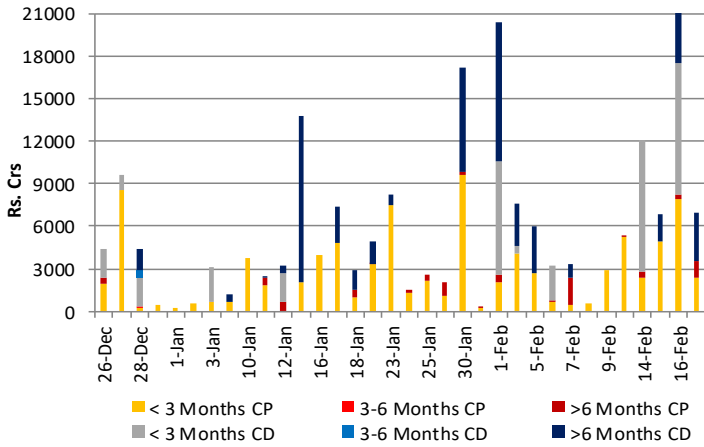
OIS Rate	20-Feb	16-Feb	13-Feb	23-Jan
1 Year	6.72	6.71	6.70	6.62
2 Year	6.42	6.41	6.40	6.28
3 Year	6.37	6.38	6.36	6.23
5 Year	6.35	6.35	6.32	6.19

	20-Feb	16-Feb	13-Feb	23-Jan
Sensex	73,057	72,427	71,555	70,371
Nifty	22,197	22,041	21,743	21,239
USD/INR	82.96	83.02	83.00	83.15
Gold (USD)	2,026	2,013	1,992	2,029
Oil (USD)	82.86	83.47	82.77	79.55

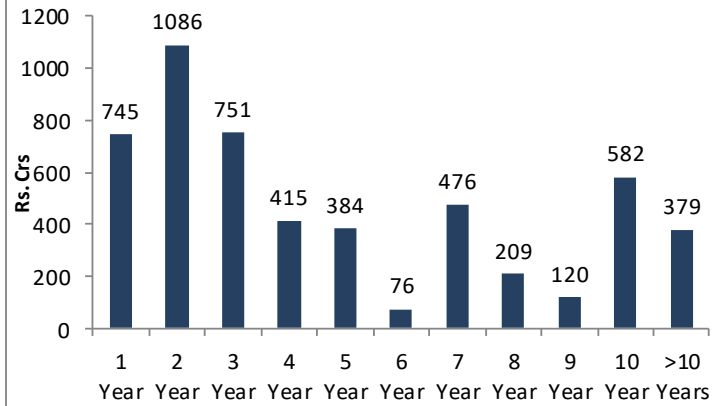
NDF	20-Feb	16-Feb	13-Feb	23-Jan
3 Month	83.26	83.32	83.39	83.48
1 Year	84.41	84.46	84.60	84.70
2 Year	86.68	86.61	86.87	87.10
3 Year	89.36	89.26	89.52	90.00



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	20-Feb	16-Feb	13-Feb	23-Jan
India	7.06	7.10	7.10	7.17
US	4.28	4.30	4.32	4.14
South Korea	3.49	3.48	3.46	3.37
Russia	12.69	12.65	12.50	12.26
Brazil	10.76	10.78	10.68	10.75
Germany	2.38	2.40	2.39	2.35
China	2.44	2.46	2.46	2.51

Top Traded Securities	Volume	15-Feb	14-Feb	8-Feb	17-Jan
7.26 2033	345	7.11	7.14	7.10	7.19
7.06 2028	770	7.08	7.11	7.05	7.06
7.62 2039	-	7.15	7.18	7.12	7.28
7.30 2053	815	7.13	7.18	7.13	7.37
6.64 2035	-	7.13	7.16	7.11	7.25
7.40 2035	350	7.13	7.16	7.10	7.26

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
15-Feb-24	9609	8046	1563

EQUITY	Gross Purchase	Gross Sales	Net Investment
	10324	13789	-3465

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
19933	21835	-1902

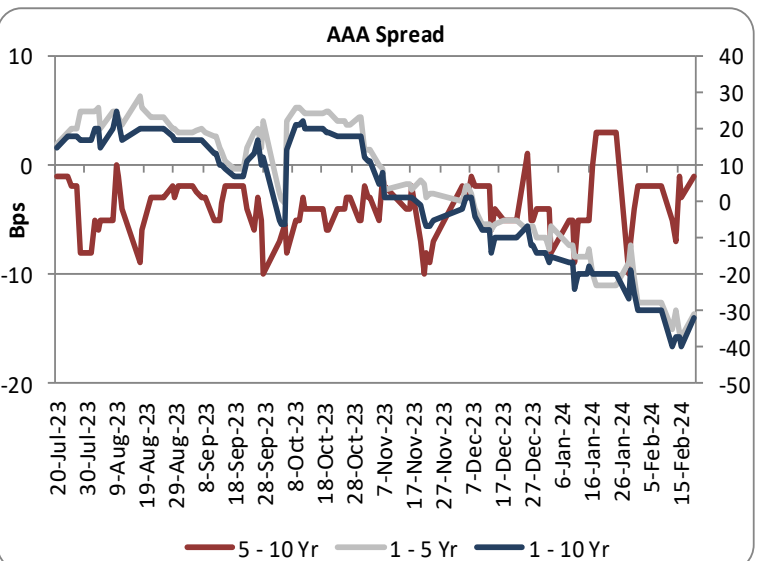
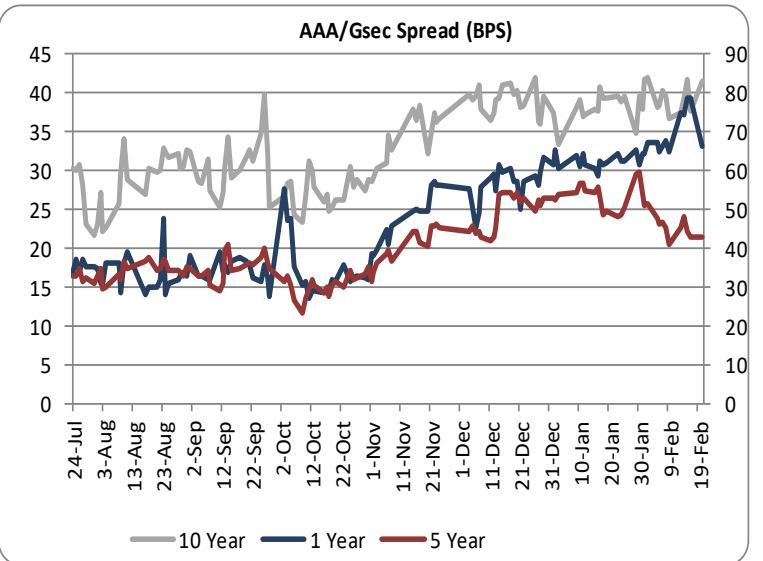
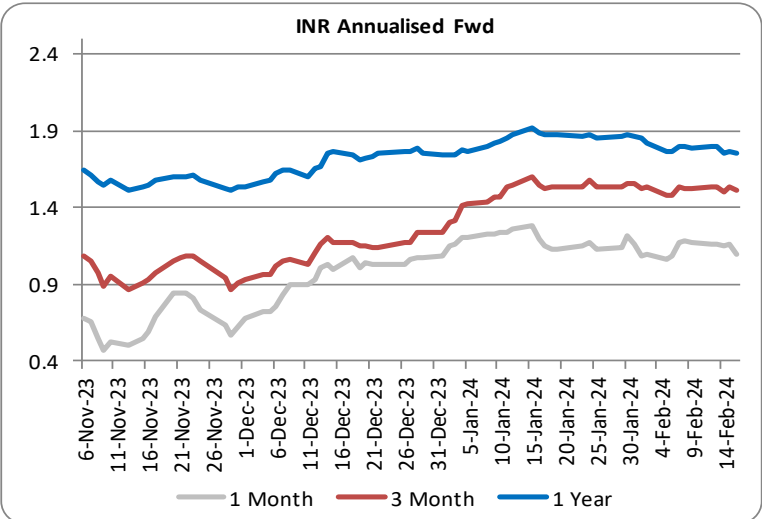
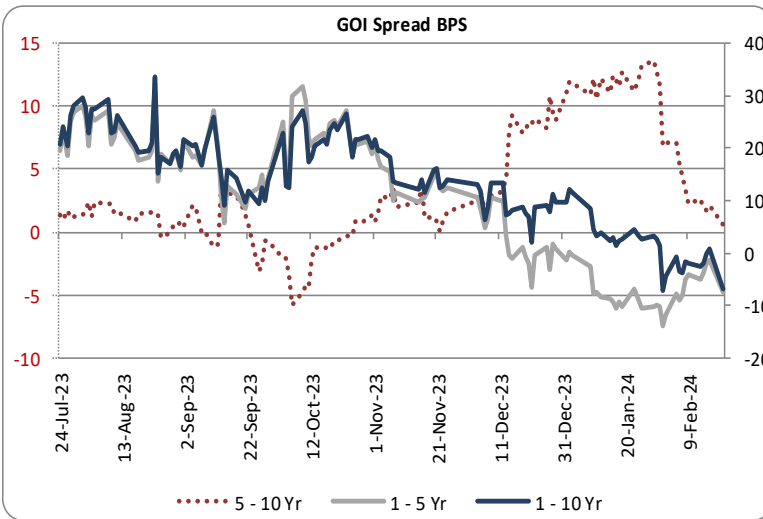
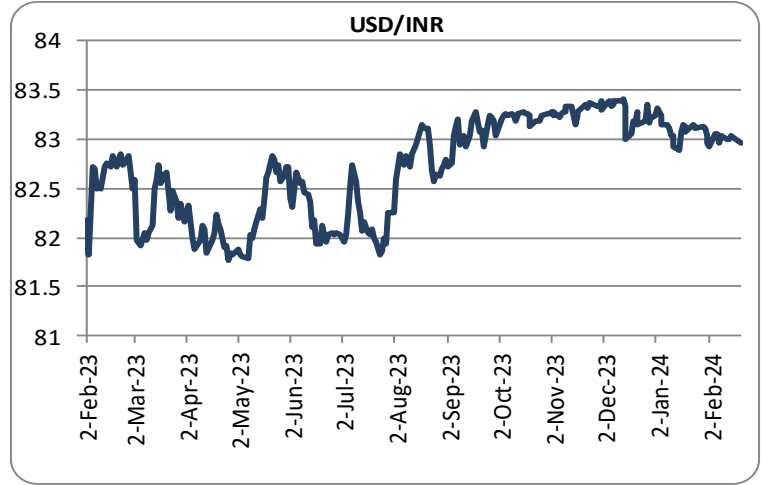
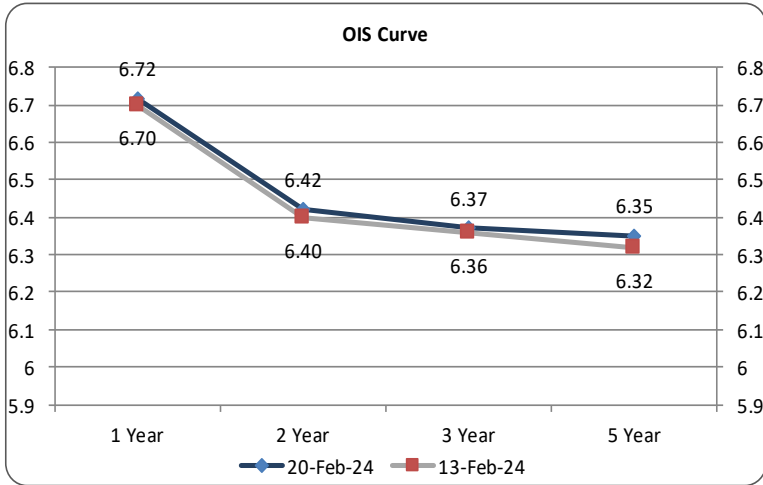
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
20-Feb-24	1140	948	191

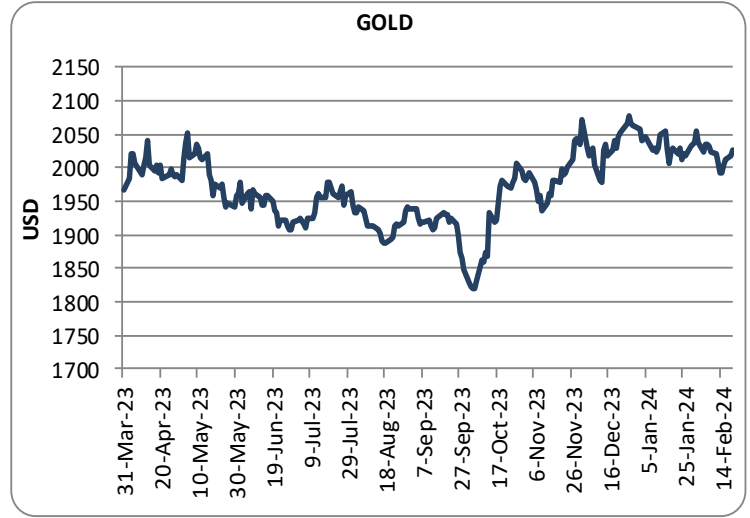
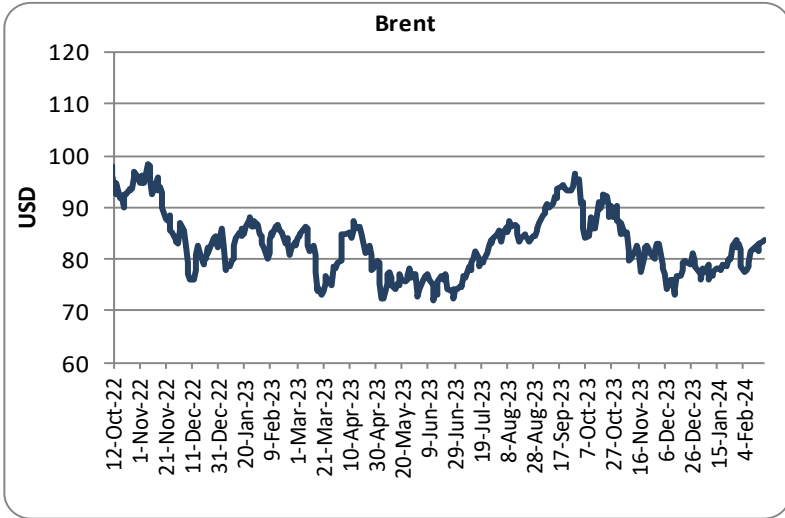
EQUITY	Gross Purchase	Gross Sales	Net Investment
	23871	23698	173

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
25011	24647	364

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-23	7.6	7.8
CAD (\$ Bn)	Sep-23	-8.3	-9.2
Trade Deficit (\$ Bn)	Sep-23	-61.0	-56.6
WPI (%)	Jan-24	0.3	0.7
CPI (%)	Jan-24	5.1	5.7
IIP (%)	Dec-23	3.8	2.4
PMI Manufacturing	Jan-24	56.5	54.9
PMI Service	Jan-24	61.8	59

Economic Calender	Country	Date	Poll	Prior
CPI	USA	13-Feb-24	2.9	3.4
WPI	India	14-Feb-24	0.53	0.73
CPI	UK	14-Feb-24	4.20	4.00
Industrial Production	Euro Zone	14-Feb-24	(4.10)	(6.80)
Industrial Output	UK	15-Feb-24	(0.40)	(0.10)
Industrial Output	Poland	20-Feb-24	-	(3.90)
CPI	Canada	20-Feb-24	-	3.40
Retail Sales	Poland	22-Feb-24	-	0.50





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

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