



BONDWATCH

Daily

INDIA

March 27, 2023

Indian government bond yields ended marginally lower on Monday ahead of a heavy borrowing planned by states for the last week of the current financial year and the April-September borrowing calendar. The 10-year benchmark 7.26% 2032 bond yield ended at 7.3035% after closing at 7.3128% on Friday.

Indian states aim to raise at least 407.14 billion rupees (\$4.94 billion) through the sale of bonds on Tuesday, and the quantum is 70% higher than the planned schedule and also the highest ever by states for a single auction.

Market participants also await the Indian government's borrowing calendar for April-September, which is likely to be released by the end of this week and provide further cues to the market.

The government's borrowing for the first half of the coming financial year is likely to be between 55% and 58% of its gross annual borrowing target of 15.43 trillion rupees, government officials told Reuters earlier this month.

Market participants also await the Reserve Bank of India's monetary policy decision, due on April 6.

The Indian rupee strengthened 0.13% versus the U.S. dollar, and quoted at 82.37 per dollar, helped by likely dollar inflows and healthier risk, traders said.

Repo: The weighted average call rates in the interbank segment increased to 6.63% vs 6.54% as on the previous day while that the TREP segment increased to 6.7% vs 6.54% as on the previous day.

Market Observations

G-sec

- Sell off was seen in 1 to 3M T-Bills by Mutual Funds.
- Demand was seen in 2026 and Jan Feb Mar 2027 maturity SDLs by Mutual Funds.
- 30 and 40 Year Gsec was traded at 7.38 levels.

Corporate Bonds

- Market yields in 1-month papers rose by 10-20 bps.
- 2025-2026-year bonds saw some buying from Mutual Funds and selling from insurance companies.

CP/CD

- In the shorter segment 0-1 month - 1.5month maturity papers there was some selling pressure by Mutual Funds.
- Buyers were corporates and banks.

GOI Yield	27-Mar	24-Mar	20-Mar	27-Feb
1 Year	7.200	7.180	7.200	7.300
5 Year	7.161	7.148	7.190	7.420
10 Year	7.304	7.313	7.336	7.453

AAA Bmk	27-Mar	24-Mar	20-Mar	27-Feb
1 Year	7.83	7.83	7.84	7.78
5 Year	7.70	7.72	7.74	7.80
10 Year	7.75	7.75	7.75	7.93

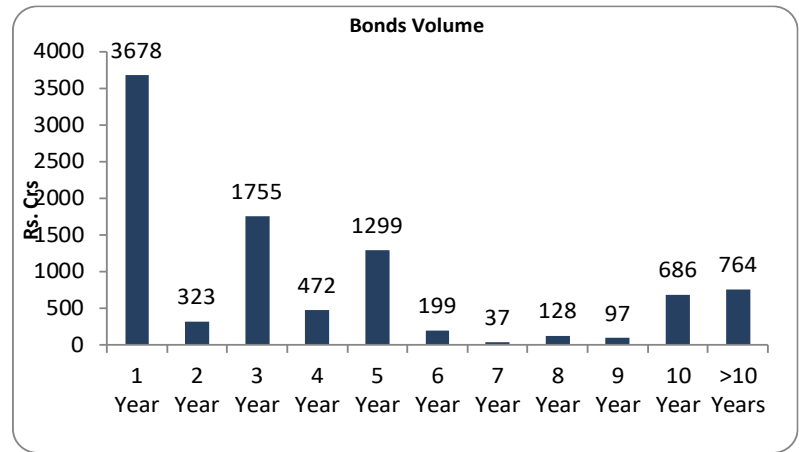
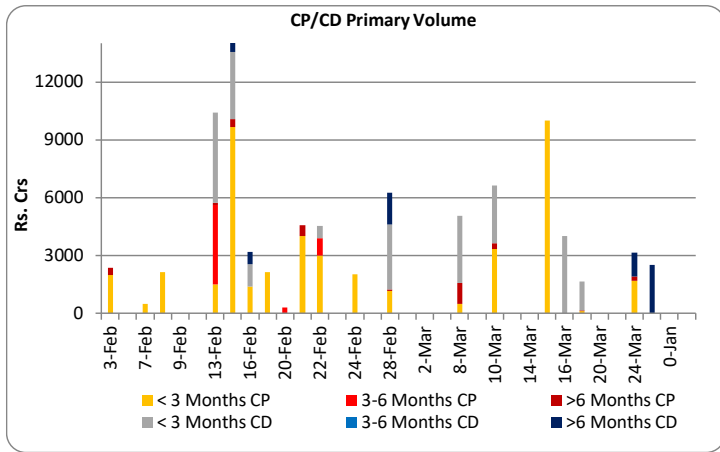
CD	27-Mar	24-Mar	20-Mar	27-Feb
3 Month	7.50	7.30	7.35	7.45
6 Month	7.74	7.60	7.60	7.70
1 Year	7.78	7.75	7.80	7.85

CP	27-Mar	24-Mar	20-Mar	27-Feb
3 Month	7.60	7.40	7.45	7.60
6 Month	7.84	7.70	7.70	7.85
1 Year	7.88	7.85	7.90	8.05

OIS Rate	27-Mar	24-Mar	20-Mar	27-Feb
1 Year	6.74	6.69	6.68	7.06
2 Year	6.30	6.27	6.26	6.80
3 Year	6.22	6.21	6.23	6.71
5 Year	6.23	6.21	6.22	6.72

	27-Mar	24-Mar	20-Mar	27-Feb
Sensex	57,654	57,527	57,629	59,288
Nifty	16,986	16,945	16,988	17,393
USD/INR	82.37	82.48	82.64	82.84
Gold (USD)	1,952	1,977	1,979	1,817
Oil (USD)	75.89	74.99	73.79	82.45

NDF	27-Mar	24-Mar	20-Mar	27-Feb
3 Month	82.79	82.87	83.07	83.21
1 Year	84.30	84.38	84.54	84.50
2 Year	86.83	86.83	87.10	86.45
3 Year	89.83	89.83	89.90	89.00



10 Year Benchmarks	27-Mar	24-Mar	20-Mar	27-Feb
India	7.31	7.32	7.33	7.45
US	3.47	3.38	3.48	3.92
South Korea	3.26	3.21	3.31	3.61
Russia	11.18	11.14	11.19	11.01
Brazil	13.03	13.03	13.05	13.36
Germany	2.24	2.13	2.10	2.59
China	2.86	2.88	2.86	2.92

Top Traded Securities	Volume	27-Mar	24-Mar	20-Mar	27-Feb
5.74 2026	65	7.15	7.16	7.19	7.40
7.38 2027	15	7.16	7.15	7.19	7.42
7.10 2029	215	7.23	7.24	7.28	7.44
6.54 2032	25	7.32	7.33	7.35	7.45
7.26 2032	-	7.30	7.31	7.34	7.45
7.54 2036	-	7.38	7.40	7.41	7.49

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
24-Mar-23	3047	1331	1716

EQUITY		
Gross Purchase	Gross Sales	Net Investment
4504	4759	-255

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
7551	6090	1462

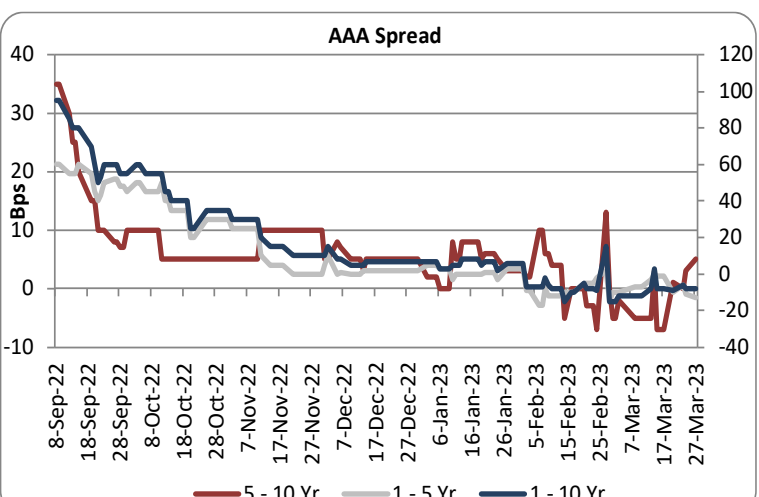
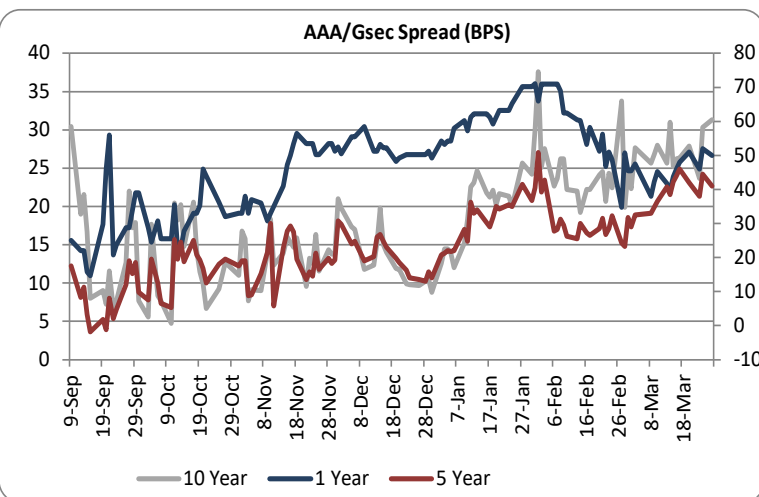
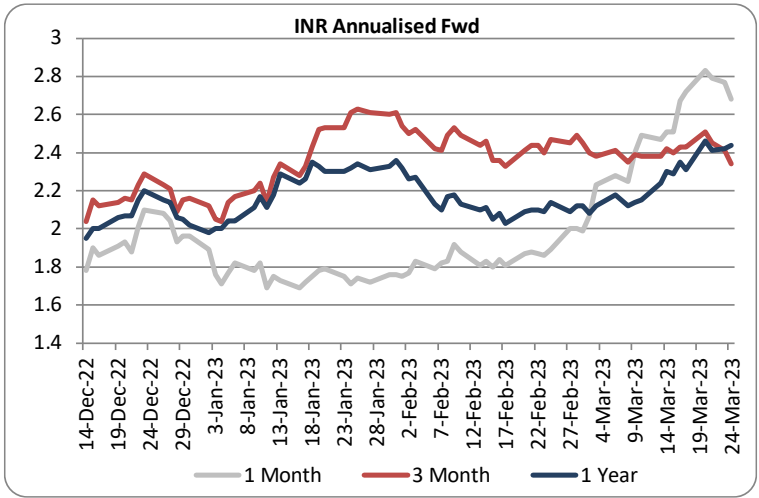
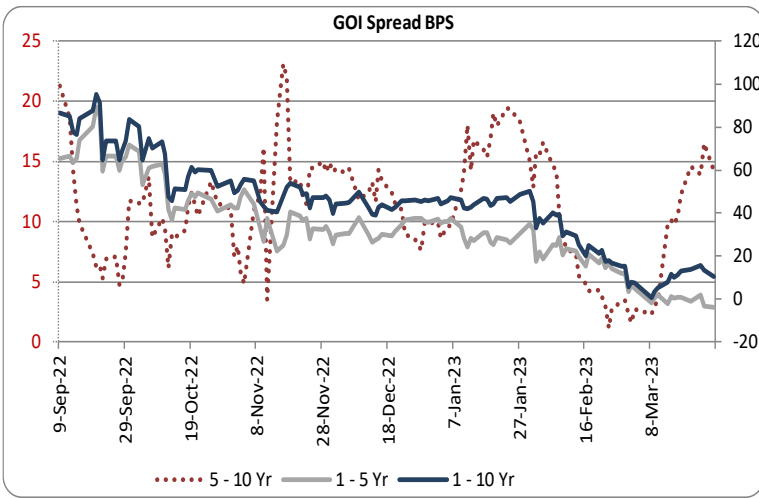
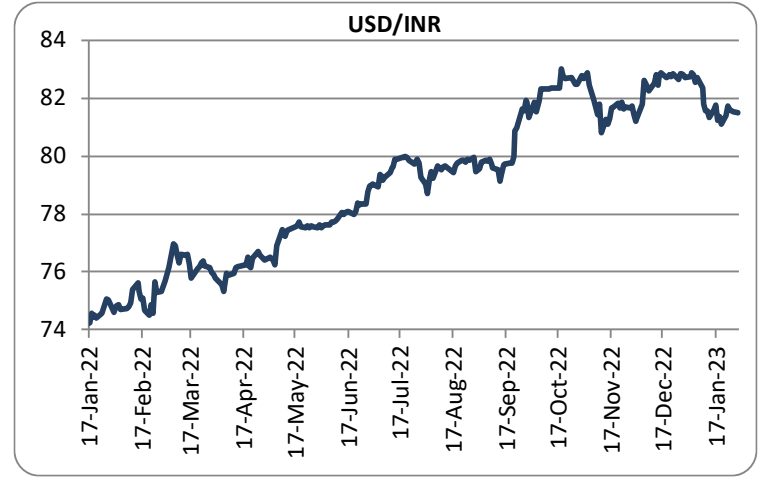
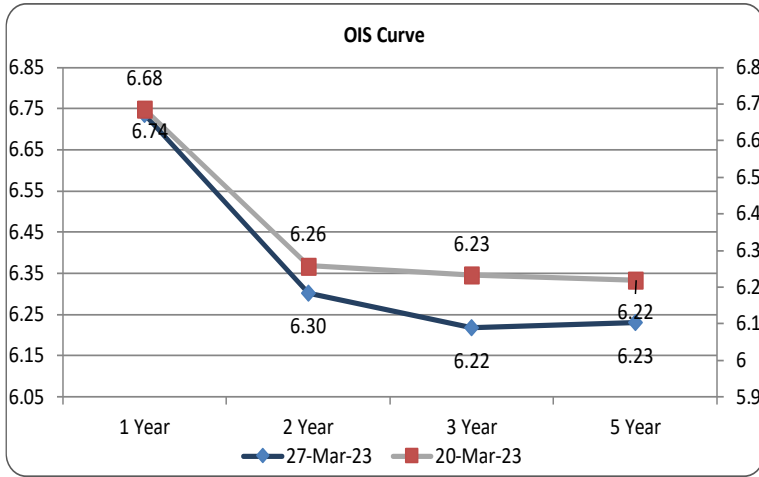
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
26-Mar-23	#N/A	#N/A	#N/A

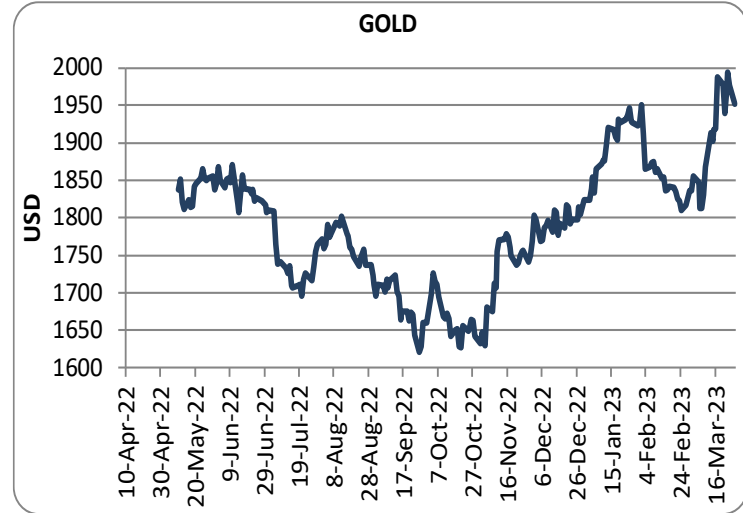
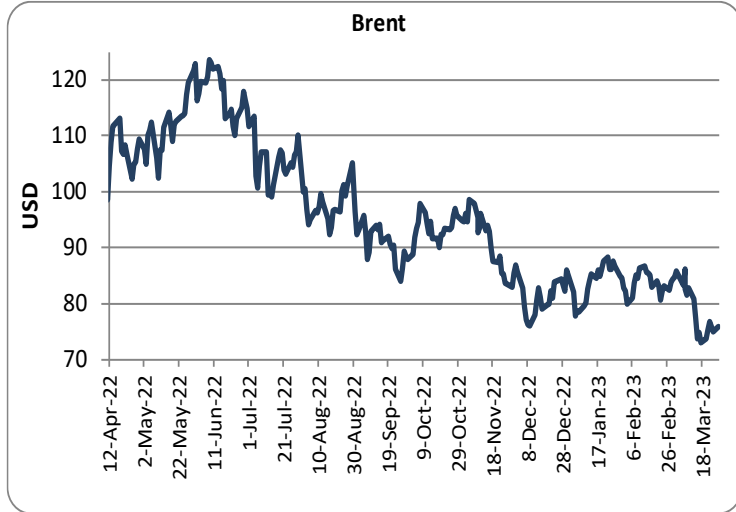
EQUITY		
Gross Purchase	Gross Sales	Net Investment
#N/A	#N/A	#N/A

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
#N/A	#N/A	#N/A

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-22	4.4	6.3
CAD (\$ Bn)	Sep-22	-36.4	-18.2
Trade Deficit (\$ Bn)	Sep-22	-83.5	-68.6
WPI (%)	Feb-23	3.9	4.7
CPI (%)	Feb-23	6.4	6.5
IIP (%)	Jan-23	5.2	4.3
PMI Manufacturing	Feb-23	55.3	55.4
PMI Service	Feb-23	59.4	57.2

Economic Calender	Country	Date	Poll	Prior
Industrial Output	Poland	20-Mar-23	1.00	2.60
Retail Sales	Poland	21-Mar-23	15.00	15.10
CPI	UK	22-Mar-23	-	10.10
CPI	South Africa	22-Mar-23	-	6.90
Unemployment rate	Russia	29-Mar-23	3.80	3.60
Industrial Output	Brazil	30-Mar-23	-	(1.30)
GDP Final	USA	30-Mar-23	-	2.70
Repo Rate	South Africa	30-Mar-23	-	7.25





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

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