

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.694	-0.03
BRENT OIL	71.64	1.43
GOLD	2547.90	0.20
India 10 YR	6.8054	-0.03
US 10 YR	3.645	-0.17
NIFTY 50	25388.90	1.89
SENSEX	82962.71	1.77

G-SEC / BONDS YIELDS

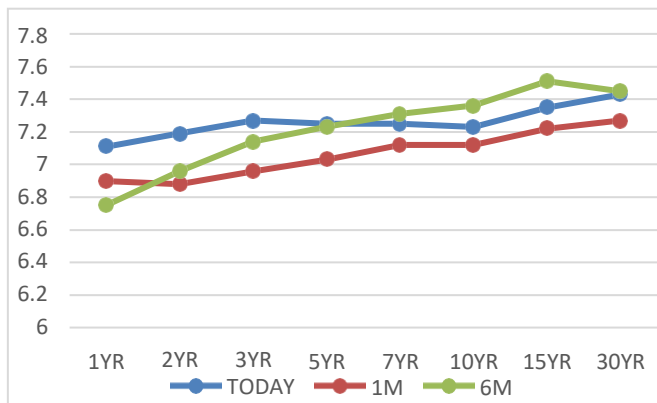
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.55	6.60
G-SEC 2028	6.7231	6.7607
G-SEC 2033	6.8399	6.8828
G-SEC 2037	6.8593	6.9060
G-SEC 2053	6.9418	6.9715
SDL 2027	-	7.2042
SDL 2033	7.1669	-

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
POWER FINANCE CORPORATION LIMITED SR 208 6.50 BD 17SP25 FVRS10LAC	7.7408	98.8301
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR II 7.47 BD 05SP29 FVRS1LAC	7.4436	100.10
TATA CHEMICALS LIMITED 7.81 NCD 20AG27 FVRS1LAC	7.77	100.0837
LIC HOUSING FINANCE LTD TR 437 7.69 NCD 06FB34 FVRS1LAC	7.58	100.6176

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.3950	6.3750	6.0750	6.050	5.98	5.9525

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.8054%, ending 2.17 bps lower from the close of the previous day's trading session. Yields traded in the range of 6.8054 to 6.8335 during the day.

DOMESTIC BROADCAST

India's industrial growth slowed in June 2024, with the Index of Industrial Production (IIP) increasing by 4.2% year-on-year (YoY), a five-month low compared to 6.2% in May. The manufacturing sector notably weakened, growing by just 2.6% YoY, the lowest in seven months. The electricity sector also slowed to 8.6% YoY from 13.7%, although the mining sector showed strength with robust 10.3% YoY growth. Sequentially, the IIP index and key industrial sectors contracted, indicating a broad deceleration.

Money market operations on September 11, 2024: Overnight segment totaled ₹556,012.63 crores at a 6.43% weighted average rate. The segment's significant operations included triparty repo at ₹388,368.40 crore and 6.40%. RBI's net liquidity absorption stood at ₹153,288.65 crore.

GLOBAL BROADCAST

The euro hovered near a four-week low against the dollar on Thursday, trading at \$1.1018, just above the previous session's low of \$1.1002, ahead of a widely expected 25-basis point interest rate cut by the European Central Bank (ECB). Traders are focused on the ECB's policy outlook to assess the potential for further rate cuts, following the deposit rate reduction to 3.75% in June.

Japan's annual wholesale inflation slowed in August, with the corporate goods price index (CGPI) rising 2.5% year-on-year, down from 3.0% in July and below market expectations of 2.8%. The yen's sharp rebound reduced import costs, with the yen-based import price index increasing just 2.6% in August compared to 10.8% in July. On a month-to-month basis, wholesale prices fell 0.2%, and import prices dropped 6.1%. The slowdown in wholesale inflation could influence the Bank of Japan's decision on future interest rate hikes, as it ended negative rates in March and raised short-term rates to 0.25% in July.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 316.04 bps, 4.47 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 1.94 bp.

5 Years vs 2 Years bond spread is 0.54 bp.

10 Years vs 2Years bond spread is 9.52 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day, also towards the end of day the bond market experienced a drop in yield and maintained higher liquidity. The yield is projected to fluctuate between 6.80% and 6.85%.