



Indian government bond yields ended lower on Tuesday as oil prices stabilized on easing fears of an escalation of the Middle East conflict, with market participants now awaiting fresh triggers.

The benchmark 10-year yield ended at 7.1643%, after closing at 7.1890% in the previous session.

The benchmark Brent crude contract, which had crossed \$92 per barrel earlier this month on fears of an escalation in the Middle East conflict, was trading around \$87 per barrel in Asia hours.

Oil prices affect retail inflation as India is one of the largest importers of the commodity. Elevated prices could make the Reserve Bank of India's (RBI) inflation target more difficult to achieve. The central bank has hinted that rate cuts will start once inflation meets its 4% target on a sustainable basis.

U.S. Treasury yields were largely unchanged after recent remarks from Federal Reserve officials hinted at no urgency to cut rates.

Investors are pricing in the possibility of around 40 basis points (bps) of rate cuts by the Fed by the end of the year, compared with more than 150 bps expected at the start of 2024.

Earlier in the day, Indian states raised 120 billion rupees through the sale of bonds, below the planned quantum for the third consecutive week.

The Indian rupee settled flat versus the U.S. dollar, and quoted at 83.34, as dollar demand from importers pulled the currency back from the near two-week high it hit during the session.

Repo: The weighted average call rates in the interbank segment increased to 6.65% vs 6.61% as on the previous day while that the TREP segment remained the same at 6.64% vs 6.64% as on the previous day.

GOI Yield	23-Apr	22-Apr	15-Apr	22-Mar
1 Year	7.025	7.021	7.020	7.080
5 Year	7.169	7.188	7.159	7.108
10 Year	7.164	7.189	7.178	7.093

AAA Bmk	23-Apr	22-Apr	15-Apr	22-Mar
1 Year	7.68	7.68	7.70	7.87
5 Year	7.77	7.77	7.69	7.62
10 Year	7.58	7.58	7.55	7.53

CD	23-Apr	22-Apr	15-Apr	22-Mar
3 Month	7.15	7.15	7.20	7.70
6 Month	7.35	7.35	7.35	7.75
1 Year	7.60	7.60	7.50	7.68

CP	23-Apr	22-Apr	15-Apr	22-Mar
3 Month	7.25	7.25	7.35	7.85
6 Month	7.45	7.45	7.45	7.90
1 Year	7.70	7.70	7.60	7.85

OIS Rate	23-Apr	22-Apr	15-Apr	22-Mar
1 Year	6.87	6.89	6.85	6.77
2 Year	6.64	6.67	6.61	6.49
3 Year	6.60	6.64	6.59	6.44
5 Year	6.58	6.62	6.54	6.39

	23-Apr	22-Apr	15-Apr	22-Mar
Sensex	73,738	73,649	73,400	72,832
Nifty	22,368	22,336	22,273	22,097
USD/INR	83.34	83.36	83.45	83.43
Gold (USD)	2,301	2,326	2,383	2,164
Oil (USD)	86.64	87.00	90.10	85.43

NDF	23-Apr	22-Apr	15-Apr	22-Mar
3 Month	83.60	83.52	83.73	83.81
1 Year	84.75	84.77	84.82	84.94
2 Year	86.83	86.77	86.83	87.09
3 Year	89.30	89.22	89.28	89.56

### Market Observations

#### G-sec

- SDL cut off was in line with market expectation.
- Demand was seen in 13 to 20 year SDLs @7.50 centric levels by insurance companies and pension funds
- 10-year rallied further 3bps hitting 7.16 levels. Selling was seen in G-sec at those levels thus not breaching 7.16 levels.

#### Corporate Bonds

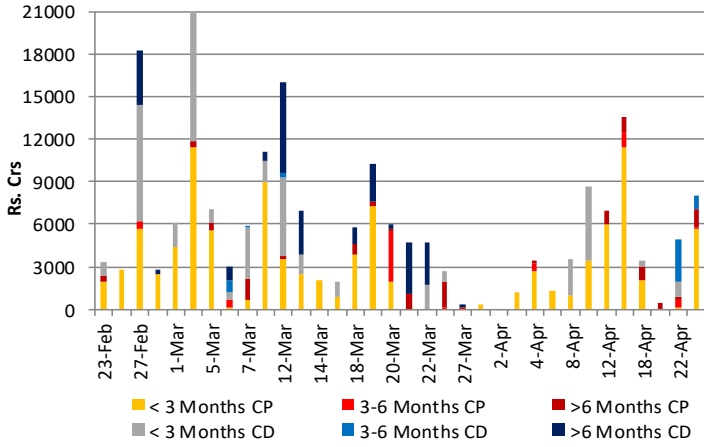
- Activity was seen throughout all segments.
- Mutual funds were active on the buying as well as selling side in the 2026-2029 segment.

#### CP/CD

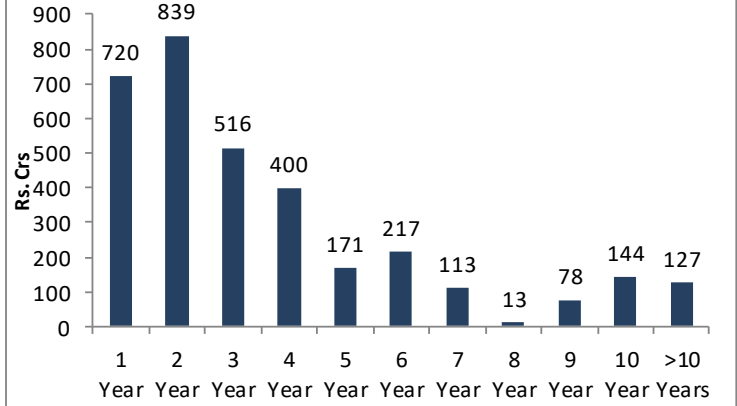
- Activity was seen in the 3-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	23-Apr	22-Apr	15-Apr	22-Mar
India	7.17	7.19	7.18	7.09
US	4.64	4.62	4.63	4.22
South Korea	3.62	3.65	3.56	3.36
Russia	14.15	14.13	14.32	13.86
Brazil	11.49	11.49	11.60	10.92
Germany	2.50	2.49	2.43	2.32
China	2.24	2.25	2.28	2.31

Top Traded Securities	Volume	23-Apr	22-Apr	16-Apr	22-Mar
7.26 2033	260	7.20	7.22	7.20	7.11
7.06 2028	45	7.18	7.19	7.18	7.11
7.62 2039	-	7.19	7.22	7.21	7.12
7.30 2053	270	7.27	7.28	7.28	7.16
6.64 2035	65	7.23	7.20	7.21	7.14
7.40 2035	90	7.22	7.16	7.21	7.14

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
18-Apr-24	1153	887	266

EQUITY	Gross Purchase	Gross Sales	Net Investment
	1652	722	929

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
2804	1609	1195

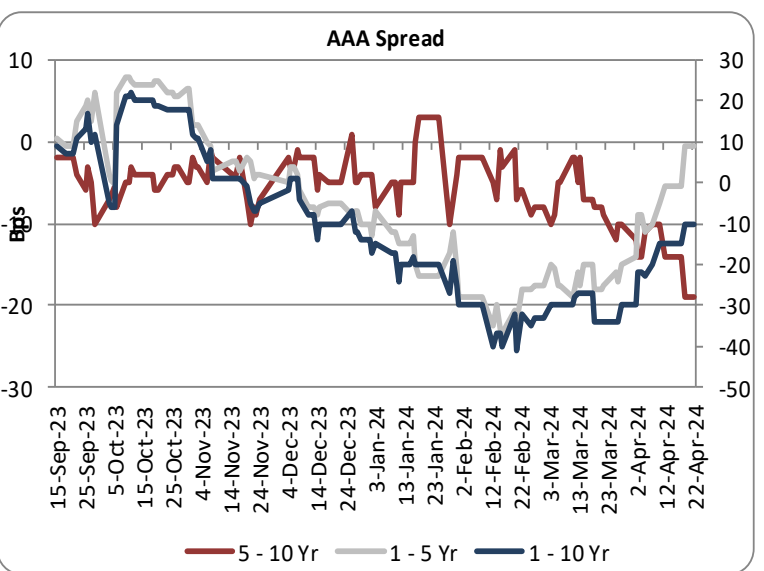
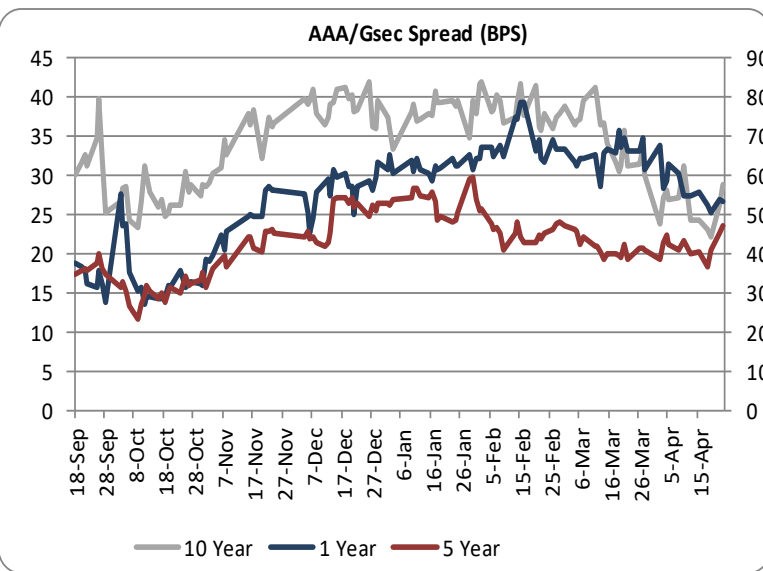
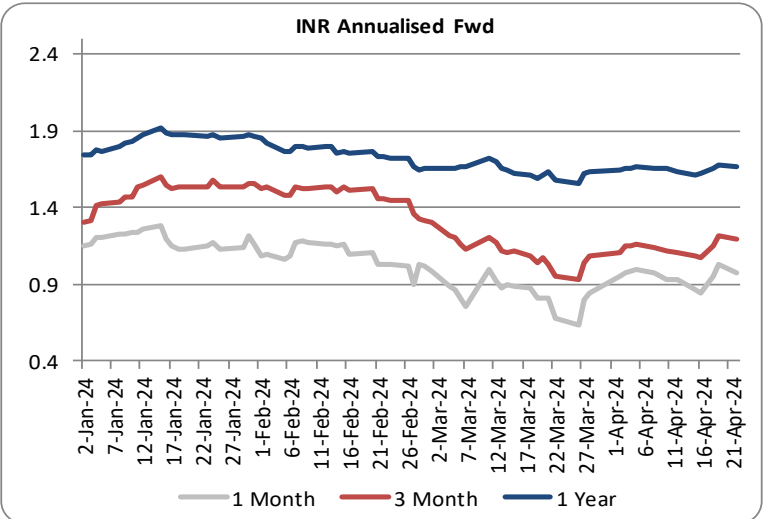
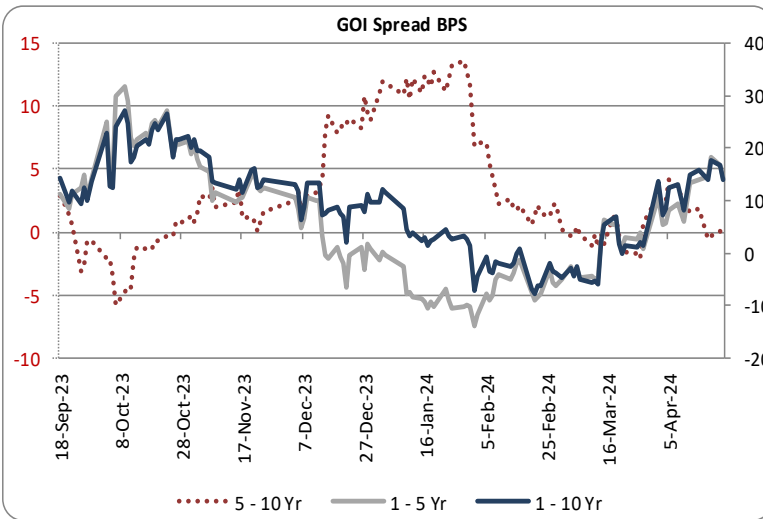
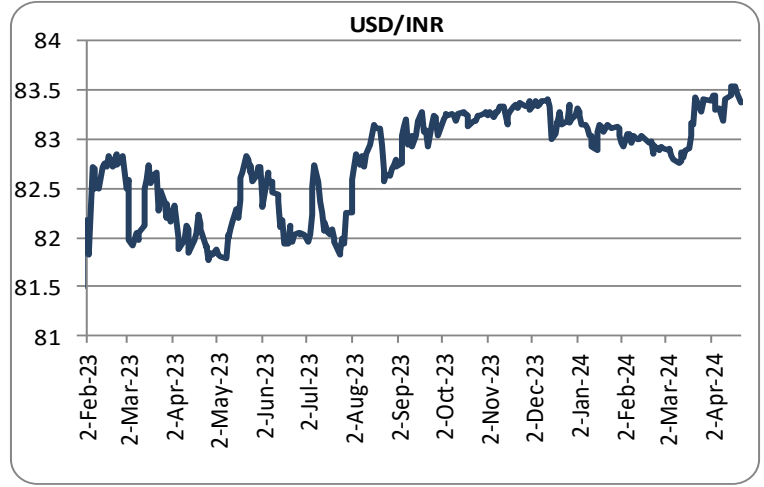
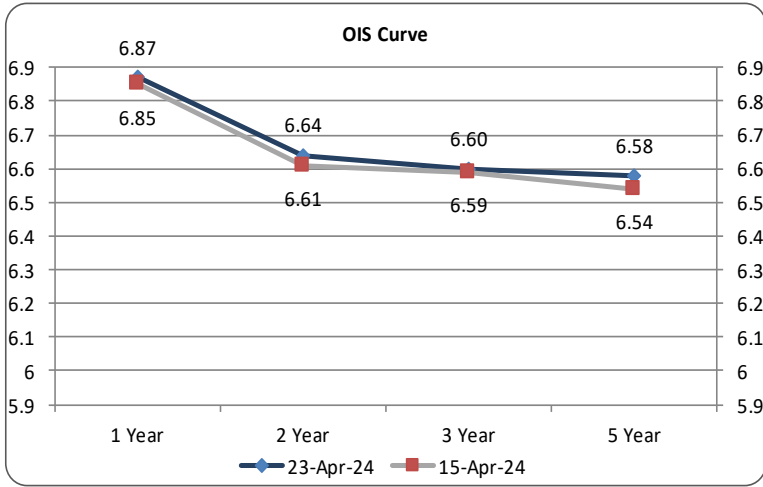
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
23-Apr-24	1721	777	945

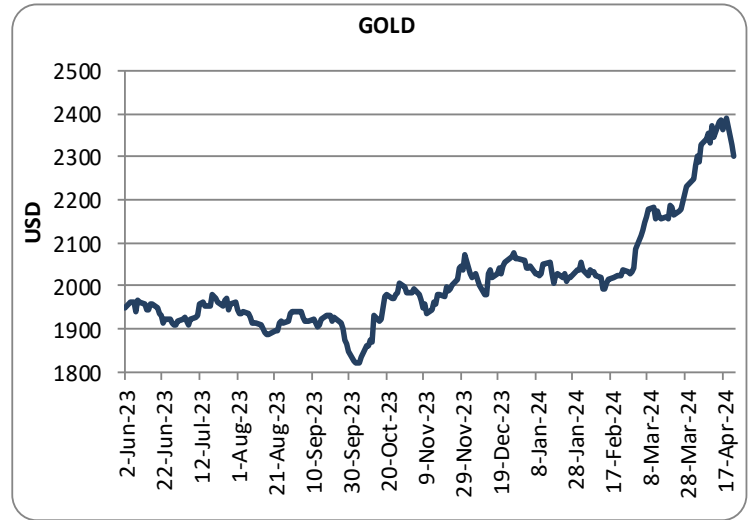
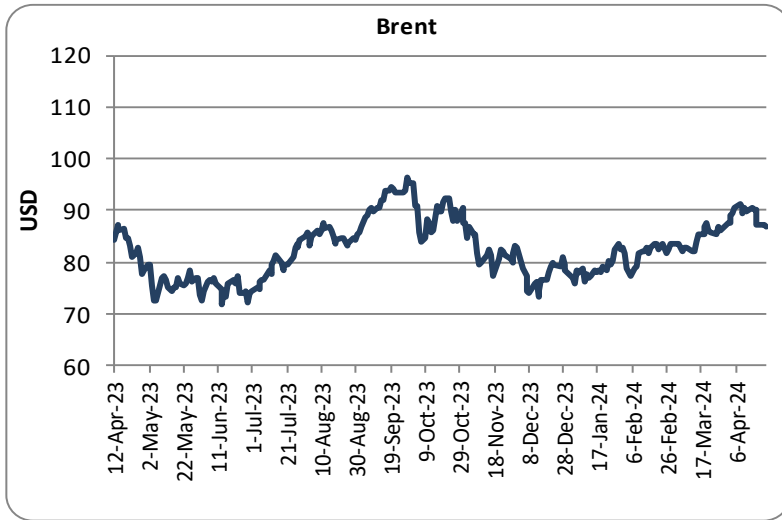
EQUITY	Gross Purchase	Gross Sales	Net Investment
	13322	15941	-2619

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
15044	16718	-1674

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-23	8.4	8.1
CAD (\$ Bn)	Dec-23	-10.5	-11.4
Trade Deficit (\$ Bn)	Dec-23	-71.6	-61.0
WPI (%)	Mar-24	0.5	0.2
CPI (%)	Mar-24	4.9	5.1
IIP (%)	Feb-24	5.7	4.1
PMI Manufacturing	Mar-24	59.1	56.9
PMI Service	Mar-24	61.2	60.6

Economic Calender	Country	Date	Poll	Prior
Retail Sales	UK	19-Apr-24	1	-0.4
CPI Q1	Australia	24-Apr-24	-	4.10
GDP Advance q1	USA	25-Apr-24	2.10	3.40
CPI	Germany	29-Apr-24	-	2.20
Unemployment Rate	Japan	30-Apr-24	-	2.60
Unemployment Rate	Germany	30-Apr-24	-	5.90
CPI	Euro Zone	30-Apr-24	-	2.40
GDP YY Q1	Euro Zone	30-Apr-24	-	0.10





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

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