



BONDWATCH

Daily

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INDIA

Indian government bond yields ended lower on Friday, tracking a sharp fall in their U.S. peers and after strong demand at a weekly debt sale, while traders await the timing of the central bank's planned debt sale.

The 10-year benchmark bond yield closed at 7.3576%, after ending at 7.3667% in the previous session. The yield ended flat for the week.

U.S. yields fell on Thursday, following the release of weaker-than-expected U.S. inflation and disposable income data that supported expectations that interest rates are close to their peak. The 10-year U.S. yield dropped to around 4.85%, from a peak of over 5% earlier this week.

Traders also await the U.S. Federal Reserve's policy meeting next week, where the central bank is expected to keep rates unchanged, But the focus will be on Chair Jerome Powell's commentary.

Back home, market participants remain worried about the Reserve Bank of India's (RBI) first open market (OMO) sale of bonds. The OMO sales, being conducted to absorb excess liquidity, could start once government spending picks up and the durable liquidity surplus improves.

Oil prices rose by more than \$2 a barrel on Friday as investors priced in fears of an escalation of conflict in the Middle East which could disrupt oil supplies.

The Indian rupee weakened 0.02% versus the U.S. dollar, and quoted at 83.2450 per dollar after trading in a narrow range on Friday on a lack of fresh triggers and amid intermittent dollar sales by the central.

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

GOI Yield	27-Oct	26-Oct	20-Oct	27-Sep
1 Year	7.143	7.150	7.128	7.070
5 Year	7.350	7.358	7.369	7.177
10 Year	7.358	7.367	7.363	7.170

AAA Bmk	27-Oct	26-Oct	20-Oct	27-Sep
1 Year	7.60	7.60	7.57	7.52
5 Year	7.81	7.81	7.82	7.67
10 Year	7.78	7.78	7.76	7.62

CD	27-Oct	26-Oct	20-Oct	27-Sep
3 Month	7.20	7.20	7.25	7.05
6 Month	7.45	7.45	7.45	7.20
1 Year	7.70	7.70	7.75	7.50

CP	27-Oct	26-Oct	20-Oct	27-Sep
3 Month	7.30	7.30	7.35	7.15
6 Month	7.55	7.55	7.55	7.30
1 Year	7.80	7.80	7.85	7.60

OIS Rate	27-Oct	26-Oct	20-Oct	27-Sep
1 Year	6.96	6.99	7.00	7.06
2 Year	6.71	6.75	6.78	6.81
3 Year	6.69	6.74	6.77	6.77
5 Year	6.70	6.76	6.76	6.75

	27-Oct	26-Oct	20-Oct	27-Sep
Sensex	63,783	63,148	65,398	66,119
Nifty	19,047	18,857	19,543	19,716
USD/INR	83.25	83.23	83.12	83.22
Gold (USD)	1,980	1,985	1,981	1,875
Oil (USD)	89.57	87.93	92.16	96.55

NDF	27-Oct	26-Oct	20-Oct	27-Sep
3 Month	83.54	83.64	83.55	83.61
1 Year	84.75	84.84	84.63	84.83
2 Year	86.85	86.88	86.66	86.93
3 Year	89.21	89.23	88.96	89.73

Market Observations

G-sec

- G-sec cutoff was in line with market expectations. New 3-year G-sec cutoff was 7.33.
- Demand was seen in 3 and 6-month T-bill by Mutual funds.
- Selling was seen in 7-year illiquid G-sec by foreign banks around 500 crores @ 7.41 levels.

Corporate Bonds

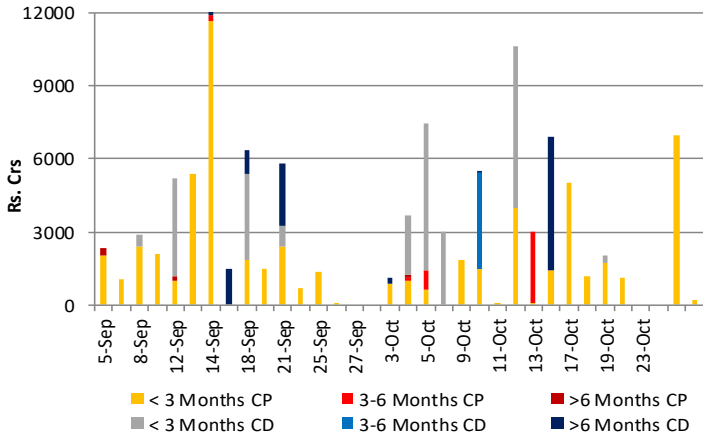
- Mutual funds were active in the 2026-2028 segment.

CP/CD

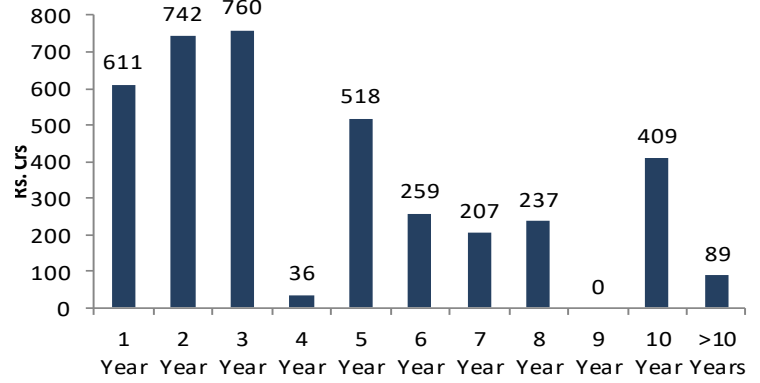
- Activity was seen in the 1 to 6-month segments.



CP/CD Primary Volume



Bonds Volume



10 Year Benchmarks	27-Oct	26-Oct	20-Oct	27-Sep
India	7.36	7.37	7.37	7.17
US	4.87	4.85	4.92	4.63
South Korea	4.28	4.39	4.33	4.03
Russia	12.56	12.45	12.35	12.76
Brazil	11.60	11.60	11.96	12.07
Germany	2.84	2.85	2.88	2.83
China	2.73	2.73	2.73	2.72

Top Traded Securities	Volume	27-Oct	26-Oct	20-Oct	28-Sep
7.26 2033	1,055	7.40	7.41	7.41	7.28
7.06 2028	1,370	7.36	7.36	7.37	7.25
7.62 2039	50	0.00	7.50	7.48	7.36
7.30 2053	360	7.45	7.48	7.47	7.35
6.64 2035	-	#N/A	7.47	7.44	7.32
7.40 2035	-	7.47	7.47	7.44	7.34

MF	DEBT		
	Gross Purchase	Gross Sales	Net Investment
18-Oct-23	6033	5077	956

MF	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
18-Oct-23	6401	8807	-2405

MF	TOTAL (Rs.Crs)		
	Gross Purchase	Gross Sales	Net Investment
18-Oct-23	12434	13883	-1449

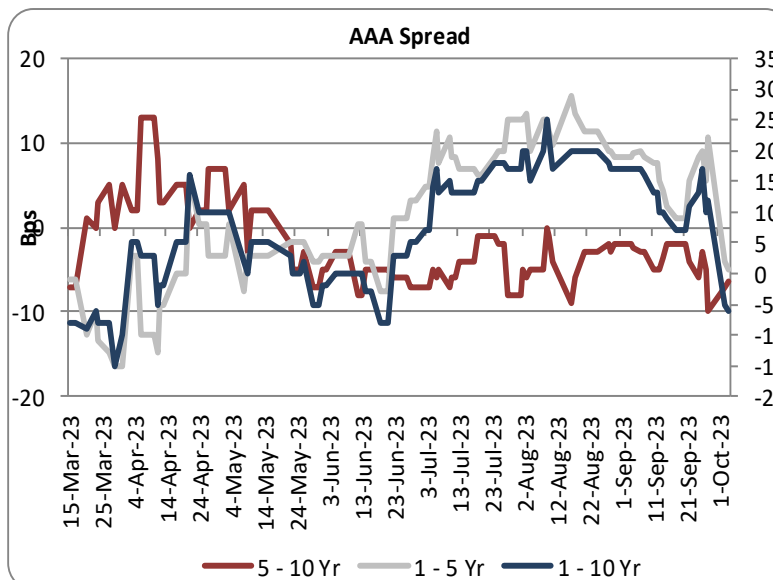
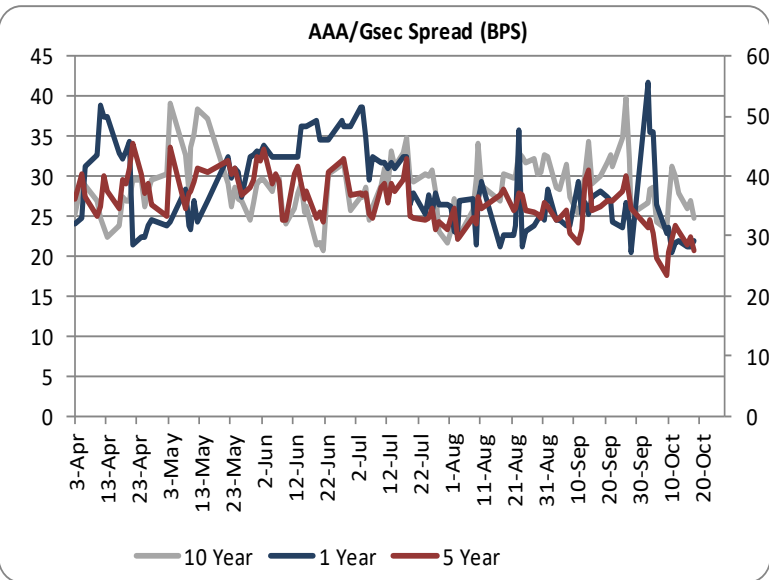
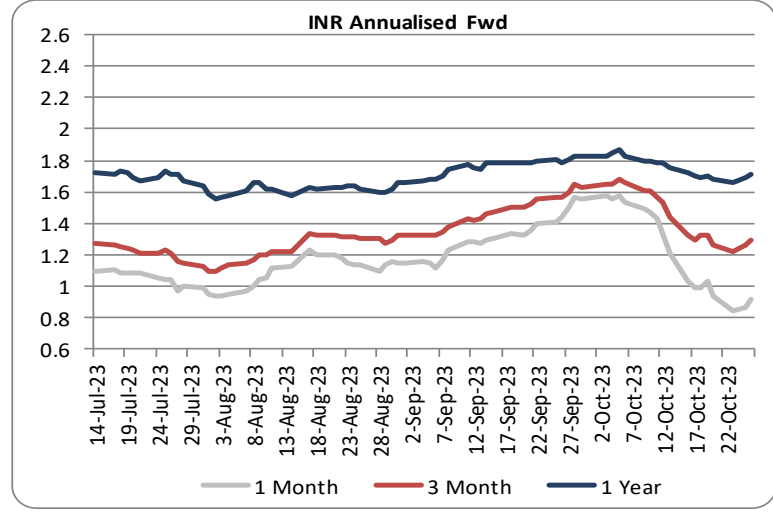
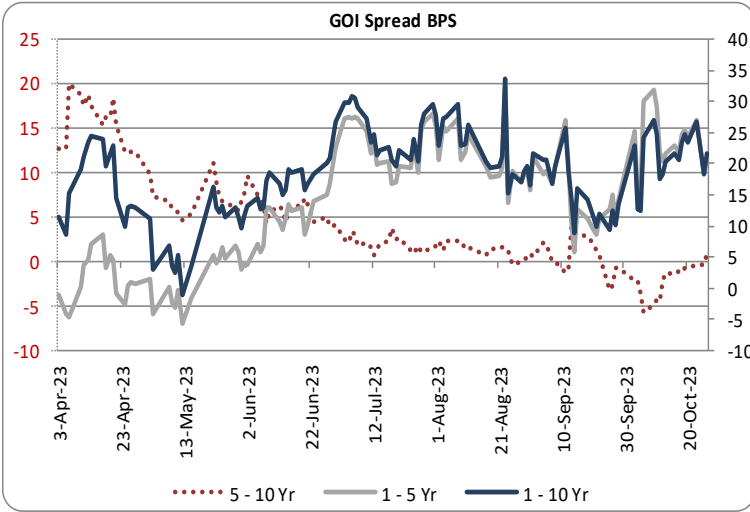
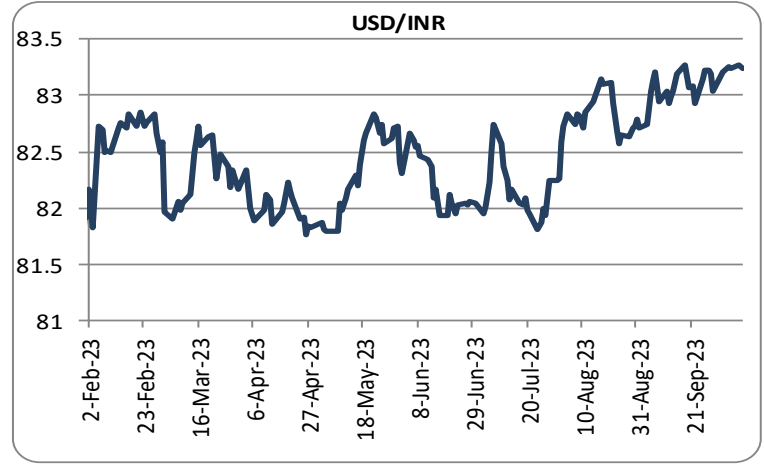
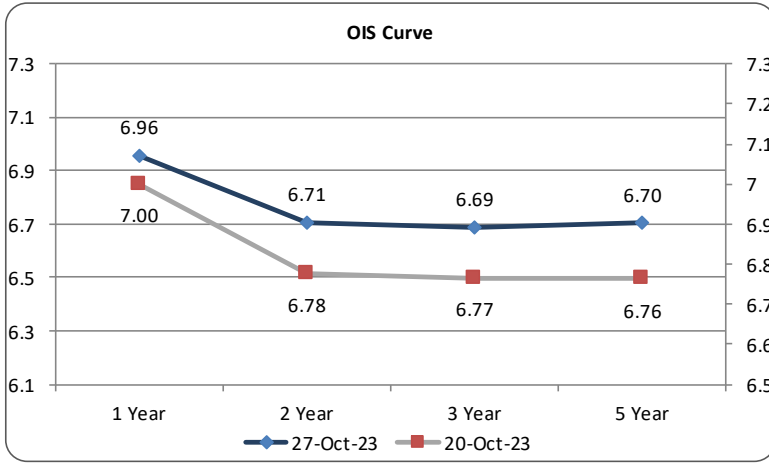
FII	DEBT		
	Gross Purchase	Gross Sales	Net Investment
27-Oct-23	363	559	-196

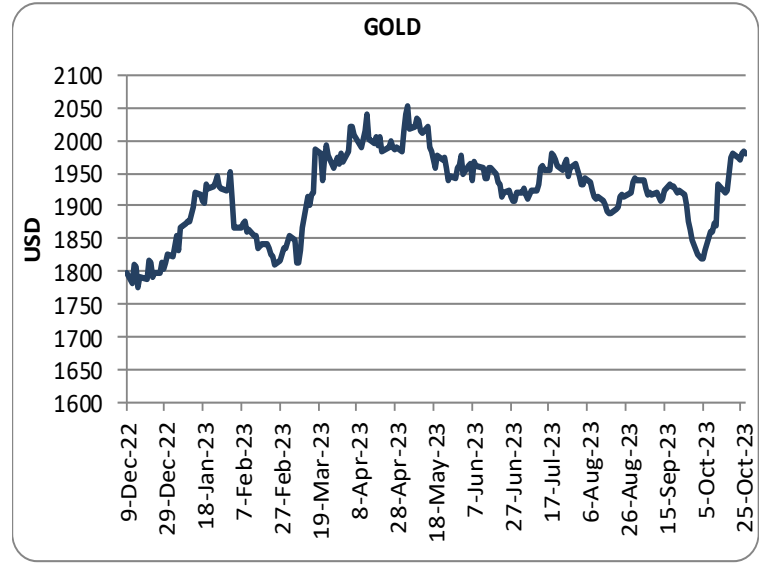
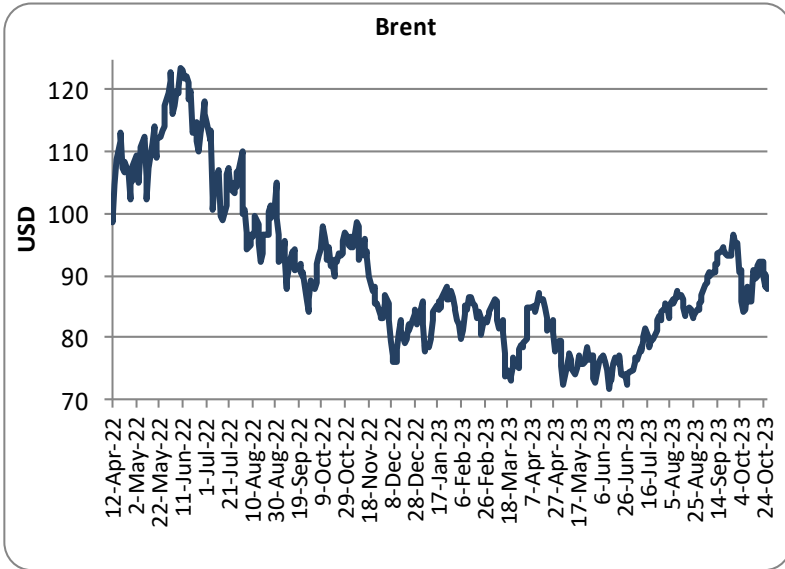
FII	EQUITY		
	Gross Purchase	Gross Sales	Net Investment
27-Oct-23	11830	18226	-6396

FII	TOTAL (Rs. Crs)		
	Gross Purchase	Gross Sales	Net Investment
27-Oct-23	12192	18785	-6593

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-23	7.8	6.1
CAD (\$ Bn)	Jun-23	-9.2	-1.3
Trade Deficit (\$ Bn)	Jun-23	-56.6	-52.6
WPI (%)	Sep-23	-0.3	-0.5
CPI (%)	Sep-23	5.0	6.8
IIP (%)	Aug-23	10.3	5.7
PMI Manufacturing	Sep-23	57.5	58.6
PMI Service	Sep-23	61	60.1

Economic Calender	Country	Date	Poll	Prior
CPI	Japan	27-Oct-23	0	2.8
CPI	Germany	30-Oct-23	-	4.50
Unemployment Rate	Japan	31-Oct-23	-	2.70
Retail Sales	Japan	31-Oct-23	-	7.00
GDP Q3	Euro Zone	31-Oct-23	-	0.50
Fed fund rate	USA	01-Nov-23	5.25-5.5	5.25-5.5
BOE bank Rate	UK	02-Nov-23	5.25	5.25
Unemployment Rate	Euro Zone	03-Nov-23	-	6.40





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

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