

**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	% CHANGE
USD/INR	83.891	0.05
BRENT OIL	76.05	0.51
GOLD	2547.50	-0.29
India 10 YR	6.8521	-0.083
US 10 YR	3.827	1.33
NIFTY 50	24,811.50	0.17
SENSEX	81,053.19	0.18

**G-SEC / BONDS YIELDS**

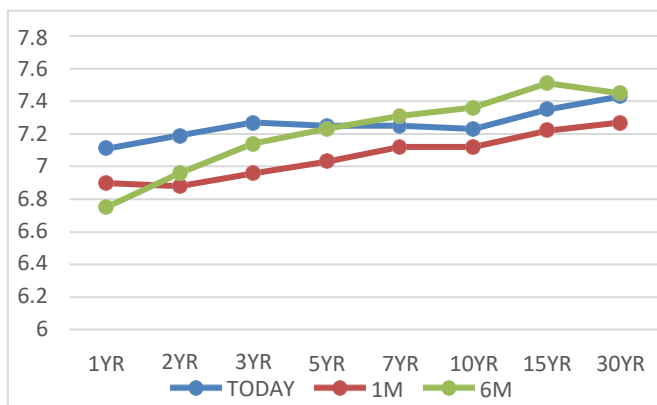
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.71	6.71
G-SEC 2028	6.7833	6.7919
G-SEC 2033	6.8893	6.8923
G-SEC 2037	6.9036	6.9106
G-SEC 2053	6.9738	6.9679
SDL 2027	7.0238	7.0604
SDL 2033	-	-

**ACTIVELY TRADED CORPORATE BONDS**

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25B 7.64 BD 06DC29 FVRS1LAC	7.5133	100.56
HDB FINANCIAL SERVICES LIMITED SR A 1 FX 183 7.65 NCD 10SP27 FVRS10LAC	8.1885	98.7583
TATA CHEMICALS LIMITED 7.81 NCD 20AG27 FVRS1LAC	7.8078	100.010
LIC HOUSING FINANCE LTD TR 440 7.87 NCD 14MY29 FVRS1LAC	7.76	100.3463

**OVERNIGHT INDEXED SWAP**

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.515	6.500	6.1950	6.1875	6.100	6.070

**INDIA YIELD CURVE**

**BOND MARKET**

The 10-year benchmark recorded a close of 6.8521%, ending 0.57 bps lower from the close of the previous day's trading session. Yields traded in the range of 6.8415 to 6.8571 during the day.

**DOMESTIC BROADCAST**

India's business activity maintained strong growth in August, driven by a robust services sector that offset a slight slowdown in manufacturing, according to HSBC's flash India Composite PMI compiled by S&P Global. The Composite PMI dipped marginally to 60.5 from 60.7 in July, still well above the 50-level that separates growth from contraction. This marked over three years of continuous expansion, the longest stretch since 2013. Despite the slight slowdown in manufacturing, the continued strong demand and favorable market conditions suggest that India will remain the fastest-growing major economy in the coming quarters.

Money market operations on August 21, 2024: Overnight segment totaled ₹547,367.80 crores at a 6.43% weighted average rate. The segment's significant operations included triparty repo at ₹388,769.40 crore and 6.40%. RBI's net liquidity absorption stood at ₹79,818.64 crore.

**GLOBAL BROADCAST**

In early August, Japan's manufacturing activity contracted for the second month, with the PMI at 49.5 due to production disruptions in major automakers. Meanwhile, the services sector grew, with the PMI rising to 54, driven by improved domestic demand and wage hikes.

The U.S. Labor Department cut job gains for the year through March 2024 by 818,000, reducing the average monthly increase to 174,000. This marks the largest revision since 2009 and reveals weaker-than-previously reported job growth, especially in professional services and manufacturing.

Gold prices retreated from record highs on Thursday due to profit-taking and a rebound in the dollar. Spot gold fell 0.5% to \$2,500.55 per ounce, while December futures dropped 0.4% to \$2,547.05.

**SPREAD ANALYSIS**

The India 10Years vs the United States 10Years Government Bond spread value is 302.51 bps, 1.39 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.

2 Years vs 1Year bond spread is 2.72 bp.

5 Years vs 2 Years bond spread is 0.86 bp.

10 Years vs 2Years bond spread is 8.52 bp.

**MARKET OUTLOOK**

Today, the 10-year benchmark yields ended lower than yesterday, however the outcomes of FOMC minutes resulted in strong movement in the bond market. As of now the rate cut decision is still in consideration for the FY2025Q4 meeting but will be influenced by the inflation data for the upcoming month. The yield is projected to fluctuate between 6.835% and 6.85%.