



- ❖ The benchmark 6.54% bond maturing in 2032 ended at 97.85 rupees, yielding 6.84%, against 98.26 rupees and 6.78% yesterday. The benchmark bond yield jumped 67 basis points in this financial year, after rising just four basis points in the previous year, and also posting its biggest rise in the last four years.
- ❖ The bond yield rose seven basis points in March, marking its fourth consecutive monthly gain. It was up 39 basis points for the quarter, the biggest such move since the quarter ended June 2018, and after rising 23 bps in October-December. The Indian rupee was at 75.79 to the dollar, down 3.7% in this financial year, after rising 3.2% in the previous fiscal.
- ❖ India gross borrowed 9.95 trillion rupees through sale of bonds this year and an additional 1.59 trillion rupees for on-lending to financially constrained states. Even though the central bank's regular debt purchases ensured bond yields remained largely steady in the first six months of the year, they have soared continuously since they stopped such purchases.
- ❖ The benchmark Brent crude contract had jumped to a near 14-year high of over \$139 per barrel. It was last trading at \$108 per barrel, up 40% in January-March and gained 71% in the last 12 months.
- ❖ The Indian rupee weakened against the U.S. currency in this fiscal year, that saw it plunging to a record low in early March as the fallout of the geopolitical conflict in Ukraine roiled energy markets, eroding demand for risk assets. The rupee ended the fiscal year at 75.79 per dollar, down 3.7%, compared with 73.11 a year earlier. On the day, it advanced 0.2%, from 75.91 on Wednesday. It had gained 3.2% in the last fiscal year.
- ❖ Repo: The weighted average call rates in the interbank segment increased to 3.56% vs 3.30% as on previous day while that in the TREP segment increased to 3.64% vs 3.38% as on previous day.

Market Observations

G-sec

- Bond yields surged this fiscal year, with the benchmark yield posting its biggest spike in the last four years, tracking a sharp uptick in oil as well as U.S. Treasury rates, while the Reserve Bank of India halting its purchase of government bonds in the second half further aggravated the move.

Corporate Bonds

- Mutual Funds and banks were keen in the shorter end and while some corporates, PFs and insurance companies were keen in the longer end.
- Oil prices fell on news that the U.S. is releasing one million barrels of oil per day from strategic reserves for several months to calm price volatility.

CP/CD

- Demand was seen in the shorter to 3month maturity papers. Mutual Funds were buying today. Overnight rates shot up by over 40 BPS as banks rushed to borrow.
- Banking system liquidity saw a sharp fall in the last week due to tax outflows and year end requirements (5.6 trillion Rs). However going forward liquidity will stay higher (6.75 trillion Rs) due to govt spending and surplus accumulation at the start of the FY.

GOI Yield	31-Mar	30-Mar	23-Mar	28-Feb
1 Year	4.560	4.560	4.560	4.550
5 Year	6.101	6.044	6.089	5.970
10 Year	6.843	6.784	6.831	6.770

AAA Brnk	31-Mar	30-Mar	23-Mar	28-Feb
1 Year	5.00	5.00	5.05	4.90
5 Year	6.35	6.40	6.45	6.30
10 Year	7.05	7.05	7.10	7.00

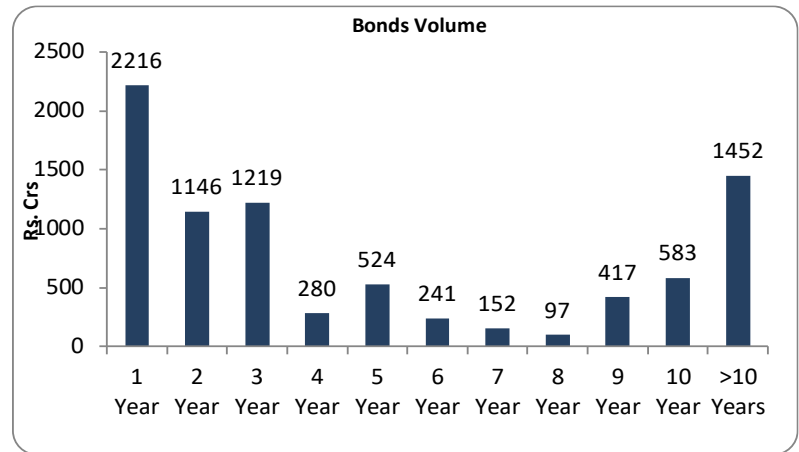
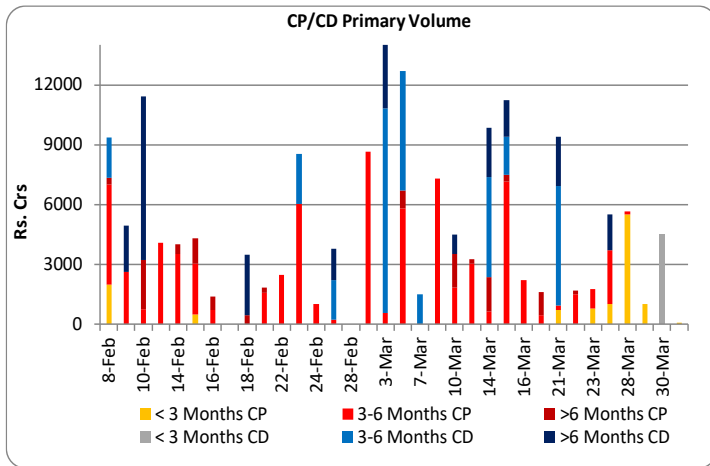
CD	31-Mar	30-Mar	23-Mar	28-Feb
3 Month	4.00	4.00	3.90	3.90
6 Month	4.70	4.70	4.65	4.40
1 Year	5.00	5.00	4.95	4.80

CP	31-Mar	30-Mar	23-Mar	28-Feb
3 Month	4.50	4.50	4.45	4.05
6 Month	5.05	5.05	5.00	4.60
1 Year	5.40	5.40	5.35	5.10

OIS Rate	31-Mar	30-Mar	23-Mar	28-Feb
1 Year	4.48	4.49	4.50	4.32
2 Year	5.07	5.08	5.11	4.87
3 Year	5.49	5.20	5.51	5.30
5 Year	5.97	5.99	6.00	5.76

	31-Mar	30-Mar	23-Mar	28-Feb
Sensex	58,569	58,684	57,685	56,247
Nifty	17,465	17,498	17,246	16,794
USD/INR	75.79	75.91	76.30	75.34
Gold (USD)	1,932	1,933	1,943	1,908
Oil (USD)	107.05	113.45	121.60	100.99

NDF	31-Mar	30-Mar	23-Mar	28-Feb
3 Month	76.51	76.57	77.19	76.01
1 Year	78.84	78.75	79.36	78.33
2 Year	81.65	81.90	82.73	81.78
3 Year	84.65	84.89	85.88	85.33



10 Year Benchmarks	31-Mar	30-Mar	23-Mar	28-Feb
India	6.84	6.78	6.83	6.77
US	2.32	2.36	2.29	1.82
South Korea	2.97	2.89	2.83	2.68
Russia	11.30	11.71	13.85	12.46
Brazil	11.35	11.35	11.76	11.32
Germany	0.58	0.66	0.48	0.16
China	2.82	2.80	2.84	2.79

Top Traded Securities	Volume	31-Mar	30-Mar	23-Mar	28-Feb
5.15 GOI 2025	1230	5.84	5.80	5.85	5.77
5.63 GOI 2026	85	6.02	5.97	6.04	5.97
5.74 GOI 2026	2065	6.10	6.04	6.09	6.05
6.54 GOI 2032	130	6.84	6.78	6.83	6.77
6.64 GOI 2035	0	7.16	7.11	7.16	7.04
6.67 GOI 2035	60	7.14	7.09	7.15	7.01

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
29-Mar-22	639	259	380

EQUITY		
Gross Purchase	Gross Sales	Net Investment
2598	2062	536

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
3237	2321	916

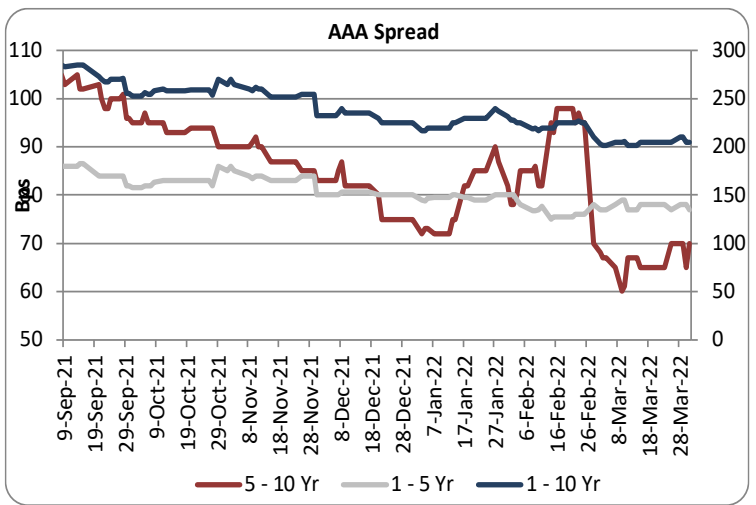
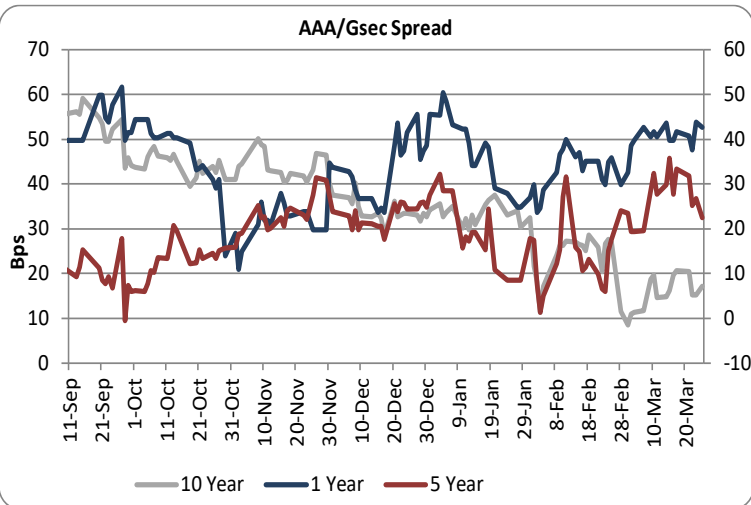
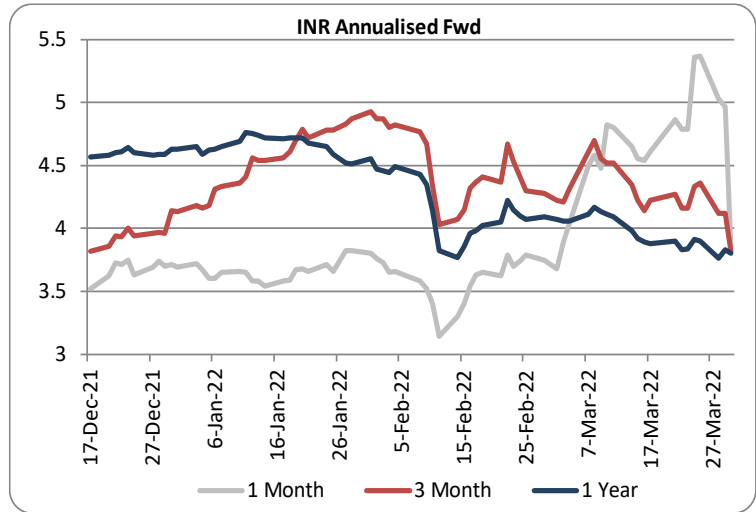
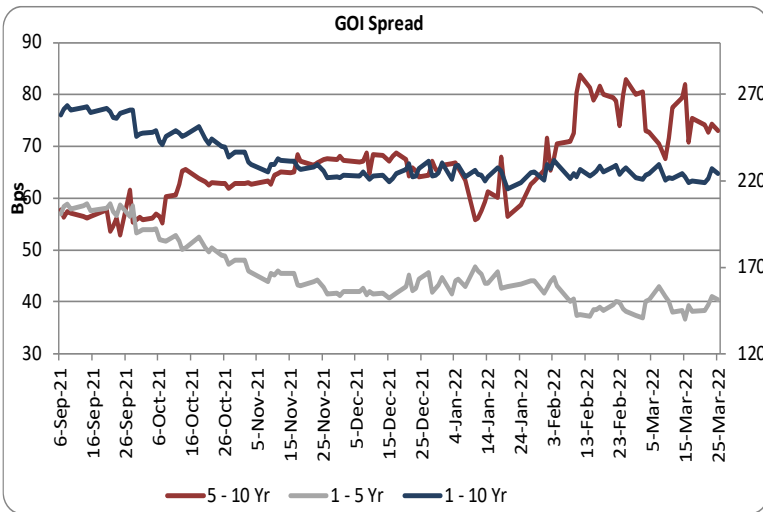
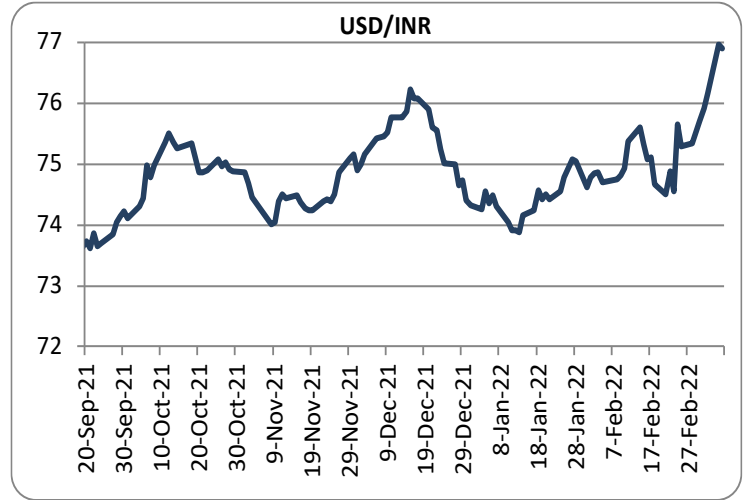
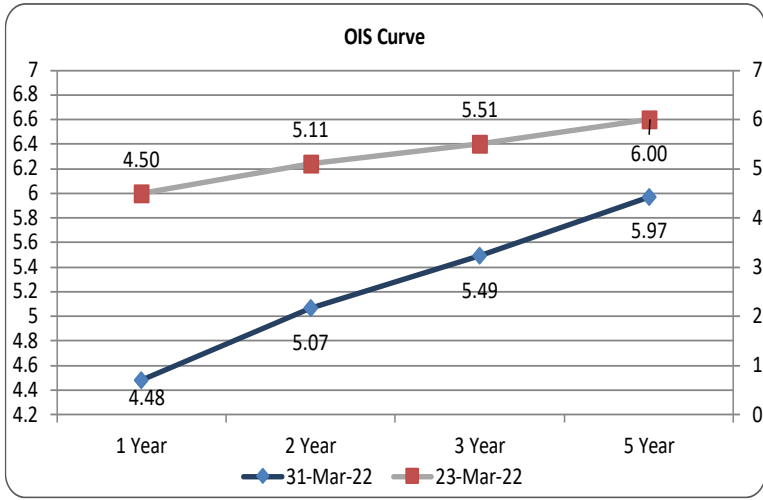
DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
31-Mar-22	1103	1025	78

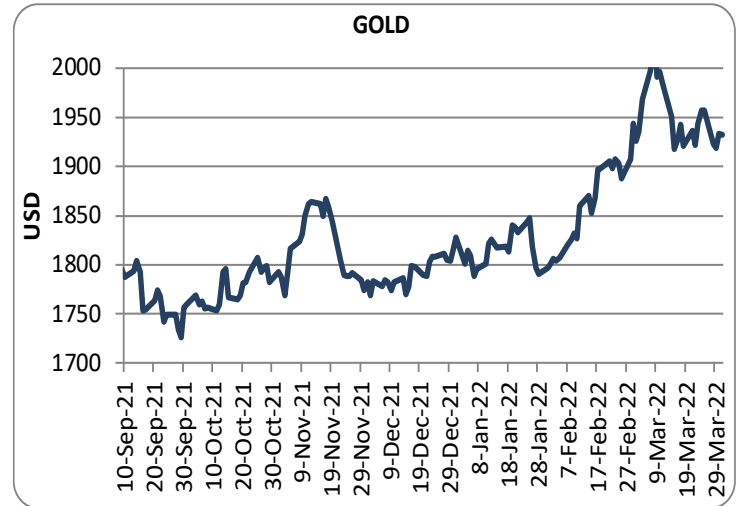
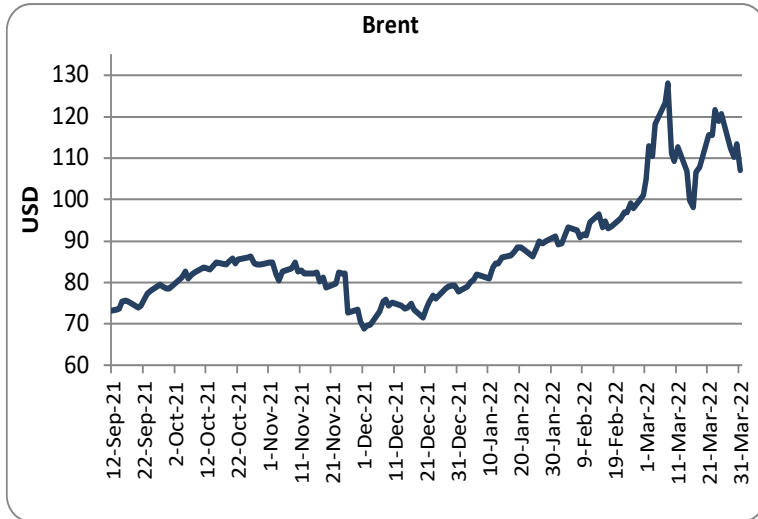
EQUITY		
Gross Purchase	Gross Sales	Net Investment
10725	8342	2383

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
11828	9366	2461

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-21	5.4	8.4
CAD (\$ Bn)	Dec-21	-23.0	-9.6
Trade Deficit (\$ Bn)	Dec-21	-60.4	-44.4
WPI (%)	Feb-22	13.1	13.0
CPI (%)	Feb-22	6.1	6.0
IIP (%)	Jan-22	1.3	0.4
PMI Manufacturing	Feb-22	54.9	54
PMI Service	Feb-22	51.8	51.5

Economic Calender	Country	Date	Poll	Prior
Unemployment Rate	Japan	29-Mar-22	-	2.80
GDP	UK	30-31-Mar-22	-	6.50
GDP Final	USA	30-Mar-22	7.10	7.00
Industrial Output	South Korea	31-Mar-22	-	4.30
Unemployment Rate	USA	01-Apr-22	3.70	3.80
Reverse Repo Rate	India	08-Apr-22	-	3.35
Repo Rate	India	08-Apr-22	-	4.00
Retail Sales	Euro Zone	06-Apr-22	-	0.20





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

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