

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.878	0.08
BRENT OIL	80.08	2.37
GOLD	2562	0.62
India 10Y	6.8509	-0.1
US 10 YR	3.811	0.11
NIFTY 50	2501.60	0.76
SENSEX	81698.11	0.75

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.615	6.65
G-SEC 2028	6.7784	6.7856
G-SEC 2033	6.8826	6.8926
G-SEC 2037	6.9056	6.9092
G-SEC 2053	6.9843	6.9827
SDL 2027	6.9703	7.0807
SDL 2033	7.1922	7.1801

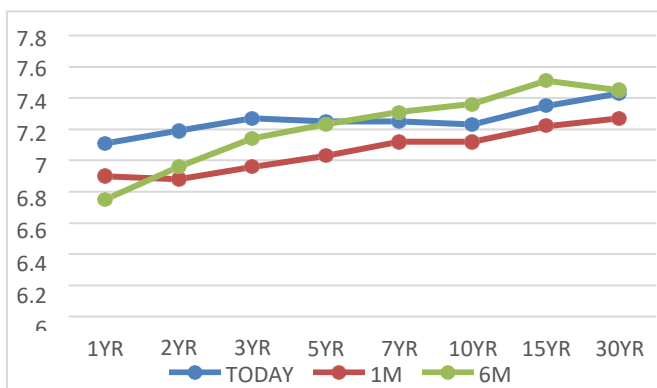
ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 22C 5.23 LOA 31JN25 FVRS10LAC	98.9124	7.6143
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25B 7.64 BD 06DC29 FVRS1LAC	100.642	7.5060
SBM BANK (INDIA) LIMITED SR 19.75 BD 05AP32 FVRS1CR	102.506	8.6762
LIC HOUSING FINANCE LTD 392 7.79 NCD 18OT24 FVRS10LAC LOAUPTO25FB20	99.985	7.38

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.49	6.48	6.17	6.16	6.045	6.050

INDIA YIELD CURVE



BOND MARKET

The 10-year benchmark recorded a close of 6.8509%, ending 0.09 bps lower than the close of the previous day's trading session.

DOMESTIC BROADCAST

RBI announced the auctions of Government of India dated securities of 30,000 crores namely 7.10% GS 2034 for 20,000 crores, and 7.09% GS 2054 for 10,000 crores. The auction will be conducted on 30TH August 2024.

The RBI conducted a 4-day VRRR auction under LAF for notified amounts of Rs. 50,000 crores. The offers received amounted to Rs. 29,080 crores at WARs of 6.49%.

On August 16, the RBI reported no money market activity in the overnight and term segments. Under RBI operations, MSF saw ₹615 crore at 6.49%, and SDF saw ₹84456 crore at 6.75%. The net liquidity absorbed totaled ₹117,352 crore.

GLOBAL BROADCAST

New orders for key U.S.-manufactured capital goods unexpectedly fell by 0.1% in July, with June's data revised lower to a 0.5% increase. This suggests a slowdown in business spending on equipment early in the third quarter. Despite this dip, business equipment spending saw double-digit growth in the second quarter, remaining resilient amid significant interest rate hikes by the Federal Reserve in 2022 and 2023.

Euro zone consumers' inflation expectations for the next 12 months remained steady at 2.8% in July for the third consecutive month, according to a European Central Bank survey. This survey is a key tool for central bankers in assessing public confidence in reaching the 2% inflation target. Expectations for inflation three years ahead were slightly higher at 2.4%, up from 2.3% the previous month.

Japan's core inflation rose for the third consecutive month in July, with the core consumer price index (CPI) up 2.7% year-on-year, matching forecasts and staying above the Bank of Japan's 2% target for the 28th month. The core index, excluding fresh food and energy, grew by 1.9%, down from 2.2% in June.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 303.99 bps, 3.43 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 2.82 bp.

5 Years vs 2 Years bond spread is 2.99 bp.

10 Years vs 2Years bond spread is 10.77 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 6.85% to 6.88%.