

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.887	-0.02
BRENT OIL	77.58	+0.48
GOLD	2537.8	+0.69
India 10 YR	6.8637	0.04
US 10 YR	3.843	-0.26
NIFTY 50	25151.95	0.40
SENSEX	82134.61	0.43

G-SEC / BONDS YIELDS

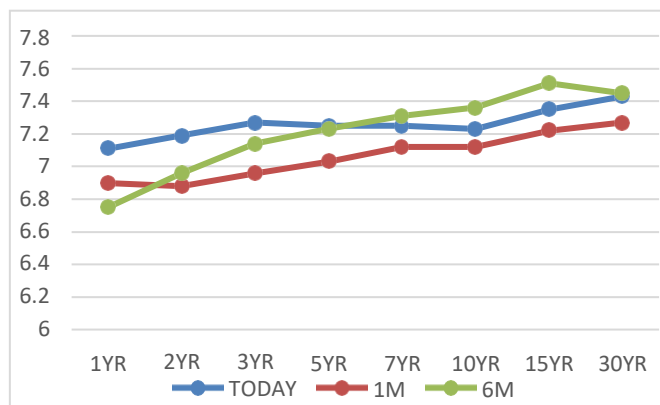
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.62	6.6
G-SEC 2028	6.7874	6.7857
G-SEC 2033	6.8952	6.8923
G-SEC 2037	6.9113	6.9113
G-SEC 2053	6.9984	6.9921
SDL 2027	-	-
SDL 2033	7.2410	7.2694

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24H 7.62 BD 10MY29 FVRS1LAC	7.5078	100.3665
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25B 7.64 BD 06DC29 FVRS1LAC	7.4945	100.5977
REC LIMITED SR 232 A 7.59 BD 31MY27 FVRS1LAC	7.4852	100.0874
BANK OF MAHARASHTRA SR 1 7.80 LOA 05AG34 FVRS1LAC	7.7022	100.770

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.4975	6.485	6.17	6.17	6.07	6.07

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.8637%, ending 0.32 bps higher from the close of the previous day's trading session. Yields traded in the range of 6.8615 to 6.8679 during the day.

DOMESTIC BROADCAST

Moody's Ratings raised India's 2024 growth forecast to 7.2%, up from 6.8%, citing stronger private consumption. The 2025 growth forecast was also increased to 6.6% from 6.4%. Globally, Moody's expects growth to slow to 2.7% in 2024 and 2.5% in 2025, with inflation nearing central bank targets. India's economy grew 7.8% in Q1 2024, with April-June quarter data due on August 30.

Money market operations on August 28, 2024: Overnight segment totaled ₹548,800.05 crores at a 6.46% weighted average rate. The segment's significant operations included triparty repo at ₹396,098.90 crore and 6.46%. RBI's net liquidity absorption stood at ₹94,845.23 crore.

GLOBAL BROADCAST

Inflation rates fell in six key German states in August, driven by lower energy prices, suggesting a possible decline in the national inflation rate. Notable drops include Saxony at 2.6% from 3.1%, North Rhine-Westphalia at 1.7% from 2.3%, and Bavaria at 2.1% from 2.5%. Economists expect Germany's national inflation rate to decrease to 2.3% in August from 2.6% in July.

Russia's economy has shown solid growth across various sectors, with unemployment at a record low, despite Western sanctions. Industrial output increased by 3.3% in July, driven by military production, and has risen 4.8% since the start of the year. Preliminary GDP growth for the first half of the year stands at 4.6%, up from 1.8% last year. Officials attribute this growth to strong capital investment, which rose by 8.3% year-on-year in the second quarter, following 14.5% growth in the first quarter.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 302.07 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 1.75 bp.

5 Years vs 2 Years bond spread is 3.26 bp.

10 Years vs 2Years bond spread is 11.11 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher compared to the previous day, also towards the end of day the bond market experienced a rise in yield and maintained lower liquidity. The yield is projected to fluctuate between 6.84% and 6.86% and will be affected by the quarterly GDP data, that will be released tomorrow.