

**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	CHANGE
USD/INR	84.074	0.01
BRENT OIL	74.26	0.87
GOLD	2735.75	0.48
India 10Y	6.8220	-0.11
US 10YR	4.198	0.72
NIFTY50	24472.10	-1.25
SENSEX	80220.72	-1.15

**G-SEC/BONDS YIELDS**

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.55	6.45
G-SEC2028	6.7506	6.7345
G-SEC2033	6.8487	6.8572
G-SEC2037	6.8771	6.8847
G-SEC2053	6.9431	6.9556
SDL 2033	7.0945	-
SDL 2037	7.0813	7.07

**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	7.11	9
2	Chhattisgarh	1000	1000	7.1199/102.09	9(R)
3	Goa	100	100	7.12	10
4	Karnataka	4000	4000	7.10	11
5	Tamil Nadu	1000	1000	7.00	5
	Total	8,100	8,100		

**BOND MARKET**

The 10-year benchmark recorded a close of 6.8220%, ending 0.73 bps lower compared to the previous day's trading session. During the day, yields remained in the range of 6.8166 to 6.8507.

**DOMESTIC BROADCAST**

RBI Governor Shaktikanta Das emphasized that India's growth remains strong, with key drivers such as consumption and investment demand gaining momentum. Real GDP growth for FY 2024-25 is projected at 7.2%, supported by strong private consumption, urban and rural demand, and government expenditure. Investment activity is expected to benefit from optimism, capex, and strong corporate and bank balance sheets. Quarterly growth rates are forecast between 7.0% and 7.4%. CPI inflation for 2024-25 is projected at 4.5%, with inflation easing slightly to 4.3% in Q1 2025-26.

Money Market Operations on October 21, 2024: ₹540586.51 crore in the overnight segment at a weighted average rate of 6.46%. Net liquidity absorption: ₹ 79,488.13 crore.

**GLOBAL BROADCAST**

British public borrowing in the first half of the tax year reached £79.6 billion, nearly £7 billion higher than the Office for Budget Responsibility's forecast. In September alone, borrowing hit £16.6 billion, exceeding the OBR's projection of £15.1 billion. This marks the third largest borrowing figure for September since records began in 1993. The higher-than-expected borrowing has been driven by increased public spending, posing a challenge for finance minister Rachel Reeves ahead of her upcoming budget.

China's youth unemployment rate, excluding students, dropped to 17.6% in September from 18.8% in August, after hitting record highs for two consecutive months. The jobless rate had surged to 17.1% in July as millions of graduates entered the labor market. Officials expressed optimism about economic recovery, despite underwhelming third-quarter growth. However, a separate survey indicated that factory owners continued to hold off on hiring. The unemployment rate for 25-to-29-year-olds was 6.7%, while it stood at 3.9% for those aged 30 to 59.

**SPREAD ANALYSIS**

The India 10 Years/United States 10 Years Government Bond spread value is 262.4 bps, 10.83 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.  
 2 Years vs 1 Year bond spread is 15.63 bp.  
 5 Years vs 2 Years bond spread is 3.64 bp.  
 10 Years vs 2 Years bond spread is 11.85 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 6.78 and 6.84.

**INDIA YIELD CURVE**
