



INDIA

- ❖ The benchmark 6.54% bond maturing in 2032 ended at 98.57 rupees, yielding 6.74%, from 98.50 rupees, and a yield of 6.75%, yesterday.
- ❖ The Reserve Bank of India will auction 230 billion rupees of government bonds on Friday, its last debt sale of this fiscal year. The central bank cancelled proposed debt sales totaling 480 billion rupees in the last two weeks amid its improved cash position.
- ❖ The government is aiming at a record high borrowing of nearly 15 trillion rupees in the next fiscal. A senior finance ministry official said yesterday that the Govt. won't surprise the local markets on its borrowing plans.
- ❖ Benchmark Brent futures down 0.91% at \$93 a barrel. Global oil prices came off after surging close to \$100 a barrel amid easing concerns over disruption of fuel supplies following the first wave of U.S. and European sanctions on Russia for sending troops into eastern Ukraine. Speculation over Iranian-produced oil returning to the energy markets, following efforts to revive a nuclear deal between Tehran and the world powers also capped crude's gains.
- ❖ Traders also focused on the U.S. bond market amid concerns about the pace at which the Federal Reserve could hike rates. The 10-year U.S. yield was at 1.97% after having dropped to 1.85% yesterday due to safe-haven demand.
- ❖ The Indian rupee settled higher against the dollar, tracking recoveries in local equities and U.S. equity futures after heavy losses triggered by geopolitical worries. The rupee was quoted at 74.56 as compared with 74.88 in the previous session.
- ❖ Repo: The weighted average call rates in the interbank segment decreased to 3.29% vs 3.32% as on previous day while that in the TREP segment decreased to 3.36% vs 3.45% as on previous day.

Market Observations

G-sec

- Bond yields fell, amid short-covering and cooling of oil prices, while investors awaited Friday's debt sale.
- Higher activity seen in 2025 to 2027 maturity.
- Auction cut off on T-bills came in line with market expectations.
- Spread between yields on India's benchmark 6.54% 2032 and liquid 6.67% 2035 bonds narrows sharply to 21-month low ago as traders bearish on benchmark after it is included in this week's auction.

Corporate Bonds

- Activity was witnessed across all segments.

CP

- Secondary CPs saw most demand in the 2-3 month papers.

CD

- 1 year secondary CDs were active.
- Overnight interbank call money as well as TREPS are higher as borrowing increases amid tax outflow and after surprise swap announcement by the central bank.

GOI Yield	23-Feb	22-Feb	16-Feb	24-Jan
1 Year	4.500	4.490	4.470	4.470
5 Year	6.000	5.993	5.926	6.072
10 Year	6.739	6.781	6.725	6.659

AAA Brnk	23-Feb	22-Feb	16-Feb	24-Jan
1 Year	4.85	4.85	4.85	4.80
5 Year	6.15	6.15	6.12	6.25
10 Year	7.12	7.10	7.10	7.10

CD	23-Feb	22-Feb	16-Feb	24-Jan
3 Month	3.85	3.75	3.75	3.80
6 Month	4.30	3.85	3.85	4.00
1 Year	4.80	4.70	4.70	4.65

CP	23-Feb	22-Feb	16-Feb	24-Jan
3 Month	4.00	3.80	3.80	4.07
6 Month	4.55	4.20	4.20	4.67
1 Year	5.00	4.80	4.80	5.08

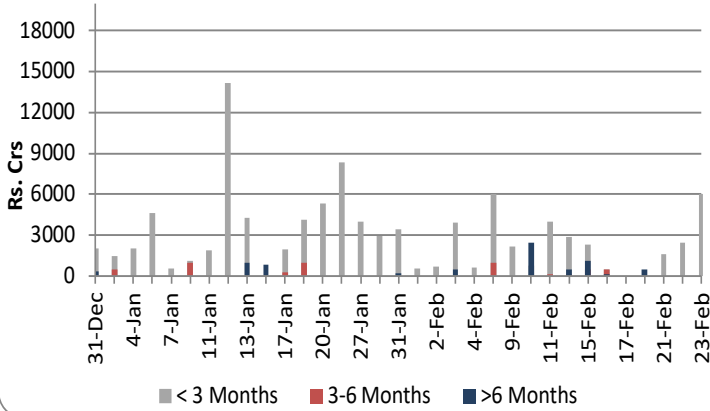
OIS Rate	23-Feb	22-Feb	16-Feb	24-Jan
1 Year	4.32	4.31	4.29	4.43
2 Year	4.86	4.84	4.81	4.96
3 Year	5.30	5.28	5.23	5.28
5 Year	5.80	5.76	5.67	5.61

	23-Feb	22-Feb	16-Feb	24-Jan
Sensex	57,232	57,301	57,997	57,492
Nifty	17,063	17,092	17,322	17,149
USD/INR	74.56	74.88	75.07	74.56
Gold (USD)	1,894	1,898	1,868	1,843
Oil (USD)	96.01	96.84	94.81	86.27

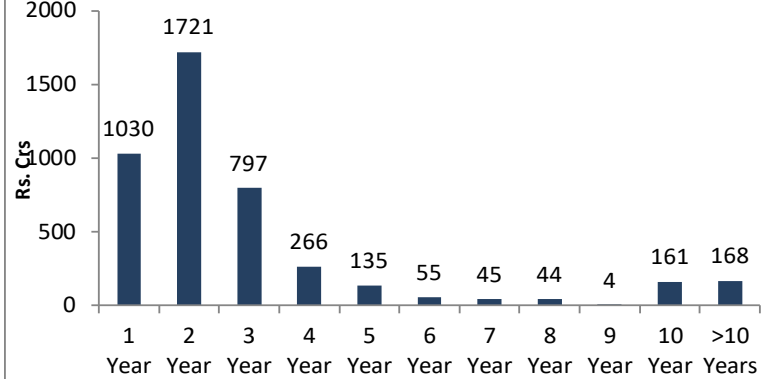
NDF	23-Feb	22-Feb	16-Feb	24-Jan
3 Month	75.35	75.41	75.72	75.20
1 Year	77.72	77.76	77.92	77.93
2 Year	80.88	81.16	81.14	81.26
3 Year	83.92	84.75	84.64	85.33



CP Primary Volume



Bonds Volume



10 Year Benchmarks	23-Feb	22-Feb	16-Feb	24-Jan
India	6.74	6.75	6.69	6.65
US	1.97	1.94	2.04	1.78
South Korea	2.72	2.72	2.70	2.54
Russia	10.85	10.85	9.63	9.75
Brazil	11.21	11.21	11.19	11.54
Germany	0.24	0.24	0.27	-0.10
China	2.82	2.84	2.79	2.69

Top Traded Securities	Volume	23-Feb	22-Feb	16-Feb	24-Jan
5.15 GOI 2025	1315	5.75	5.76	5.70	#N/A
5.63 GOI 2026	505	5.91	5.91	5.84	5.94
5.74 GOI 2026	5365	6.00	5.99	5.93	6.07
6.10 GOI 2031	85	6.76	6.78	6.72	6.66
6.64 GOI 2035	0	7.02	7.04	7.04	7.11
6.67 GOI 2035	50	7.00	7.02	7.02	7.11

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
18-Feb-22	2067	1353	714

EQUITY		
Gross Purchase	Gross Sales	Net Investment
2004	696	1308

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
4071	2049	2022

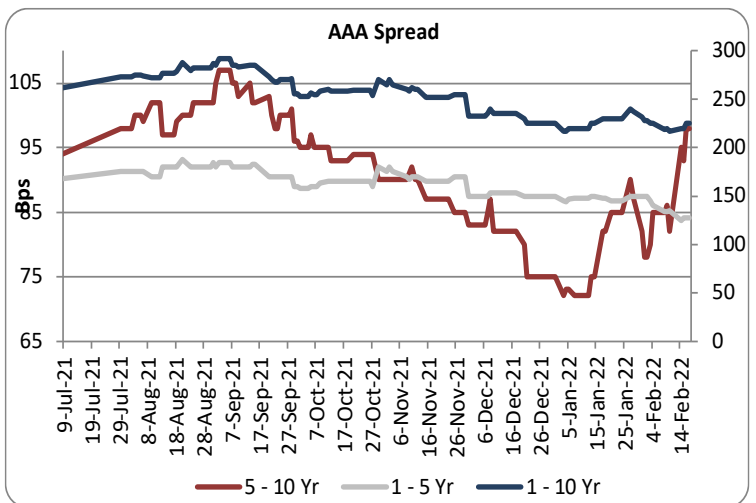
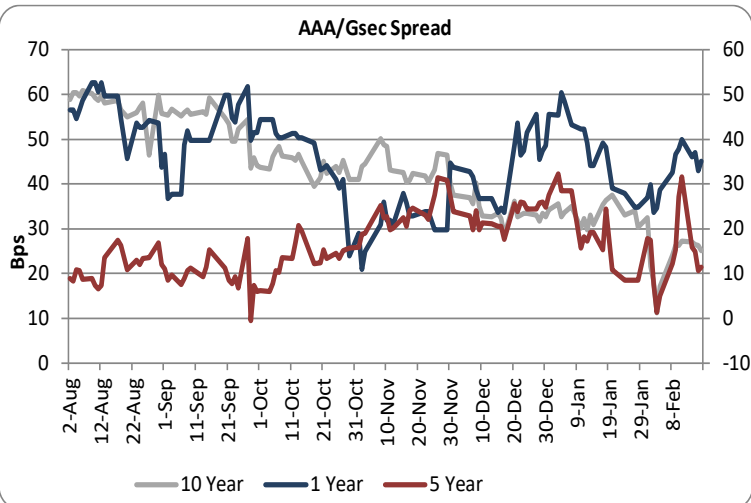
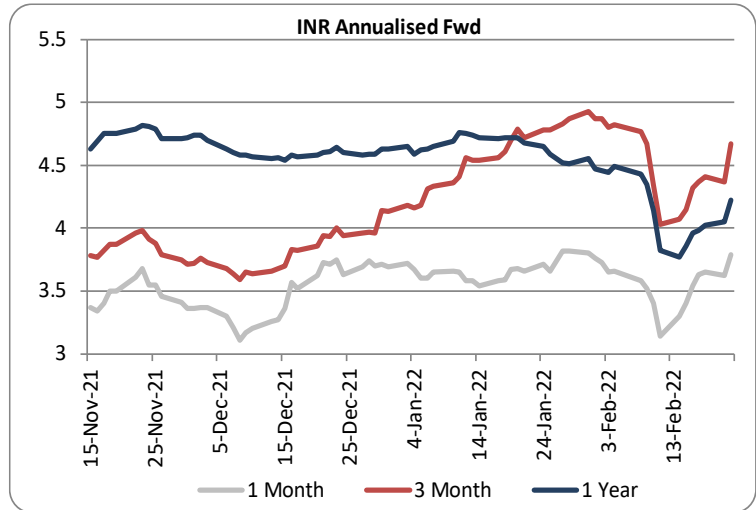
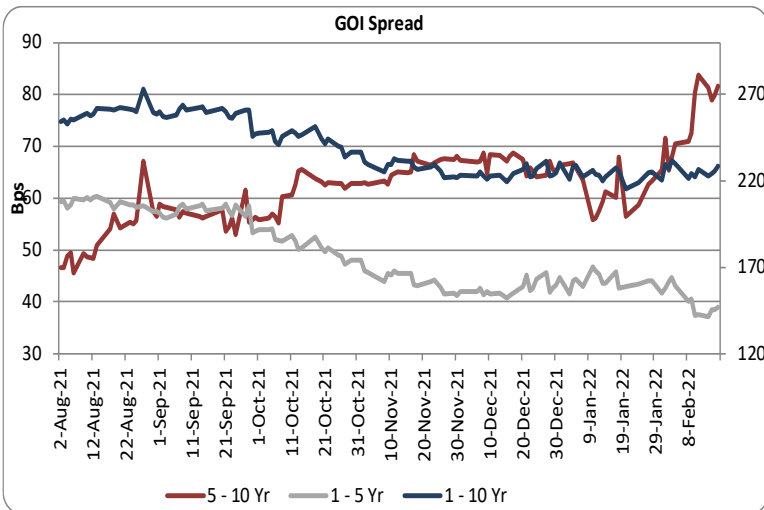
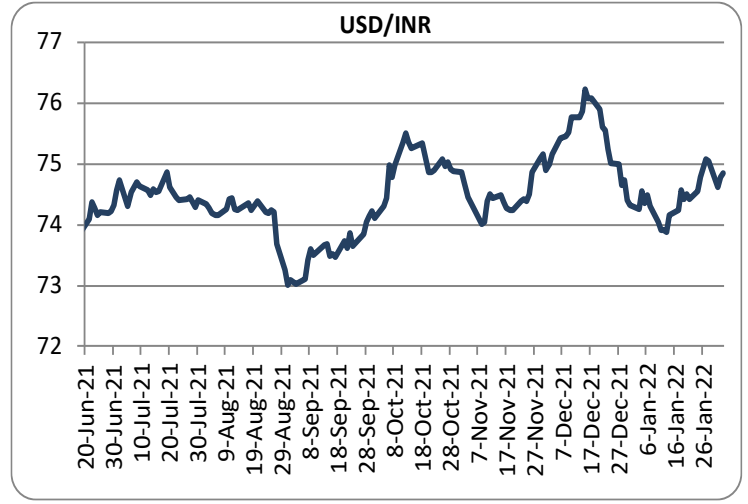
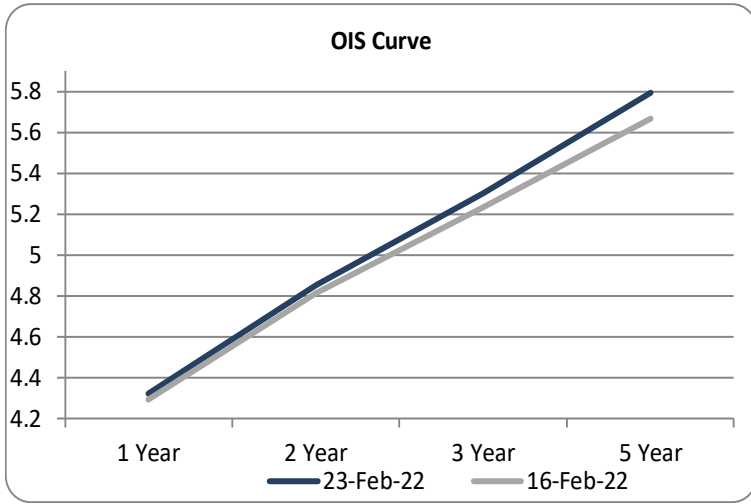
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
23-Feb-22	352	783	-431

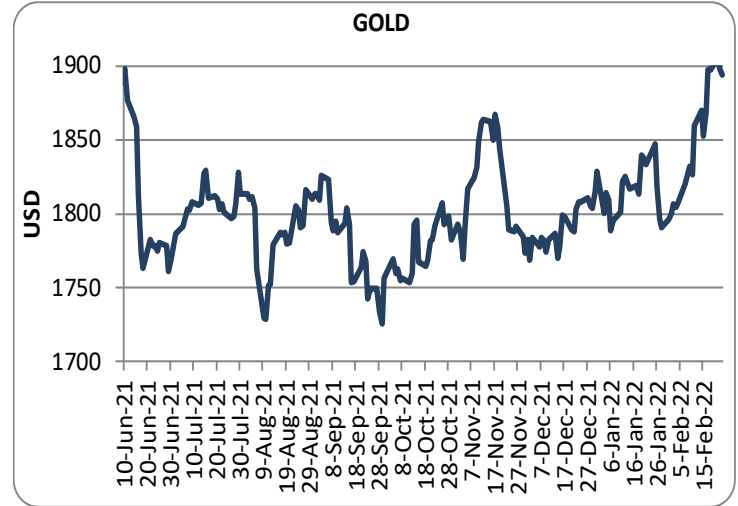
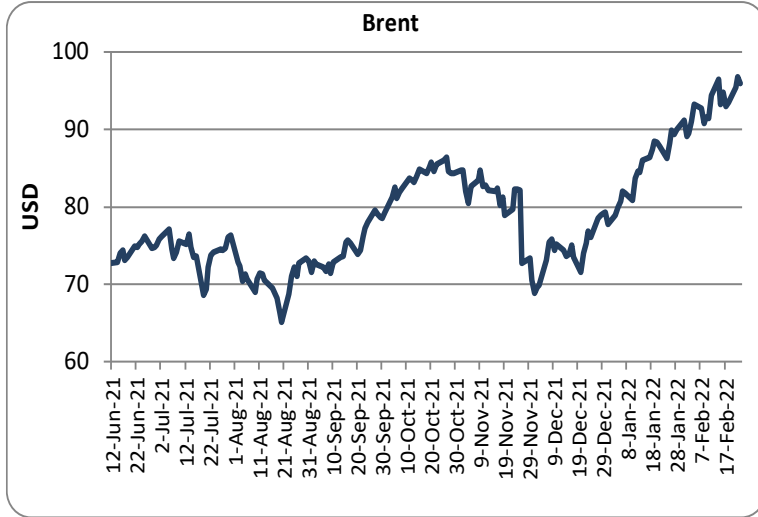
EQUITY		
Gross Purchase	Gross Sales	Net Investment
9103	11561	-2458

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
9455	12344	-2890

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-21	8.4	20.1
CAD (\$ Bn)	Sep-21	-9.6	6.6
Trade Deficit (\$ Bn)	Sep-21	-44.4	-30.7
WPI (%)	Jan-22	13.0	13.6
CPI (%)	Jan-22	6.0	5.7
IIP (%)	Dec-21	0.4	1.4
PMI Manufacturing	Jan-22	54	55.5
PMI Service	Jan-22	51.5	55.5

Economic Calender	Country	Date	Poll	Prior
Exports	Japan	17-Feb-22	16.50	17.50
Retail Sales	UK	18-Feb-22	8.70	(0.90)
Industrial Output	Poland	18-Feb-22	14.80	16.70
Unemployment Rate	Poland	23-Feb-22	5.60	5.40
Exports	Thailand	28-Feb-22	-	23.00
GDP	India	28-Feb-22	-	8.40
Inflation YY	Indonesia	01-Mar-22	-	2.18
Unemployment Rate	Japan	04-Mar-22	-	2.70





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

LKP SECURITIES LTD., 203, Embassy Centre, Nariman Point, Mumbai- 400021

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true and is for general guidance only. While every effort is made to ensure the accuracy and completeness of information contained, the company makes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand or cause of action. Nothing contained in this publication shall constitute an offer to sell/purchase or an invitation/ solicitation to do so for any Government Security, Currency, Security, and Equity. LKP Securities Ltd. accepts no liability whatsoever for any loss, howsoever arising, from any use of this document, its contents or otherwise arising in connection therewith. For any queries contact - LKP Securities Ltd. Ph: (91-22) 66306555 Fax: (91-22) 2284 2415 E Mail: FixedIncomeResearch@lkpsec.com

Visit our website - <http://www.lkpsec.com/>