

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.951	-0.074
BRENT OIL	79.66	0.63
GOLD	2,473.4	0.41
India 10Y	6.8801	-0.016
US 10 YR	3.944	-1.325
NIFTY 50	24,347	-0.084
SENSEX	79,648.92	-0.071

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.7400	6.7250
G-SEC 2028	6.8022	6.7922
G-SEC 2033	6.9249	6.9193
G-SEC 2037	6.9462	6.9442
G-SEC 2053	7.0335	7.0323
SDL 2027	7.00	-
SDL 2033	7.2139	7.2554

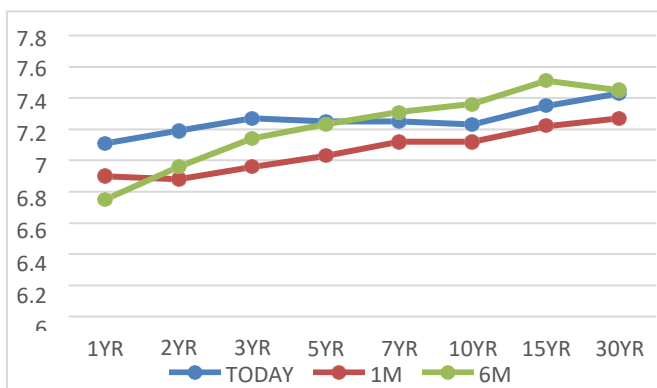
ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 236-B 7.56 BD 31AG27 FVRS1LAC	7.4999	100.1690
HDFC BANK LIMITED SR US004 7.65 NCD 25MY33 FVRS1LAC	7.6367	100.0150
GODREJ PROPERTIES LIMITED SR 1 8.40 NCD 25JN28 FVRS1LAC	8.3450	100.2202
SHRIRAM FINANCE LIMITED SR PPSP I SD TR 6 9.10 NCD 20JU34 FVRS1CR	8.9541	100.86
TATA CAPITAL HOUSING FINANCE LIMITED SR A 8.05 NCD 18JU29 FVRS1LAC	7.9692	100.2580

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.5275	6.5650	6.2500	6.2600	6.090	6.1325

INDIA YIELD CURVE



BOND MARKET

The 10-year benchmark recorded a close of 6.8801%, ending 0.11 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.8691 to 6.8815 during the day.

DOMESTIC BROADCAST

RBI announced the auctions of Government of India dated securities of 34,000 crores namely 7.02% GS 2031 for 11,000 crores, 7.23% GS 2039 for 12,000 crores, and 7.46% GS 2073 for 11,000 crores. The auction will be conducted on 16TH August 2024.

Combined inflation (rural and urban) declined to 3.54% in July 2024, compared to 7.44% in July 2023. This was the first time in nearly five years that overall retail inflation fell below the Reserve Bank of India's 4% inflation target

On August 11, the RBI reported no money market activity in the overnight and term segments. Under RBI operations, MSF saw ₹1139 crore at 6.75%, and SDF saw ₹58,431 crore at 6.25%. The net liquidity absorbed totaled ₹57,292 crore.

GLOBAL BROADCAST

Italian EU-harmonized consumer prices (HICP) fell by 0.9% month-on-month in July and rose 1.6% year-on-year, according to revised data from ISTAT. This marks an increase from June's 0.9% annual rise. The main domestic price index (NIC) increased by 0.4% monthly and 1.3% annually, while core inflation (excluding fresh food and energy) rose to 2.4% year-on-year in July, up from 2.1% in June.

The French economy is expected to grow at least 0.35% in the third quarter, aided by a temporary boost from Olympic Games-related activities, with underlying growth forecasted at 0.1%-0.2%, according to the central bank.

Oil prices continued their upward momentum for the fifth consecutive session on Monday, with Brent crude increasing by 0.9% to \$80.39 per barrel and West Texas Intermediate (WTI) rising by 1.2% to \$77.72 per barrel. The gains were supported by reduced fears of a U.S. recession and ongoing geopolitical tensions in the Middle East, which bolstered market sentiment.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 296.31 bps, 5.19 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.

2 Years vs 1Year bond spread is 0.6 bp.

5 Years vs 2 Years bond spread is 5.61 bp.

10 Years vs 2Years bond spread is 12.06 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower than the previous, tracking a fall in US yields on the higher probability of cut in rate by the Federal in the September meeting. We expect the yield to fluctuate between 6.87% to 6.90% owing to the superior inflows and the negative sentiments driven by the upcoming inflation data of the Indian market.