

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.914	-0.02
BRENT OIL	72.67	0.94
GOLD	2594.80	0.55
INDIA 10YR	6.7904	-0.22
US 10YR	3.651	-0.69
NIFTY50	25356.50	-0.13
SENSEX	82890.94	-0.087

G-SEC/BONDS YIELDS

SECURITY	LTY(%)TODAY	LTY(%)PREV DAY
364DTB	6.58	6.55
G-SEC2028	6.7153	6.7231
G-SEC2033	6.8373	6.8399
G-SEC2037	6.8509	6.8593
G-SEC2053	6.9293	6.9418
SDL2027	7.0012	-
SDL2033	7.1676	7.1669

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR FINANCING INFRASTRUCTURE AND DEVELOPMENT SR NABFID2025-1 7.43 BD 04JL34 FVRS1LAC	7.2925	100.9549
NATIONAL BANK FOR FINANCING INFRASTRUCTURE AND DEVELOPMENT SR NABFID2023 1 7.43 BD 16JU33 FVRS1LAC	7.300	100.7417
LARSEN AND TOUBRO LIMITED 7.66 NCD 09NV25 FVRS1LAC	7.6136	100.0417
CANARA BANK SR I PP 8.27 BD FVRS1CR	8.2172	100.15

AUCTION RESULT OF GOI DATED SECURITIES

SECURITY	MATURITY	CUTOFF	AMOUNT
7.02% GS 2031	2031	101.39/ 6.7575%	11000
7.46% GS 2073	2073	106.67/ 6.9771%	11000
TOTAL	22,000		

OVERNIGHT INDEXED SWAP

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

BOND MARKET

The 10-year benchmark recorded a close of 6.7904 %, 1.5 bps lower from the close of the previous day's trading session. Yields traded in the range of 6.7829 to 6.8110 during the day.

DOMESTIC BROADCAST

India's Index of Industrial Production (IIP) grew by 4.8% in July, slightly improving from 4.7% in June, according to Ministry of Statistics data. Sectoral growth rates for mining, manufacturing, and electricity were 3.7%, 4.6%, and 7.9%, respectively. The IIP index stood at 149.6, up from 142.7 in July 2023. Key contributors to manufacturing growth included basic metals (6.4%), coke and refined petroleum products (6.9%), and electrical equipment (28.3%).

On SEPTEMBER 12, 2024, money market operations recorded ₹517,585.25 crore at a WAR of 6.32%. RBI operations resulted in a net liquidity absorption of ₹196,094.65 crore.

GLOBAL BROADCAST

In the past 24 hours, market sentiment has shifted dramatically regarding the Federal Reserve's upcoming interest rate decision on Sept. 18. Initially, a quarter-point rate cut seemed more likely, but reports from the Financial Times, Wall Street Journal, and comments from former Fed official Bill Dudley have now made it a 50/50 bet between a 25 or 50 basis point cut. This uncertainty hasn't boosted U.S. stock futures or bitcoin, but gold has surged to a record high above \$2,570 per ounce, marking a nearly 25% gain this year.

France's consumer prices rose 2.2% year-on-year in August, down from 2.7% in July, driven by lower energy costs. While food and services prices increased, manufactured goods and tobacco remained stable. Monthly inflation rose 0.6%, up from 0.2% in July.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 313.94 bp, 2.1 bps higher than the closing of the previous day.811

Normal Convexity in Long-Term vs Short-Term Maturities.
2 Years vs 1Year bond spread is 1.02 bp.
5 Years vs 2 Years bond spread is 1.28 bp.
10 Years vs 2Years bond spread is 11.32 bp.

MARKET OUTLOOK

Today's G-sec auction experienced strong demand. With continued inflows from bond index investors and a global tailwind, yields are expected to ease further. The yield is projected to fluctuate between 6.78% and 6.84%.

INDIA YIELD CURVE

