



BONDWATCH

Daily

April 25, 2024

INDIA

Indian government bond yields ended higher for the second consecutive trading session on Thursday as traders awaited the supply of bonds locally and key economic data in the United States ahead of its central bank monetary policy decision next week.

The benchmark 10-year yield ended at 7.2061%, following its previous close at 7.1852%. The yield rose 2 basis points (bps) on Wednesday, after falling an aggregate of 7 bps in the previous two sessions.

U.S. Treasury yields have moved higher, with the 10-year yield around nearly 50 bps up so far in April, as expectations over timing as well as magnitude of rate cuts from the Federal Reserve continue to get revised.

Markets now await U.S. growth data due later in the day, followed by personal consumption expenditures (PCE) data for March due after Indian market hours on Friday.

Hotter-than-expected inflation reading for March has already pushed back expectations of rate cuts, with investors now pricing in the possibility of around 42 bps of rate cuts by the end of this year.

Meanwhile, oil prices eased slightly, but the benchmark Brent crude contract remained around \$87 per barrel, as supply worries persisted.

The Indian rupee strengthened 0.01% versus the U.S. dollar, and quoted at 83.32 per dollar, wedged between a decline in most of its Asian peers and interbank dollar sales after the local unit managed to hold above a key support level, traders said.

Repo: The weighted average call rates in the interbank segment increased to 6.70% vs 6.67% as on the previous day while that the TREP segment remained the same at 6.70% vs 6.70% as on the previous day.

GOI Yield	25-Apr	24-Apr	18-Apr	27-Mar
1 Year	7.060	7.060	7.050	7.050
5 Year	7.206	7.193	7.196	7.090
10 Year	7.206	7.185	7.191	7.069

AAA Bmk	25-Apr	24-Apr	18-Apr	27-Mar
1 Year	7.70	7.70	7.70	7.87
5 Year	7.76	7.75	7.69	7.63
10 Year	7.56	7.65	7.55	7.53

CD	25-Apr	24-Apr	18-Apr	27-Mar
3 Month	7.20	7.15	7.10	7.70
6 Month	7.40	7.40	7.35	7.75
1 Year	7.60	7.60	7.50	7.70

CP	25-Apr	24-Apr	18-Apr	27-Mar
3 Month	7.30	7.25	7.25	7.85
6 Month	7.50	7.50	7.45	7.90
1 Year	7.70	7.70	7.60	7.85

OIS Rate	25-Apr	24-Apr	18-Apr	27-Mar
1 Year	6.89	6.89	6.86	6.75
2 Year	6.66	6.64	6.63	6.45
3 Year	6.62	6.60	6.59	6.40
5 Year	6.60	6.58	6.55	6.35

	25-Apr	24-Apr	18-Apr	27-Mar
Sensex	74,339	73,853	72,489	72,996
Nifty	22,570	22,402	21,996	22,124
USD/INR	83.32	83.32	83.54	83.37
Gold (USD)	2,328	2,316	2,378	2,194
Oil (USD)	88.21	88.02	87.11	86.09

NDF	25-Apr	24-Apr	18-Apr	27-Mar
3 Month	83.54	83.57	83.80	83.49
1 Year	84.76	84.72	84.92	84.69
2 Year	86.78	86.72	86.97	86.74
3 Year	89.35	89.17	89.42	89.40

Market Observations

G-sec

- Selling was seen in illiquid 2031 to 2035 maturity G-sec by PDs and pension fund @7.22 centric levels. Major buyers were foreign banks and private banks.

- Selling was seen in JFM 2025 T-bill by banks @7.05 centric levels.

Corporate Bonds

- Major activity was seen in the MMY segment and the 2026-2029 segment.

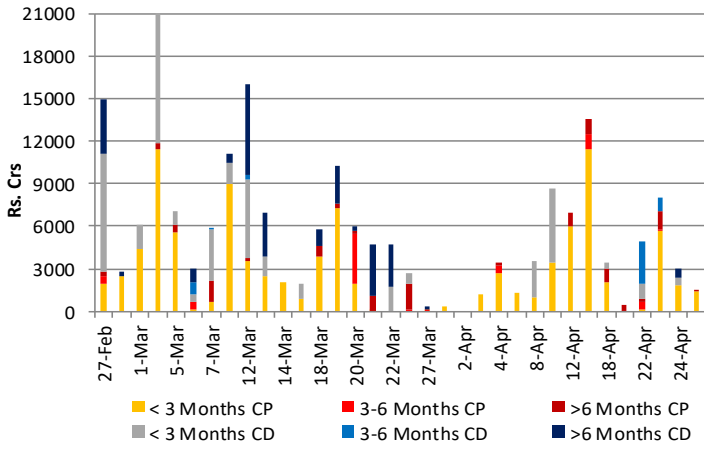
- Mutual funds were active on the buying as well as selling side and insurance companies were active on the selling side in the active segment.

CP/CD

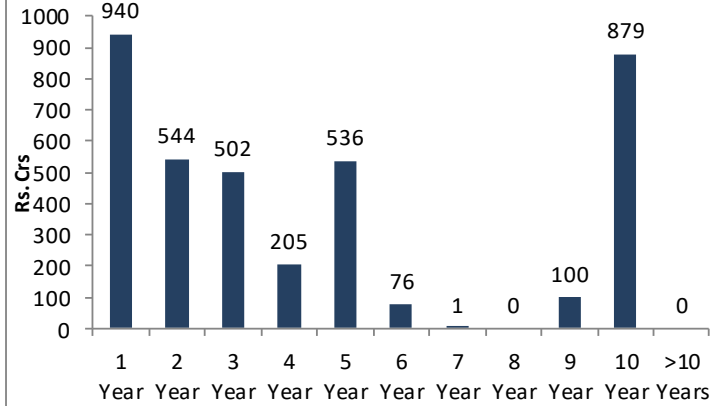
- Activity was seen in the 1 to 3-month segment.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	25-Apr	24-Apr	18-Apr	27-Mar
India	7.21	7.19	7.18	7.07
US	4.65	4.65	4.65	4.20
South Korea	3.70	3.65	3.56	3.38
Russia	14.23	14.21	14.23	13.78
Brazil	11.52	11.52	11.55	10.93
Germany	2.58	2.59	2.49	2.29
China	2.27	2.28	2.26	2.31

Top Traded Securities	Volume	23-Apr	22-Apr	16-Apr	22-Mar
7.26 2033	90	7.19	7.22	7.20	7.11
7.06 2028	230	7.18	7.19	7.18	7.11
7.62 2039	15	7.21	7.22	7.24	7.12
7.30 2053	365	7.26	7.28	7.28	7.16
6.64 2035	25	7.23	7.20	7.21	7.14
7.40 2035	175	7.22	7.16	7.21	7.14

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
23-Apr-24	9188	6840	2348

EQUITY	Gross Purchase	Gross Sales	Net Investment
	6754	7727	-973

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
15942	14567	1375

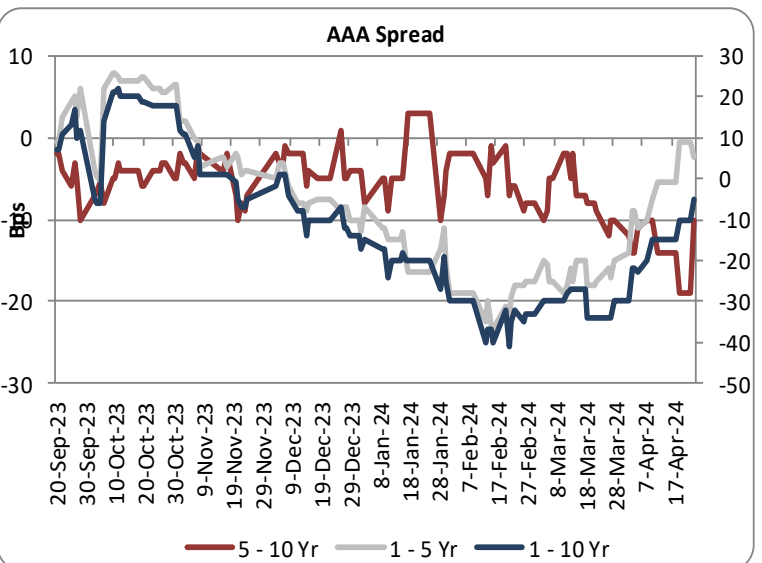
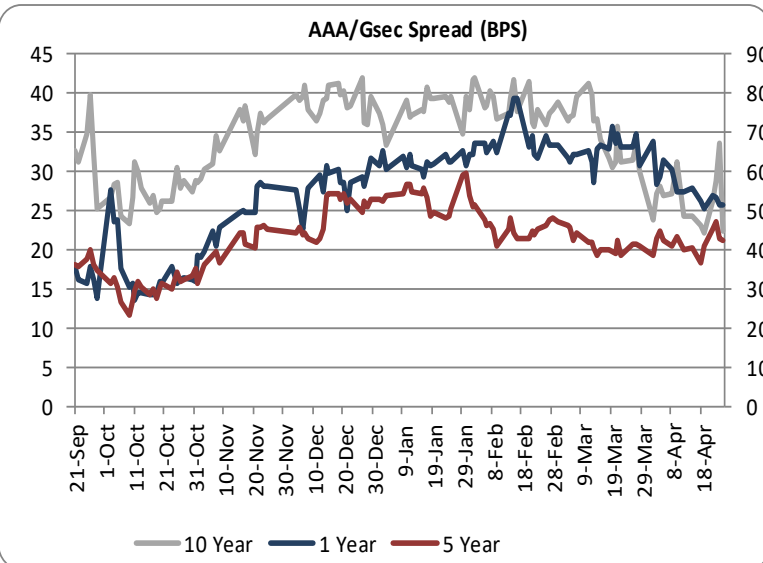
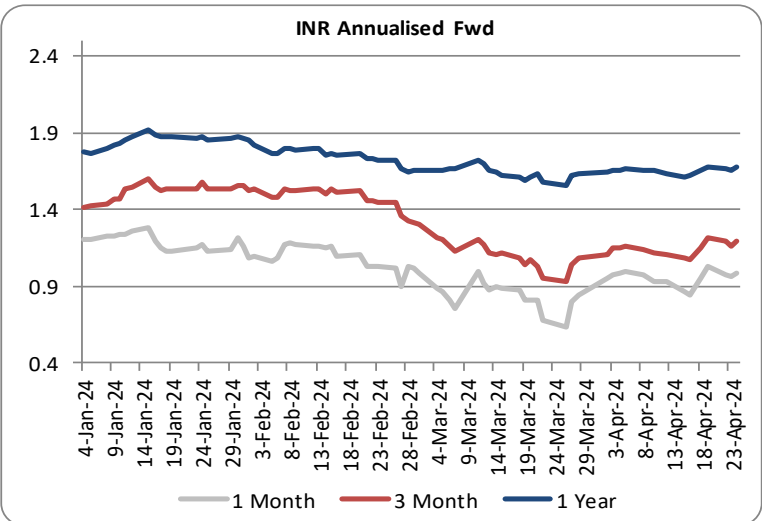
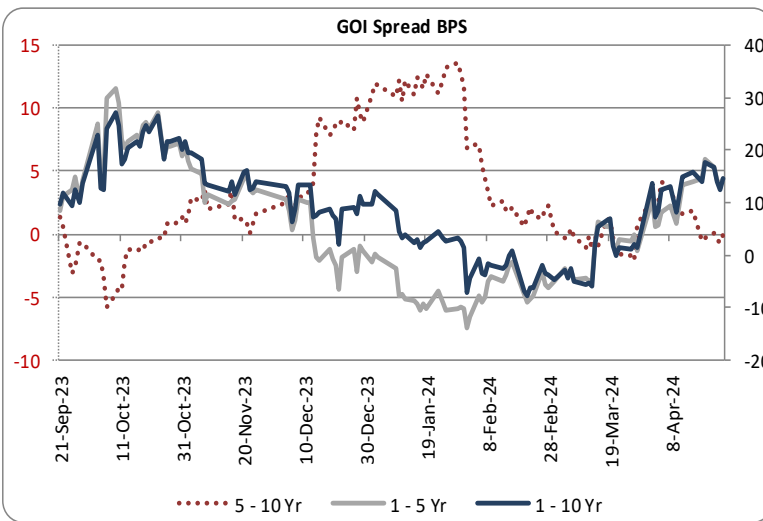
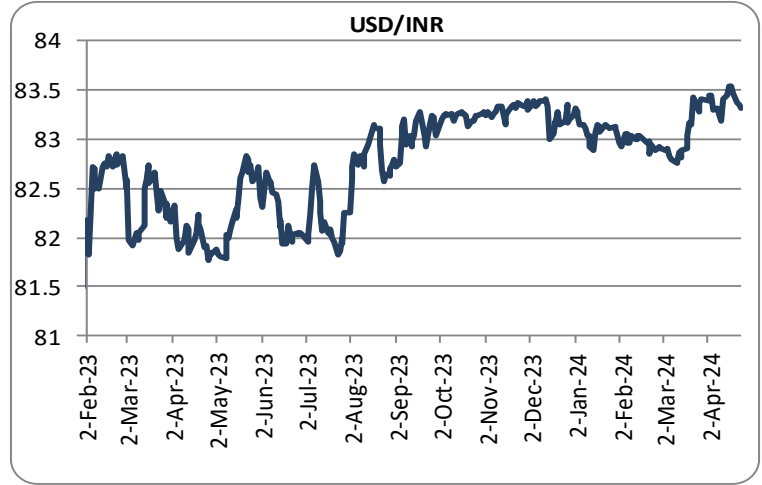
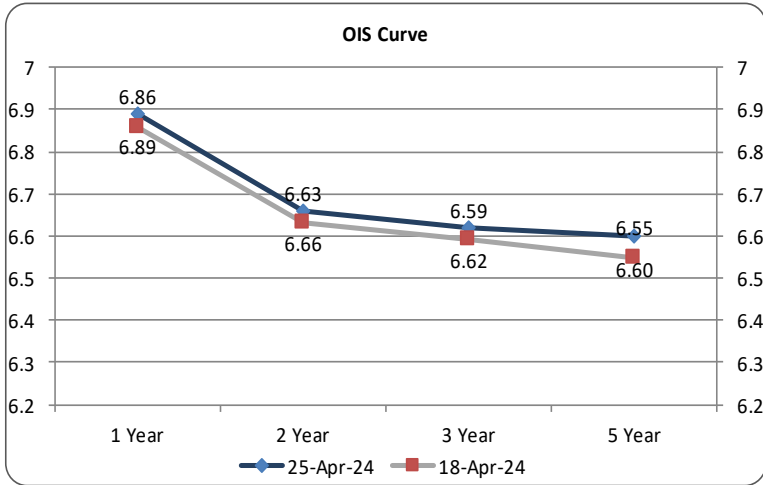
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
25-Apr-24	849	4048	-3200

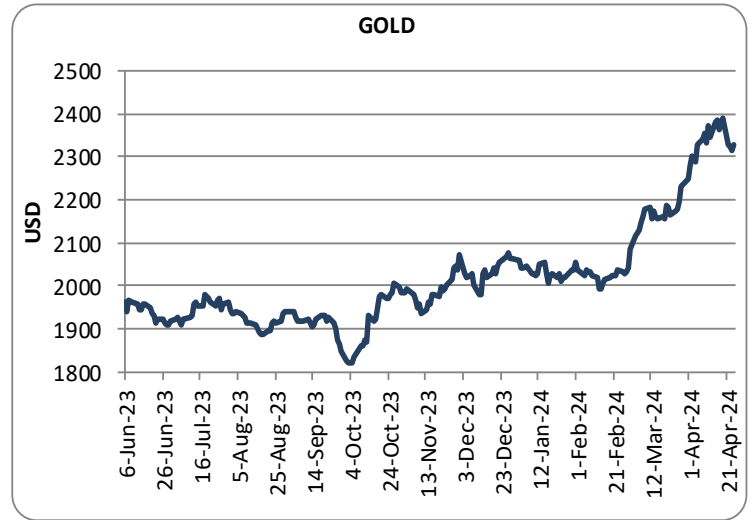
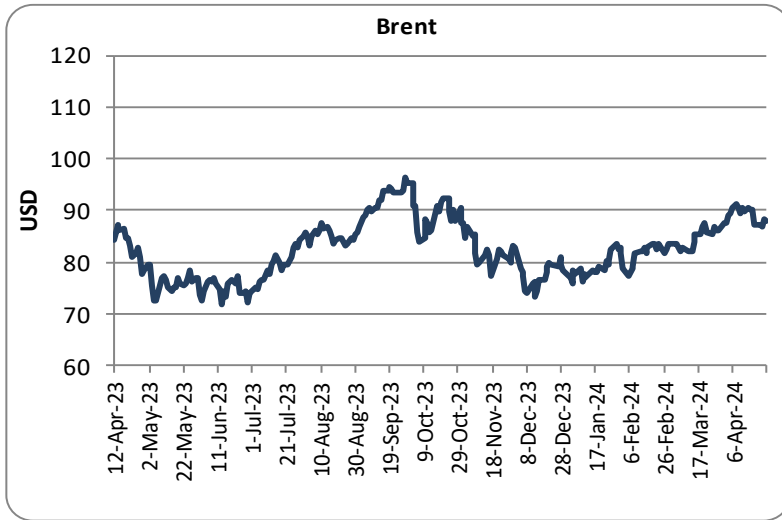
EQUITY	Gross Purchase	Gross Sales	Net Investment
	17198	12970	4227

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
18046	17019	1027

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.

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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