



INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 97.93 rupees, yielding 6.83%, against 98.28 rupees, yielding 6.78%, yesterday.
- ❖ U.S. Treasury yields extended yesterday's surge following Federal Reserve Chairman Jerome Powell's hawkish comments. The Fed chief said that, if required, policymakers could raise interest rates by 50 basis points at one or more upcoming meetings. There "is an obvious need to move expeditiously" to return the stance of monetary policy to a more neutral level and to a restrictive level if needed, Powell added. The 10-year U.S. Treasury yield jumped to 2.34% today, a level last seen in May 2019.
- ❖ Meanwhile, crude oil prices extended gains on supply worries amid reports that some European Union members were considering imposing sanctions on Russian oil. The benchmark Brent crude contract was down 1.33% at \$114.13 per barrel, after rising around 17% rise over the last three sessions.
- ❖ Reserve Bank of India Deputy Governor Michael Patra has said that the inflation projection faces upside risks due to the Russia-Ukraine war that has prompted a surge in crude oil and commodity prices.
- ❖ The Indian rupee pulled back from an earlier fall against the dollar today, as local firms and exporters rushed to sell the U.S. currency after oil prices eased on speculation that talks to end the Ukraine conflict could lead to a breakthrough. A rebound in local equities, in line with a broader rise in regional shares, raised bets of offshore funds returning to risk assets, including those in India. The rupee ended at 76.18 per dollar compared with 76.12 yesterday.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.36% vs 3.33% as on previous day while that in the TREP segment increased to 3.56% vs 3.40% as on previous day.

Market Observations

G-sec

- Bond yields ended higher as a sharp spike in U.S. Treasury yields as well as the persistent upward move in crude oil prices dented investor appetite.
- Higher activity seen in up to 2-year maturity papers.
- Cut off on SDLs came in line with market expectations.

Corporate Bonds

- Market awaits further cues from FY borrowing calendar which should be detailed by March 31 and the MPC policy decision on April 8.
- The 3-5year segment was higher by 5BPS.

CP/CD

- Demand was seen in the 3-9month papers in CPs as well as CDs.
- Mutual Funds were active in the shorter end maturities.
- Five-year OIS at 6.04%, highest since May 22, 2019 and up 11 basis points from previous close; rate has risen 29 basis points this month after spike in U.S. Treasury yields and oil prices lead to aggressive paying by foreign banks.

GOI Yield	22-Mar	21-Mar	15-Mar	22-Feb
1 Year	4.620	4.590	4.600	4.490
5 Year	6.105	6.040	6.002	5.993
10 Year	6.831	6.781	6.821	6.781

AAA Brnk	22-Mar	21-Mar	15-Mar	22-Feb
1 Year	5.00	5.05	5.05	4.85
5 Year	6.40	6.45	6.45	6.15
10 Year	7.05	7.10	7.10	7.10

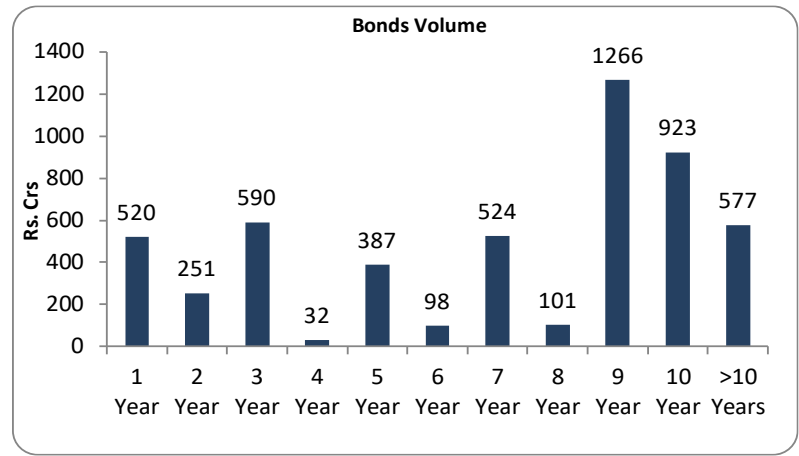
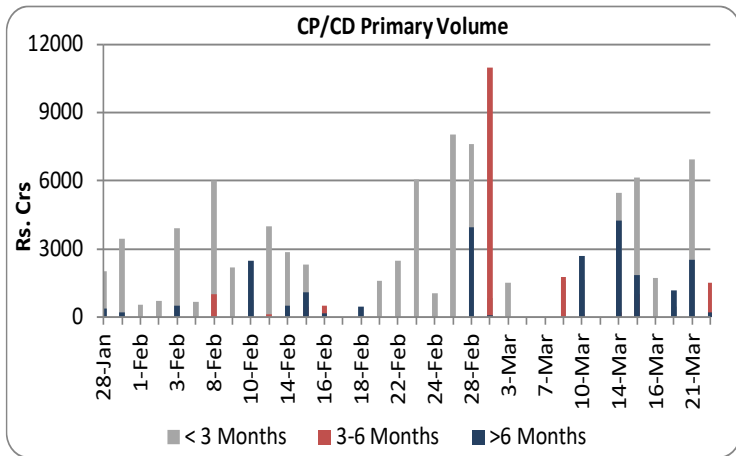
CD	22-Mar	21-Mar	15-Mar	22-Feb
3 Month	3.85	3.95	4.00	3.75
6 Month	4.50	4.45	4.52	3.85
1 Year	4.90	4.85	4.94	4.70

CP	22-Mar	21-Mar	15-Mar	22-Feb
3 Month	4.35	4.30	4.15	3.80
6 Month	4.85	4.80	4.72	4.20
1 Year	5.25	5.20	5.20	4.80

OIS Rate	22-Mar	21-Mar	15-Mar	22-Feb
1 Year	4.52	4.46	4.48	4.31
2 Year	5.13	5.03	5.07	4.84
3 Year	5.54	5.44	5.49	5.28
5 Year	6.02	5.91	5.95	5.76

	22-Mar	21-Mar	15-Mar	22-Feb
Sensex	57,989	57,292	55,777	57,301
Nifty	17,316	17,118	16,663	17,092
USD/INR	76.18	76.12	76.61	74.88
Gold (USD)	1,926	1,936	1,918	1,898
Oil (USD)	117.11	115.62	99.91	96.84

NDF	22-Mar	21-Mar	15-Mar	22-Feb
3 Month	76.99	77.05	77.14	75.41
1 Year	79.10	79.10	79.29	77.76
2 Year	83.19	82.45	82.54	81.16
3 Year	85.38	85.70	85.67	84.75



10 Year Benchmarks	22-Mar	21-Mar	15-Mar	22-Feb
India	6.83	6.78	6.82	6.75
US	2.34	2.30	2.15	1.94
South Korea	2.83	2.74	2.76	2.72
Russia	13.63	14.08	12.46	10.85
Brazil	12.22	11.90	12.26	11.21
Germany	0.51	0.46	0.33	0.24
China	2.84	2.82	2.82	2.84

Top Traded Securities	Volume	22-Mar	21-Mar	15-Mar	22-Feb
5.15 GOI 2025	1425	5.86	5.80	5.84	5.76
5.63 GOI 2026	250	6.04	5.97	6.00	5.91
5.74 GOI 2026	2590	6.10	6.04	6.11	5.99
6.54 GOI 2032	100	6.83	6.78	6.82	6.75
6.64 GOI 2035	0	7.17	7.14	7.15	7.04
6.67 GOI 2035	0	7.16	7.12	7.14	7.02

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
21-Mar-22	309	354	-45

EQUITY		
Gross Purchase	Gross Sales	Net Investment
1790	257	1533

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
2099	611	1488

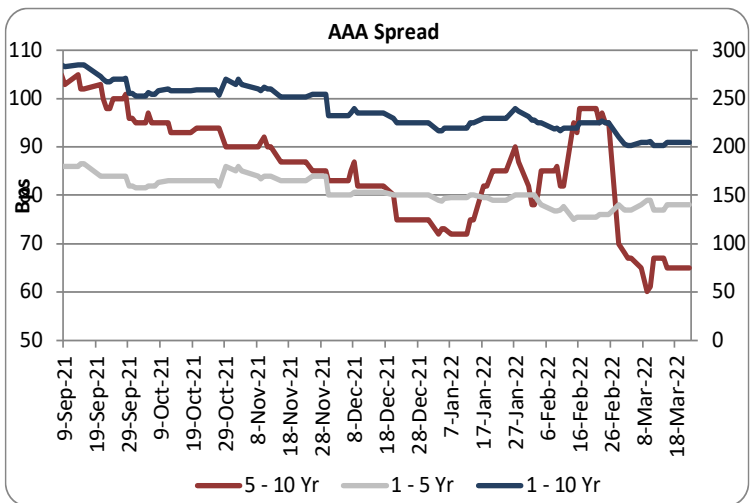
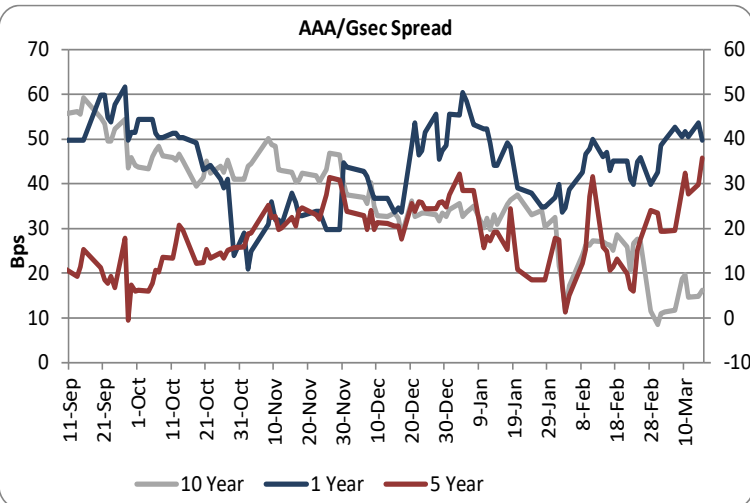
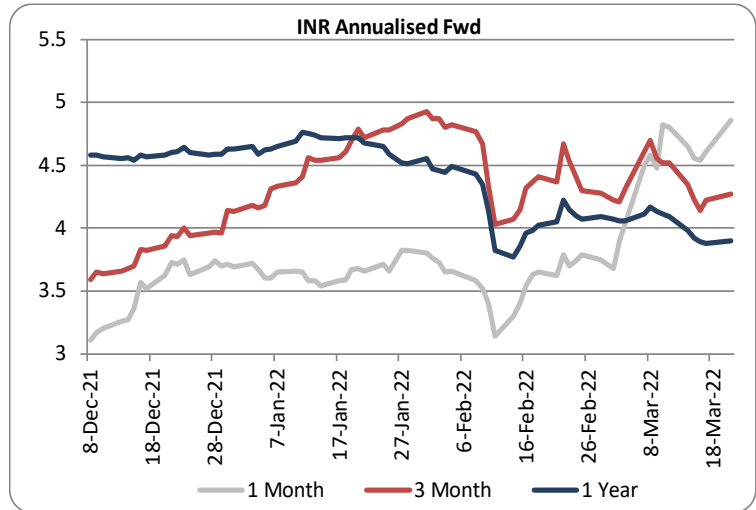
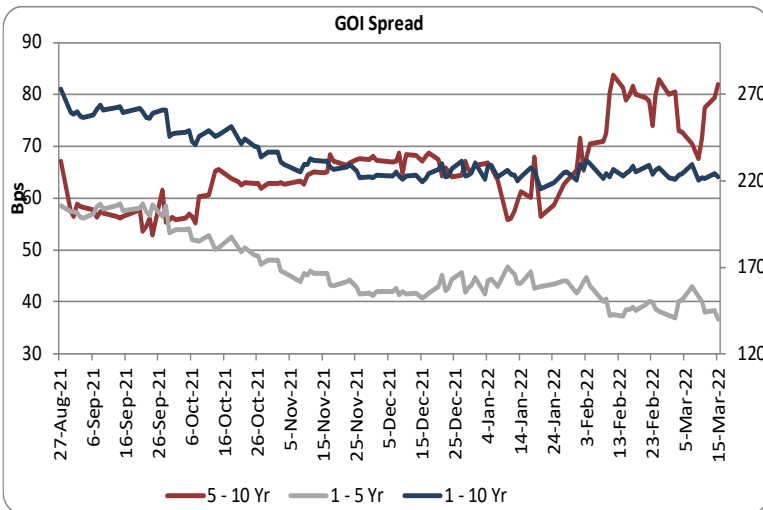
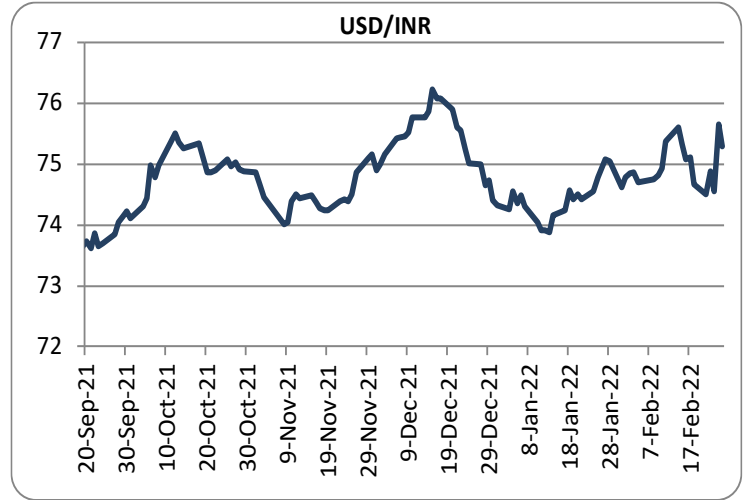
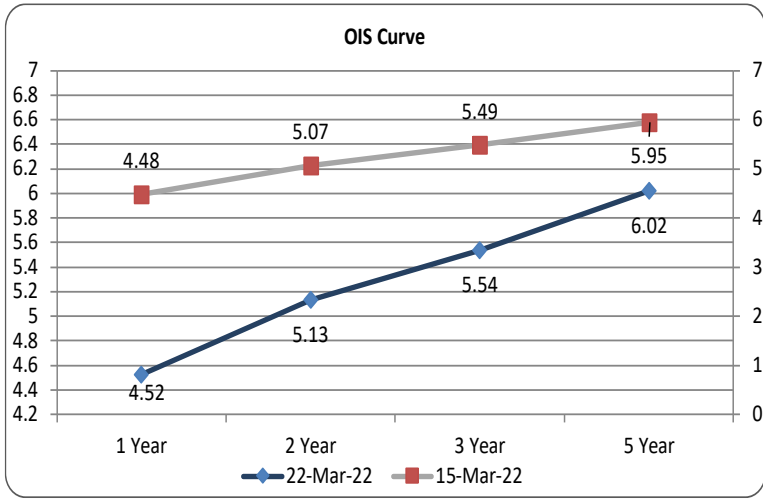
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
22-Mar-22	651	344	307

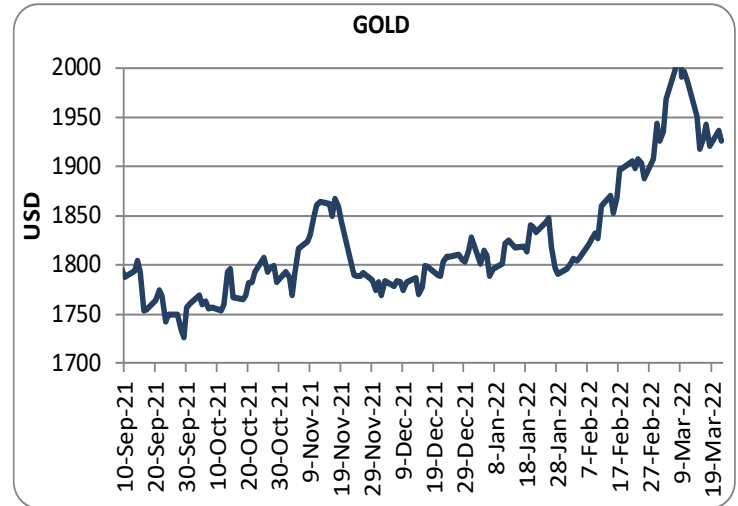
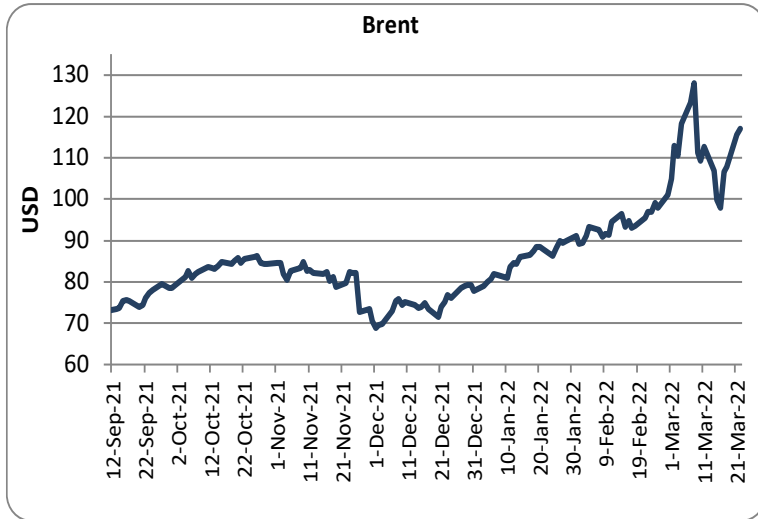
EQUITY		
Gross Purchase	Gross Sales	Net Investment
6830	9692	-2863

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
7480	10036	-2556

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-21	5.4	8.4
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Feb-22	13.1	13.0
CPI (%)	Feb-22	6.1	6.0
IIP (%)	Jan-22	1.3	0.4
PMI Manufacturing	Feb-22	54.9	54
PMI Service	Feb-22	51.8	51.5

Economic Calender	Country	Date	Poll	Prior
Industrial Output	Poland	18-Mar-22	16.60	19.20
GDP	Chile	18-Mar-22	13.00	17.20
CPI	Singapore	23-Mar-22	-	4.00
CPI	UK	23-Mar-22	-	5.50
Industrial Output	Russia	25-Mar-22	-	8.60
GDP	UK	30-31-Mar-22	-	6.50
GDP Final	USA	30-Mar-22	-	7.00
Industrial Output	South Korea	31-Mar-22	-	4.30





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

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