



INDIA

Indian government bond yields ended lower on Thursday after stronger-than-expected demand at the weekly debt auction, and were largely unchanged for the second straight week as investors await the federal budget for further cues.

The benchmark 10-year yield ended at 7.1760%, following its previous close at 7.1835%. Indian markets are shut on Friday for a holiday.

Indian government raised 330 billion rupees (\$3.97 billion) through a sale of bonds earlier in the day, and the benchmark bond likely witnessed strong demand from state-run banks as this was the last auction before the budget announcement on Feb. 1.

Meanwhile, U.S. yields continued to remain elevated, with the 10-year yield hovering close to the key 4.20% level after a strong business activity reading, and before key data on Thursday and Friday, and the Federal Reserve meeting next week.

India's government may keep its gross market borrowing for 2024/25 close to this fiscal year's level as it looks to rein in borrowings.

Strong economic data has led to the trimming of bets over the timing and pace of Fed rate cuts in 2024. The odds of a first rate cut by March have eased to 43% from 56% on Jan. 17.

Oil prices rose on Thursday after data showed U.S. crude stockpiles fell more than expected last week.

The Indian rupee strengthened 0.01% versus the U.S. dollar, and quoted at 83.11 per dollar, after hovering in a tight range through much of the session as traders awaited fresh cues for directional momentum.

Repo: The weighted average call rates in the interbank segment decreased to 6.77% vs 6.78% as on the previous day while that the TREP segment increased to 6.76% vs 6.75% as on the previous day.

GOI Yield	25-Jan	24-Jan	18-Jan	28-Dec
1 Year	7.150	7.150	7.155	7.100
5 Year	7.043	7.061	7.061	7.116
10 Year	7.176	7.184	7.177	7.211

AAA Bmk	25-Jan	24-Jan	18-Jan	28-Dec
1 Year	7.90	7.90	7.90	7.82
5 Year	7.67	7.67	7.67	7.75
10 Year	7.70	7.70	7.70	7.70

CD	25-Jan	24-Jan	18-Jan	28-Dec
3 Month	7.80	7.80	7.60	7.42
6 Month	7.85	7.85	7.75	7.80
1 Year	7.90	7.90	7.90	7.90

CP	25-Jan	24-Jan	18-Jan	28-Dec
3 Month	7.90	7.90	7.75	7.55
6 Month	7.95	7.95	7.85	7.90
1 Year	8.00	8.00	8.00	8.00

OIS Rate	25-Jan	24-Jan	18-Jan	28-Dec
1 Year	6.60	6.62	6.63	6.64
2 Year	6.26	6.27	6.30	6.30
3 Year	6.22	6.22	6.25	6.25
5 Year	6.19	6.18	6.22	6.20

	25-Jan	24-Jan	18-Jan	28-Dec
Sensex	70,701	71,060	71,187	72,410
Nifty	21,353	21,454	21,462	21,779
USD/INR	83.12	83.12	83.12	83.17
Gold (USD)	2,018	2,013	2,023	2,065
Oil (USD)	81.09	80.04	79.10	78.39

NDF	25-Jan	24-Jan	18-Jan	28-Dec
3 Month	83.43	83.46	83.48	83.51
1 Year	84.63	84.69	84.73	84.69
2 Year	87.05	87.10	87.17	87.23
3 Year	89.96	90.00	90.07	90.13

Market Observations

G-sec

- G-sec cut off was in line with market expectation, G-sec rallied post cut off reaching 7.17 levels.
- Demand was seen in 2025 maturity G-sec by foreign banks @7.03 to 7.05 levels.
- 3M maturity t-bill got traded @7.04 levels which is above cut off level as very timid demand was noticed due to tightened system liquidity.

Corporate Bonds

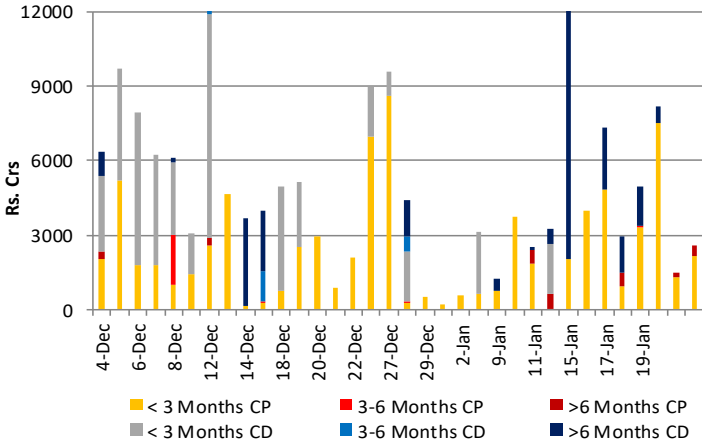
- Banks and Mutual funds were active in the MMY segment.
- Mutual funds were seen selling in the 2025-2028 segment.

CP/CD

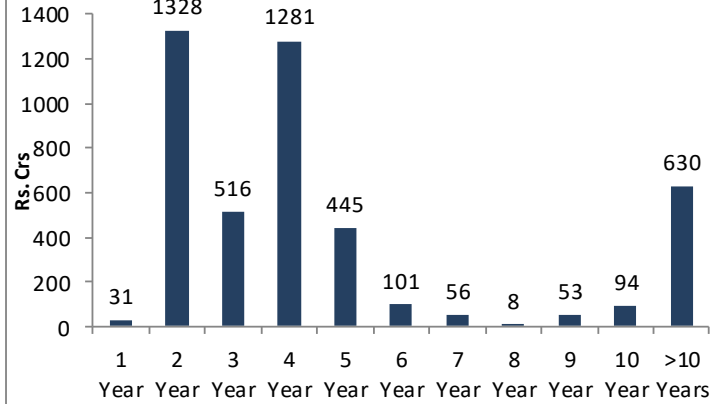
- Demand was seen across all segments.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	25-Jan	24-Jan	18-Jan	28-Dec
India	7.17	7.18	7.18	7.21
US	4.16	4.18	4.14	3.85
South Korea	3.42	3.40	3.38	3.20
Russia	12.24	12.23	12.18	12.32
Brazil	10.64	10.64	10.76	10.35
Germany	2.35	2.34	2.31	1.94
China	2.51	2.52	2.51	2.59

Top Traded Securities	Volume	24-Jan	23-Jan	17-Jan	26-Dec
7.26 2033	305	7.21	7.20	7.19	7.22
7.06 2028	1,000	7.26	7.28	7.28	7.36
7.62 2039	-	7.20	7.20	7.19	0.00
7.30 2053	575	7.36	7.36	7.37	7.41
6.64 2035	200	#N/A	7.26	7.25	7.27
7.40 2035	900	7.26	7.25	7.26	7.29

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
19-Jan-24	3041	3771	-730

EQUITY		
Gross Purchase	Gross Sales	Net Investment
5	15	-10

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
3046	3786	-740

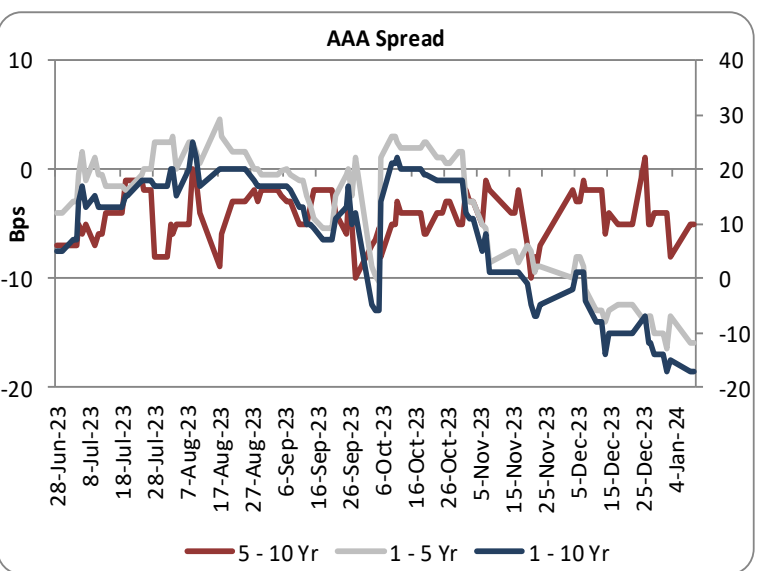
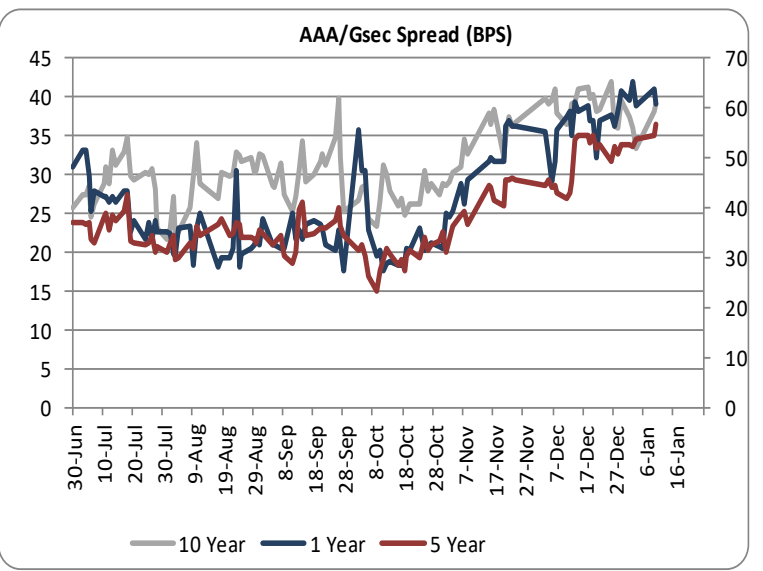
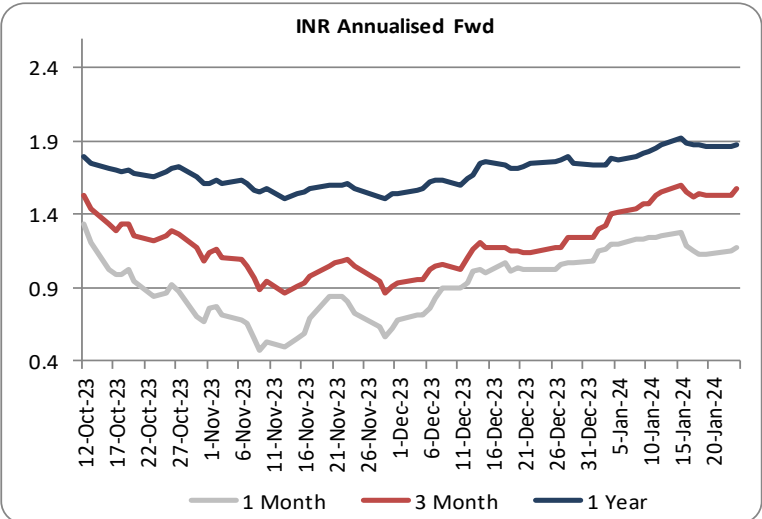
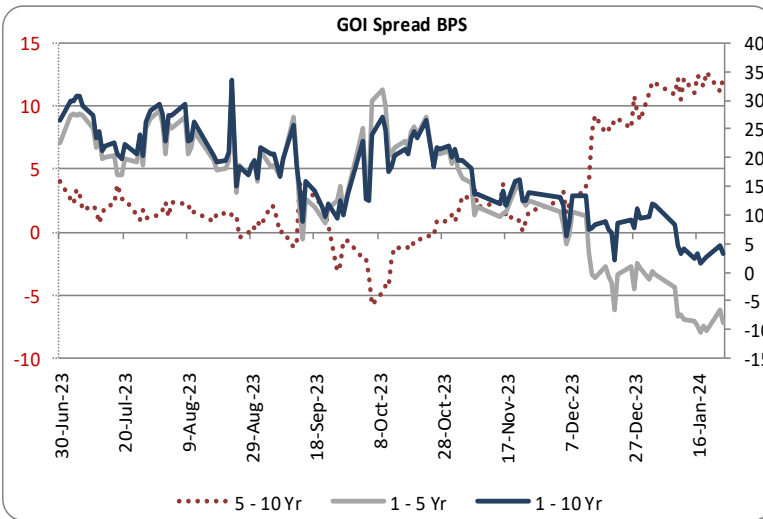
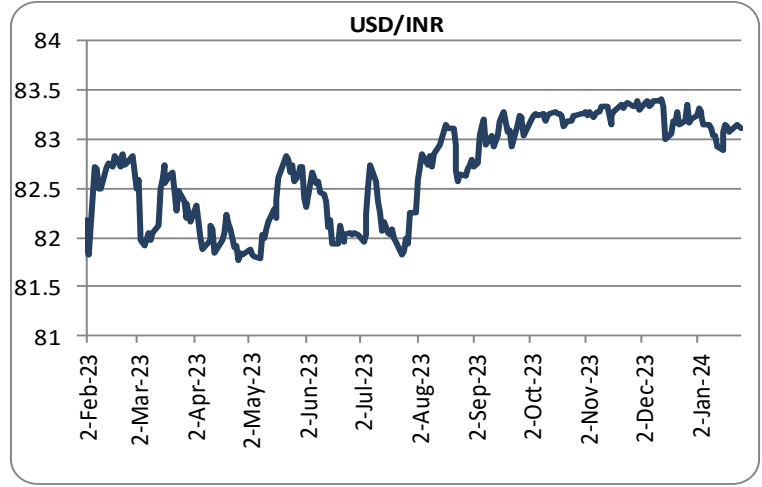
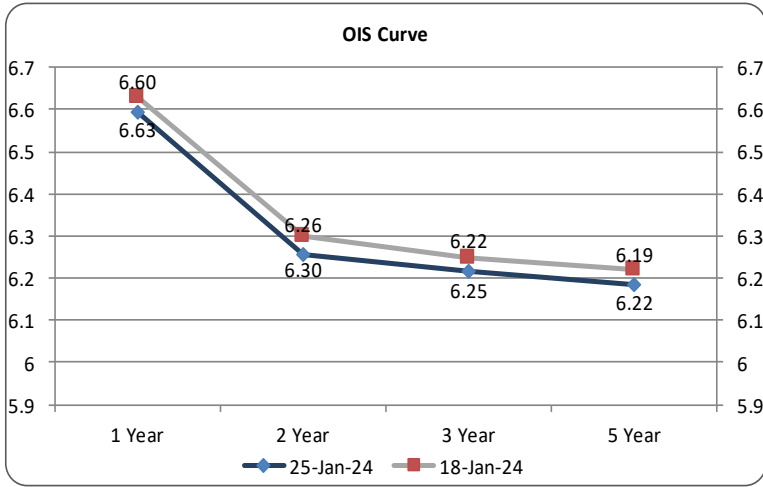
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
25-Jan-24	1497	1357	139

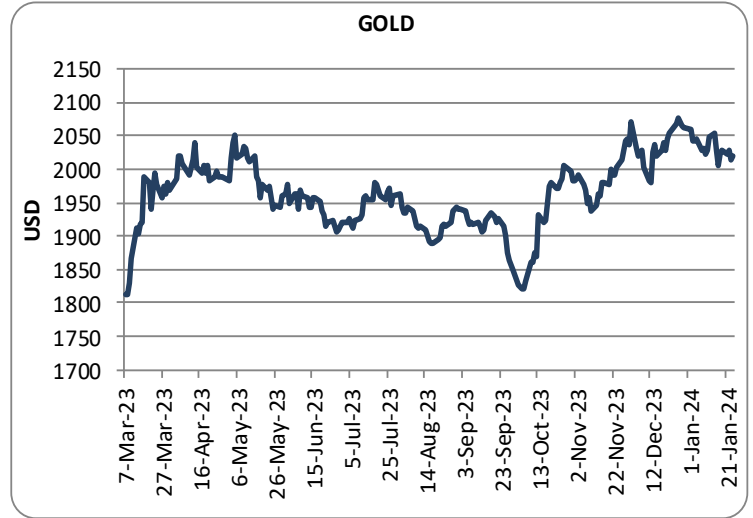
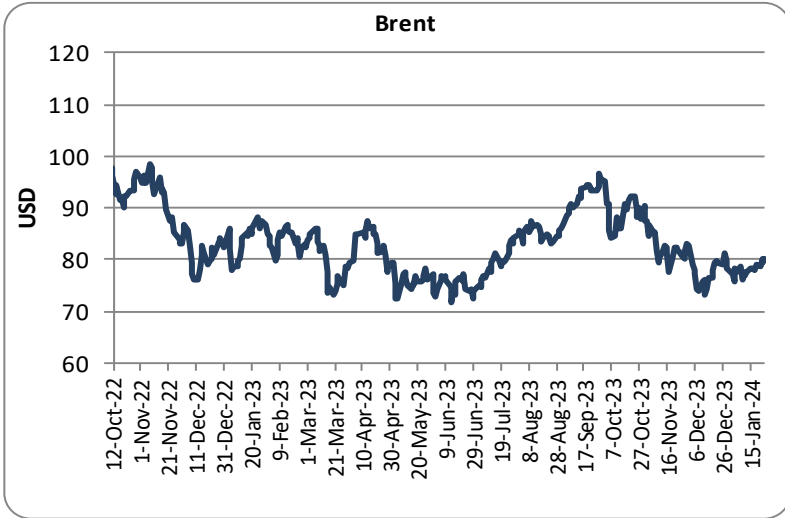
EQUITY		
Gross Purchase	Gross Sales	Net Investment
21836	27262	-5426

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
23332	28619	-5287

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-23	7.6	7.8
CAD (\$ Bn)	Sep-23	-8.3	-9.2
Trade Deficit (\$ Bn)	Sep-23	-61.0	-56.6
WPI (%)	Dec-23	0.7	0.3
CPI (%)	Dec-23	5.7	5.6
IIP (%)	Nov-23	2.4	11.6
PMI Manufacturing	Dec-23	54.9	56
PMI Service	Dec-23	59	56.9

Economic Calender	Country	Date	Poll	Prior
CPI	Japan	19-Jan-24	0	2.8
Retail Sales	UK	19-Jan-24	1.10	0.10
Industrial Output	Poland	22-Jan-24	(5.00)	(0.70)
BOJ Rate Decision	Japan	23-Jan-24	-	(0.10)
Q4 GDP Advance	USA	25-Jan-24	1.80	4.90
Q4 GDP YY	Euro Zone	30-Jan-24	-	-
Retail Sales	Japan	31-Jan-24	-	5.30
CPI	Australia	31-Jan-24	-	5.40





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

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