



GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	CHANGE
USD/INR	84.398	-0.01
BRENT OIL	73.15	-0.46
GOLD	2616.75	0.45
India 10Y	6.8458	-0.08
US 10YR	4.368	-1.02
NIFTY50	23518.50	0.28
SENSEX	77578.38	0.31

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.58	6.32
G-SEC2028	6.7397	6.7560
G-SEC2033	6.8829	6.8907
G-SEC2037	6.9191	6.9185
G-SEC2053	7.0279	7.0236
SDL 2033	6.8830	6.9346
SDL 2037	7.1242	7.1407

YIELD-BASED AUCTION OF STATE GOVERNMENT SECURITIES

Sr. No	State	Amount to be raised (₹ Crore)	Amount Accepted (₹ Crore)	Cut off Yield (%)	Tenure (Year)
1	Bihar	2000	2000	7.13	10
2	Goa	100	100	7.13	10
3	Kerla	1249	1249	7.08	7
4	Odisha	1000	1000	7.15	14
5	Tamil Nadu	2000	2000	7.11	10
6	Uttar Pradesh	3000	3000	7.10	8
		9349	9349		

BOND MARKET

The 10-year benchmark recorded a close of 6.8458%, ending 1.28 bps lower compared to the previous day's trading session.

DOMESTIC BROADCAST

India's Labor Force Participation Rate (LFPR) for individuals aged 15 and above in urban areas increased from 49.3% in July–September 2023 to 50.4% in July–September 2024, reflecting higher employment levels. Male LFPR rose from 73.8% to 75%, while female LFPR increased from 24% to 25.5% during the same period. The Worker Population Ratio (WPR) also grew from 46% to 47.2%, with male WPR rising from 69.4% to 70.7%. Additionally, the urban Unemployment Rate (UR) declined from 6.6% to 6.4%, indicating improved job market conditions.

Money Market Operations on November 18, 2024: ₹595768.93 crore in the overnight segment at a weighted average rate of 6.28%. Net liquidity absorption: ₹ 169,057.09 crore.

GLOBAL BROADCAST

European Central Bank (ECB) officials warned that The Federal Reserve is likely to implement a 25-basis-point rate cut in December, but the decision is uncertain, as officials weigh incoming economic data, inflation trends, and labor market resilience, with expectations of maintaining rates above 4% into 2025.

China is expected to keep its benchmark lending rates unchanged, following sharp rate cuts in October, to balance economic recovery efforts and avoid further yuan depreciation, especially amid pressure from Donald Trump's proposed tariffs and rising U.S. interest rates.

The euro weakened against the dollar as ECB officials highlighted economic growth risks from potential U.S. trade tariffs, while inflation met the 2% target amid slow growth. The pound also dipped ahead of UK CPI data, expected to rise to 2.2%, and testimony from BoE Governor Andrew Bailey on fiscal policy impacts. Meanwhile, the yen rebounded as markets awaited Japan's inflation data, and the yuan hovered near recent highs, with China's central bank expected to maintain rates.

SPREAD ANALYSIS

The India 10 Years/United States 10 Years Government Bond spread value is 247.78 bps, 6.42 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 5.15 bp.

5 Years vs 2 Years bond spread is 7.13 bp.

10 Years vs 2 Years bond spread is 12.75 bp.

MARKET OUTLOOK

The market observed strong demand in the SDL auction. The 10-year benchmark yields ended lower than previous day. We expect the yield to fluctuate within the range of 6.80 and 6.85.

INDIA YIELD CURVE

