



GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	CHANGE
USD/INR	84.738	0.05
BRENT OIL	72.28	0.16
GOLD	2635	0.47
India 10Y	6.8551	0.03
US 10YR	4.287	0.26
NIFTY50	24194.50	3.48
SENSEX	80004.06	0.13

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.60	6.60
G-SEC2028	6.7698	6.7646
G-SEC2033	6.8856	6.8766
G-SEC2037	6.9207	6.9172
G-SEC2053	7.0221	7.0197
SDL 2033	7.14	7.08
SDL 2037	7.18	7.1402

YIELD-BASED AUCTION OF STATE GOVERNMENT SECURITIES

Sr. No	State	Amount to be raised (₹ Crore)	Amount Accepted (₹ Crore)	Cut off Yield (%)	Tenure (Year)
1	Andhra Pradesh	1000	1000	7.14	10
		1000	1000	7.18	16
2	Arunachal Pradesh	400	400	7.16	20
3	Bihar	2000	2000	7.18	10
4	Goa	100	100	7.17	11
5	Gujrat	1000	1000	7.05	05
6	Haryana	1000	1000	7.19	13
7	Karnataka	2000	2000	7.07	05
		2000	2000	7.09	06
8	Madhya Pradesh	2500	2500	7.19	14
		2500	2500	7.16	20
9	Rajasthan	2000	2000	7.16	10
		1000	1000	7.18	14
		1000	1000	103.13	8(R)
		500	500	104.31	24(R)
10	Tamil Nadu	3000	3000	7.1	8
		1000	1000	7.14	10
		1000	1000	7.16	30
		1000	1000	105.09	4
11	Uttar Pradesh	3000	3000	7.19	12
12	West Bengal	1500	1500	7.18	15
		1500	1500	7.18	17

BOND MARKET

The 10-year benchmark recorded a close of 6.8551%, ending 0.21 bps lower compared to the previous day's trading session.

DOMESTIC BROADCAST

India's economy likely grew at its slowest pace in six quarters (6.5% GDP growth year-on-year in July-September), as weak private consumption, driven by high food inflation, offset gains from government spending, with manufacturing, mining, and passenger vehicle sales showing significant slowdowns.

Money Market Operations on November 25, 2024: ₹603016.99 crore in the overnight segment at a weighted average rate of 6.70%. Net liquidity absorption: ₹ 6956.04 crore.

GLOBAL BROADCAST

Federal Reserve's Neel Kashkari indicated the possibility of a 25-basis-point rate cut in December, as inflation progress has slowed and high borrowing costs weigh on the economy, with key data on inflation, jobs, and consumer prices to guide the decision at the Dec. 17-18 meeting.

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 S&P 500 hit a new interim record high, driven by optimism over Trump's Treasury secretary pick, Scott Bessen. However, Citi analysts cautioned that stretched bullish positions exceeding \$100 billion could heighten the risk of a pullback. While economic data remains strong, investors await clarity on Trump administration policies.

Donald Trump threatened 25% tariffs on Mexico and Canada over border control and a 10% tariff on all Chinese imports over fentanyl concerns. China warned no one benefits from trade wars and emphasized mutual benefits in trade relations. UBS analysts noted Asia's improved resilience since the 2018-2019 trade war, highlighting better supply chain integration and growth in AI and greentech.

SPREAD ANALYSIS

The India 10 Years/United States 10 Years Government Bond spread value is 256.81 bps, 5.61 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 0.63 bp.

5 Years vs 2 Years bond spread is 7.52 bp.

10 Years vs 2 Years bond spread is 13.34 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 6.83 and 6.88.

INDIA YIELD CURVE

