



BONDWATCH

Daily

April 24, 2023

INDIA

Indian government bond yields ended lower on Monday, with the benchmark bond yield ending at its lowest level in nearly one year, as traders and foreign banks increased purchases on bets of monetary policy pivots by central banks.

Foreign banks have bought bonds worth 102 billion rupees (\$1.25 billion) on a net basis in the last four trading sessions to Friday.

The 10-year benchmark 7.26% 2033 bond yield ended at 7.0977%, the lowest level since April 27, 2022, after closing at 7.1556% in the previous session.

The major purchases were by foreign banks and that has led to a sharp decline in yields as they remained buyers on Monday as well.

In the global markets, U.S. Treasury yields declined on Monday as investors assessed the state of the U.S. economy and weighed the Federal Reserve's upcoming interest rate decision.

Oil prices continued their downward trend on Monday.

The Indian rupee strengthened 0.23% versus the U.S. dollar, and quoted at 81.90 per dollar, outperforming its Asian counterparts as foreign banks in India were seen selling the greenback, several traders said.

Repo: The weighted average call rates in the interbank segment increased to 6.65% vs 6.64% as on the previous day while that the TREP segment increased to 6.72% vs 6.71% as on the previous day.

Market Observations

G-sec

- Demand was seen in 9year SDLs by banks and Mutual Funds @7.46 and 7.47 levels.

- 10-year benchmark rallied 5bps as market is expecting sovereign credit rating to better.

Corporate Bonds

- Mutual funds continue to deploy in the 2025-2026 segment.

- Insurance companies were selling and pension funds were buying in the longer segment.

- Yields were on the lower end as participants are starting to see rate cuts soon.

CP/CD

- Major activity was seen in the 3-month segment.

GOI Yield	24-Apr	21-Apr	17-Apr	23-Mar
1 Year	7.000	7.010	6.990	7.190
5 Year	6.974	7.002	7.077	7.209
10 Year	7.098	7.156	7.230	7.348

AAA Bmk	24-Apr	21-Apr	17-Apr	23-Mar
1 Year	7.42	7.42	7.55	7.78
5 Year	7.50	7.58	7.55	7.72
10 Year	7.52	7.58	7.60	7.72

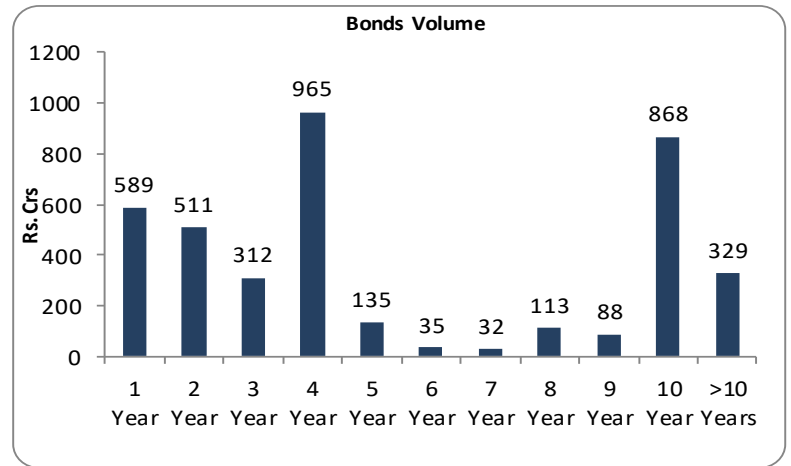
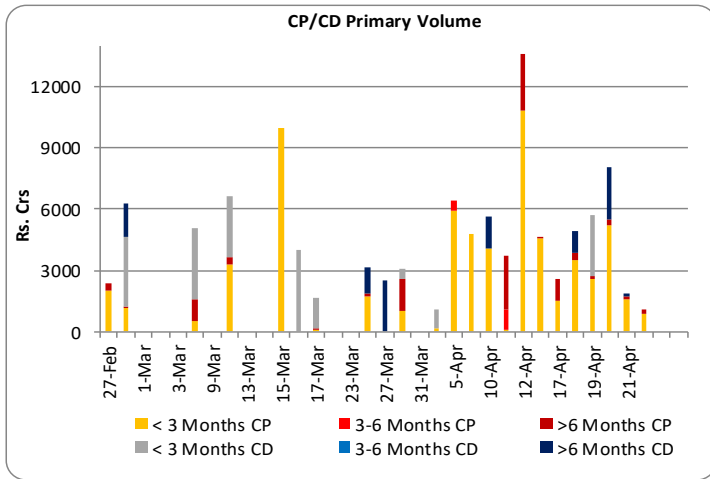
CD	24-Apr	21-Apr	17-Apr	23-Mar
3 Month	7.05	7.05	7.00	7.30
6 Month	7.25	7.25	7.25	7.60
1 Year	7.50	7.50	7.50	7.75

CP	24-Apr	21-Apr	17-Apr	23-Mar
3 Month	7.15	7.15	7.10	7.40
6 Month	7.35	7.35	7.35	7.70
1 Year	7.60	7.60	7.60	7.85

OIS Rate	24-Apr	21-Apr	17-Apr	23-Mar
1 Year	6.60	6.60	6.61	6.71
2 Year	6.21	6.22	6.25	6.31
3 Year	6.09	6.11	6.16	6.23
5 Year	6.09	6.11	6.18	6.24

	24-Apr	21-Apr	17-Apr	23-Mar
Sensex	60,056	59,655	59,911	57,925
Nifty	17,743	17,624	17,707	17,077
USD/INR	81.91	82.09	81.97	82.26
Gold (USD)	1,984	1,983	1,995	1,994
Oil (USD)	81.47	81.66	84.76	75.91

NDF	24-Apr	21-Apr	17-Apr	23-Mar
3 Month	82.28	82.42	82.39	82.73
1 Year	83.79	83.67	83.82	84.22
2 Year	85.90	85.95	86.30	87.04
3 Year	89.22	88.97	89.60	89.94



10 Year Benchmarks	24-Apr	21-Apr	17-Apr	23-Mar
India	7.10	7.19	7.25	7.35
US	3.54	3.57	3.59	3.40
South Korea	3.31	3.35	3.35	3.26
Russia	10.59	10.62	10.56	11.14
Brazil	12.69	12.72	12.41	13.11
Germany	2.49	2.49	2.48	2.19
China	2.82	2.84	2.84	2.87

Top Traded Securities	Volume	24-Apr	21-Apr	17-Apr	23-Mar
5.74 2026	220	6.95	6.98	7.03	7.20
7.38 2027	45	6.97	7.00	7.08	7.21
7.10 2029	65	7.06	7.09	7.15	7.28
6.54 2032	-	7.16	7.20	7.26	7.36
7.26 2032	-	7.14	7.19	7.25	7.35
7.54 2036	5	7.22	7.29	7.37	7.42

DEBT			
	Gross Purchase	Gross Sales	Net Investment
MF			
13-Apr-23	4355	4829	-474

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	3772	4559	-787

TOTAL (Rs.Crs)			
	Gross Purchase	Gross Sales	Net Investment
	8127	9389	-1262

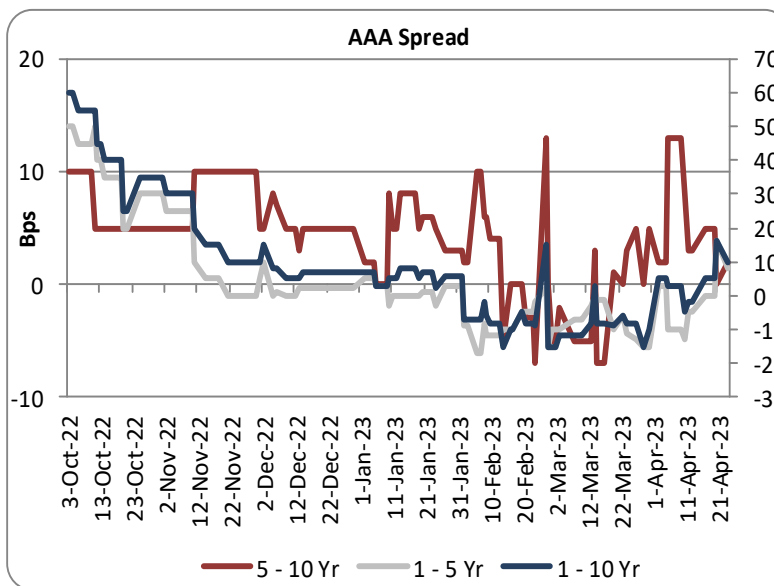
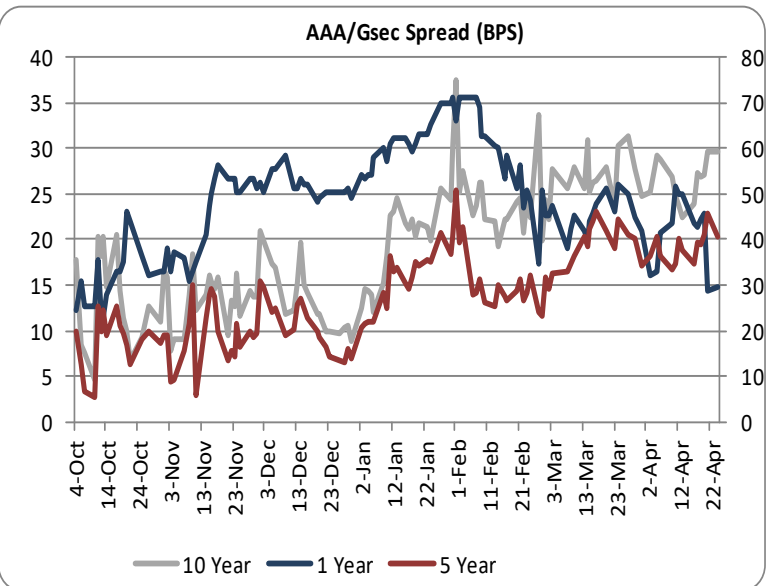
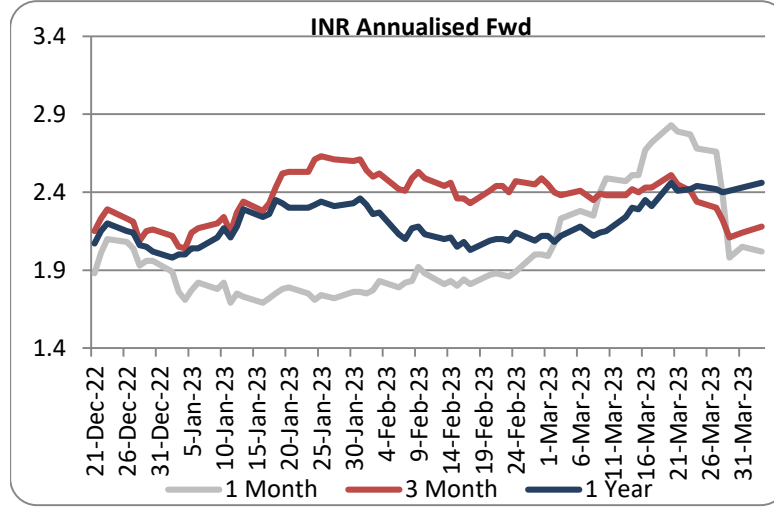
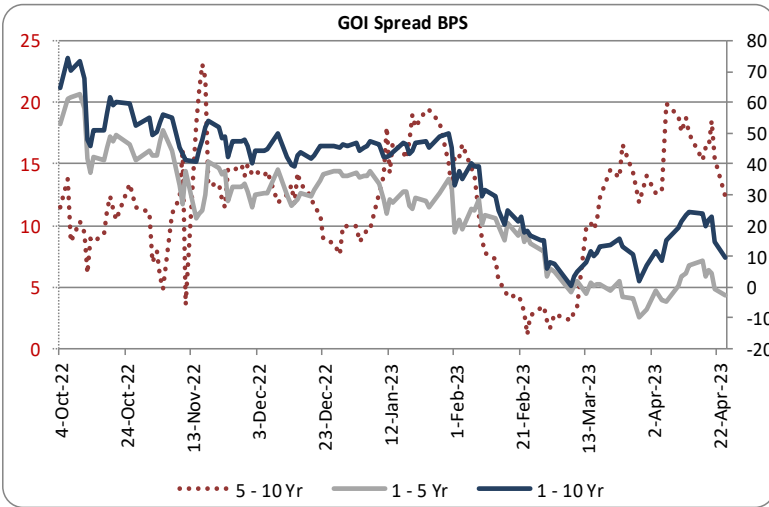
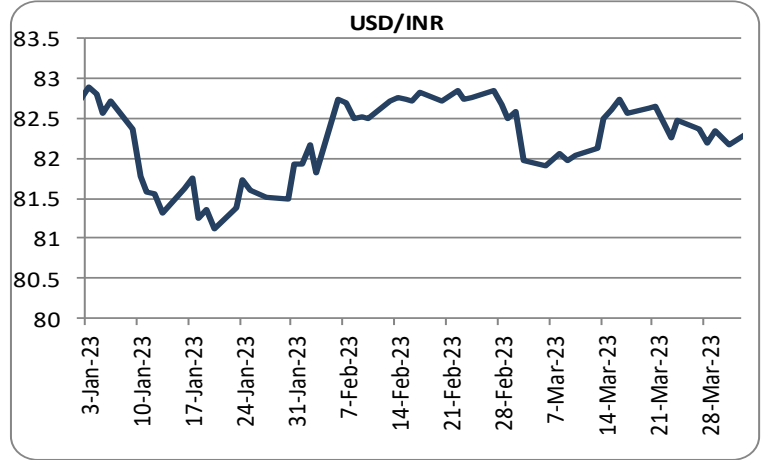
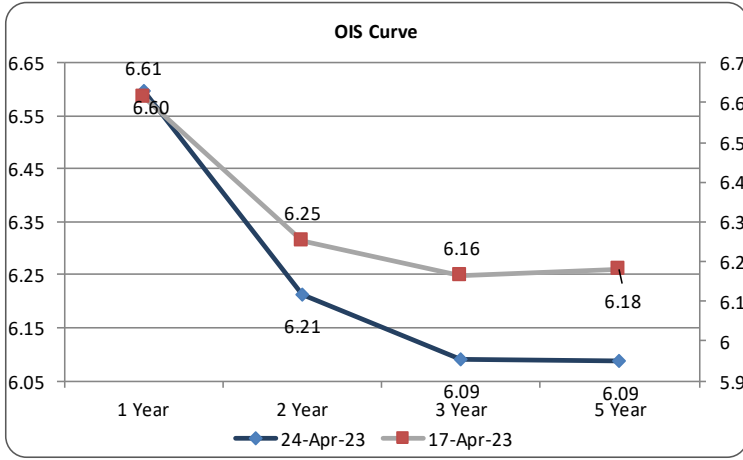
DEBT			
	Gross Purchase	Gross Sales	Net Investment
FII			
24-Apr-23	449	296	153

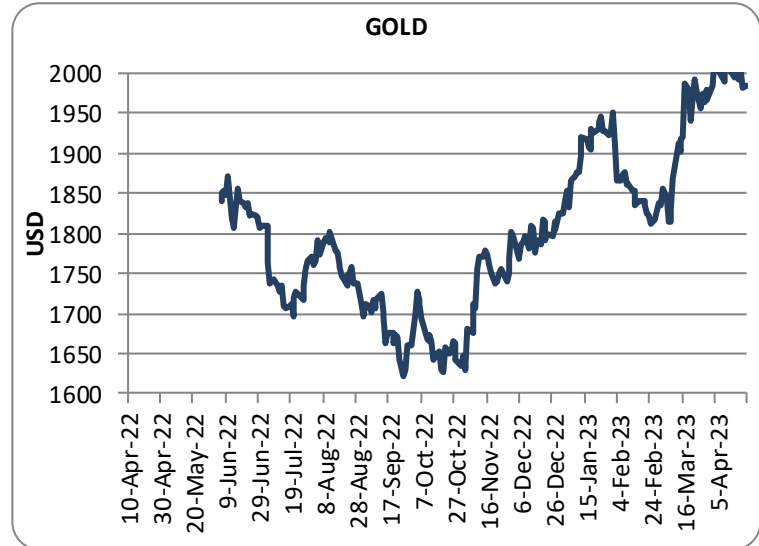
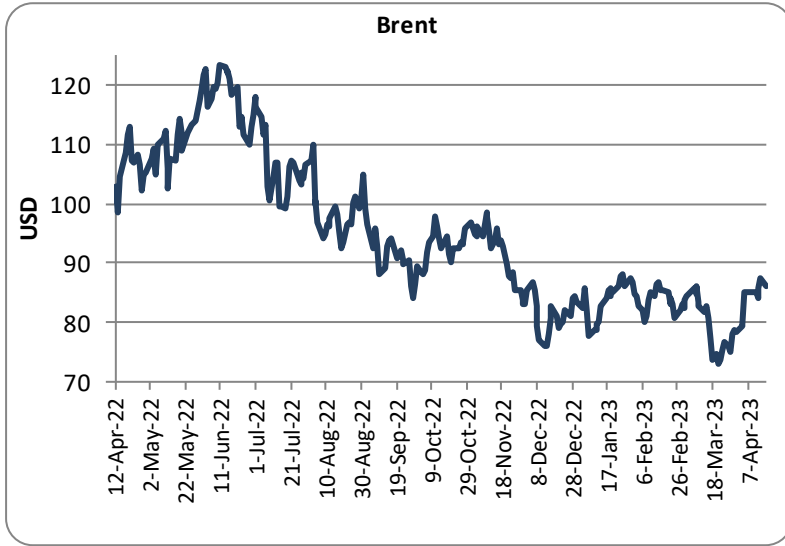
EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	5212	6906	-1694

TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
	5662	7203	-1541

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-22	4.4	6.3
CAD (\$ Bn)	Dec-22	-18.2	-30.9
Trade Deficit (\$ Bn)	Dec-22	-72.7	-78.3
WPI (%)	Mar-23	1.3	3.9
CPI (%)	Mar-23	5.7	6.4
IIP (%)	Feb-23	5.6	5.2
PMI Manufacturing	Mar-23	56.4	55.3
PMI Service	Mar-23	57.8	59.4

Economic Calender	Country	Date	Poll	Prior
CPI	UK	19-Apr-23	-	10.40
CPI	Japan	21-Apr-23	3.10	3.10
Retail Sales	UK	21-Apr-23	(3.10)	(3.50)
CPI	Australia	26-Apr-23	-	7.80
Industrial Output	Russia	26-Apr-23	(1.60)	(1.70)
Unemployment Rate	Japan	28-Apr-23	-	2.60
CPI	Germany	28-Apr-23	-	7.40
Retail Sales	Germany	02-May-23	-	(7.10)





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

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

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For any queries contact - LKP Securities Ltd. Ph: (91-22) 66306555 Fax: (91-22) 2284 2415 E Mail: FixedIncomeResearch@lkpsec.com

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