

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	84.052	-0.14
BRENT OIL	77.25	-0.53
GOLD	2671.40	0.25
India 10Y	6.7827	-0.13
US 10 YR	4.2560	1.65
NIFTY 50	25127.95	0.66
SENSEX	81973.05	0.73

G-SEC / BONDS YIELDS

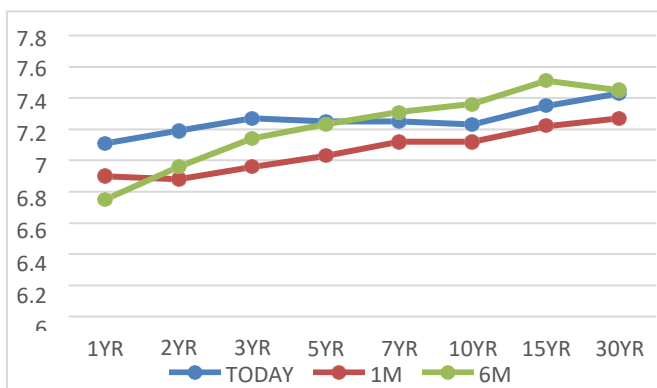
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	99.8419	6.53
G-SEC 2028	6.6804	6.6930
G-SEC 2033	6.799	6.8059
G-SEC 2037	6.8389	6.8462
G-SEC 2053	6.9228	6.9361
SDL 2027	6.8457	-
SDL 2033	-	7.0615

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
HDFC BANK LIMITED SR US006 7.75 NCD 13JU33 FVRS1LAC	7.48	101.5857
MAHANAGAR TELEPHONE NIGAM LIMITED SR VIII TR C 7.80 BD 07NV33 FVRS1LAC	8.4006	97.2470
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	7.3891	100.1922
BAJAJ FINANCE LIMITED 7.7951 NCD 10DC27 FVRS1LAC	7.7762	100

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.425	6.45	6.165	6.18	6.16	6.18

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.7827%, ending 0.87 bps Lower than the close of the previous day's trading session. The paper traded in the range of 6.7663 and 6.7870

DOMESTIC BROADCAST

India's wholesale price inflation rose to 1.84% in September, up from 1.31% in August, driven by higher prices of food articles and certain manufacturing sectors. The month-over-month change in the WPI index for September was 0.06%.

On October 11, the RBI reported ₹ 5287910 at 6.27 market activity in the overnight and term segments. Under RBI operations, MSF saw ₹45260 crore at 649%, and SDF saw ₹79778 crore at 6.25%. The net liquidity absorbed totaled ₹146,643.00 crore.

GLOBAL BROADCAST

China's consumer inflation eased to 0.4% year-on-year in September, below expectations and down from 0.6% in August, highlighting weak private spending. Month-on-month CPI inflation was flat, missing forecasts for a 0.4% rise. This reflects continued pressure on domestic demand due to worsening economic conditions and excessive domestic investment. Producer price index inflation dropped 2.8% year-on-year, worse than expected and deepening from the previous month's 1.8% decline, marking nearly two years of falling factory prices amid weak demand and sluggish activity.

Asian currencies were largely steady on Monday as traders awaited clarity on China's fiscal stimulus plans, while the yuan weakened following softer inflation data. The U.S. dollar edged higher, supported by bets on a slower pace of interest rate cuts and anticipation of Federal Reserve comments. The dollar index rose 0.1%.

OPEC has cut its global oil demand growth forecast for 2024 to 1.93 million barrels per day (bpd), down from the previous estimate of 2.03 million bpd, marking its third consecutive downward revision. The reduction is largely due to a lower demand forecast from China, where growth is now expected at 580,000 bpd, down from 650,000 bpd. OPEC cited economic challenges and the global shift to cleaner fuels as key factors influencing demand. Despite the revision, OPEC remains at the higher end of industry estimates for 2024.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 256.27 bps, 19.17 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities

5 Years vs 2 Years bond spread is 3.89 bp
 5 Years vs 2 Years bond spread is 7.94 bp.
 10 Years vs 2Years bond spread is 17.37 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly lower than the previous, tracking upcoming outcomes associated with the inflation data. We expect the yield to fluctuate between 6.73% to 6.77%.