



**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	CHANGE
USD/INR	83.779	-0.13
BRENT OIL	72.75	-0.11
GOLD	2608.9	0.22
India 10Y	6.7808	0.288
US 10YR	3.624	-0.20
NIFTY50	25418.55	0.14
SENSEX	83047.88	0.16

**G-SEC/BONDS YIELDS**

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.53	6.5
G-SEC2028	6.7007	6.6971
G-SEC2033	6.8004	6.7805
G-SEC2037	6.8467	6.8211
G-SEC2053	6.9339	6.9184
SDL 2033	7.1006	-
SDL 2037	7.1133	7.1418

**YIELD-BASED AUCTION OF STATE GOVERNMENT SECURITIES**

Sr. No	State	Amount to be raised (₹ Crore)	Amount Accepted (₹ Crore)	Cut off Yield (%)	Tenure (Year)
1	Assam	500	500	7.13	10
2	Bihar	2000	2000	7.11	09
3	Chhattisgarh	1000	1000	7.00	05
4	Haryana	1000	1000	7.13	12
5	Kerala	1500	1500	7.14	23
6	Maharashtra	1500	1500	7.10	09
		1500	1500	7.12	12
		1500	1500	7.13	13
		1500	1500	7.13	19
7	Tamil Nadu	1000	1000	7.10	10
8	Telangana	500	500	7.13	12
	Total	13,500	13,500		

**BOND MARKET**

The 10-year benchmark recorded a close of 6.7808%, ending 1.95 bps higher compared to the close of the previous day's trading session. During the day, yields remained in the range of 6.7517 to 6.7811.

**DOMESTIC BROADCAST**

India's wholesale price index inflation dropped to a four-month low of 1.31% in August, driven by declining crude oil, steel, and cement prices. However, food staples like potatoes and onions saw sharp price increases. This figure was lower than the 1.85% predicted by economists and down from July's 2.04%, according to government data.

Money Market Operations on September 16, 2024: ₹72,435.82 crore in the overnight segment at a weighted average rate of 6.63%. Net liquidity absorption: ₹ 22,152.65 crore.

**GLOBAL BROADCAST**

Canadian home sales rose 1.3% in August, the highest since January, but fell 2.1% year-on-year, according to the Canadian Real Estate Association. The home price index remained flat month-on-month and declined 3.9% annually, while the national average selling price inched up 0.1% year-on-year.

Gold prices edged down 0.2% in Asian trading on Tuesday but remained near record highs as markets anticipated a significant rate cut by the Federal Reserve. Spot gold traded at \$2,578.03 an ounce, while gold futures dipped 0.1% to \$2,605.05. Traders increasingly expect a 50-basis point rate cut by the Fed, with a 68% chance priced in, following Monday's record spot price of \$2,589.69, driven by a weaker dollar and lower Treasury yields. The Fed will announce its decision on Wednesday.

Oil prices dipped on Tuesday due to concerns over weaker demand in China, while attention shifted to the U.S. Federal Reserve's upcoming policy meeting. Supporting prices were expectations of lower U.S. crude stockpiles and potential disruptions from Hurricane Francine. Brent crude fell 0.66% to \$72.27 a barrel, and U.S. crude dropped 0.53% to \$69.72 a barrel.

**SPREAD ANALYSIS**

The India 10 Years/United States 10 Years Government Bond spread value is 315.68 bps, 4.25 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.  
2 Years vs 1 Year bond spread is 2.02 bp.  
5 Years vs 2 Years bond spread is 0.38 bp.  
10 Years vs 2 Years bond spread is 8.98 bp.

**MARKET OUTLOOK**

The market observed strong demand for the SDL auction. The 10-year benchmark yields ended higher than the previous day. We expect the yield to fluctuate within the range of 6.72 and 6.78.

**INDIA YIELD CURVE**

