



#### GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	CHANGE
USD/INR	84.73	0.02
BRENT OIL	71.94	0.82
GOLD	2643	0.18
India 10Y	6.7513	-0.05
US 10YR	4.193	-0.02
NIFTY50	24457.15	1.19
SENSEX	80845.75	0.74

#### G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.38	6.40
G-SEC2028	6.6272	6.6382
G-SEC2033	6.7722	6.7780
G-SEC2037	6.8428	6.8417
G-SEC2053	6.9826	6.9826
SDL 2033	7.11	6.9608
SDL 2037	-	7.0598

#### 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	1237	1237	7.10	10
		1500	1500	7.11	14
		1500	1500	7.11	15
2	Assam	900	900	7.12	10
3	Bihar	2000	2000	7.13	10
4	Gujarat	2000	2000	7.04	08
5	Himachal Pradesh	500	500	7.11	10
6	Jammu & Kashmir	400	400	7.10	20
7	Karnataka	1000	1000	98.15/6.8955	4(R)
		1000	1000	99.67/6.9820	5(R)
		2000	2000	97.98/7.0293	6 (R)
8	Kerla	1500	1500	7.12	11
9	Punjab	1500	1500	7.08	10
		1000	1000	7.12	12
10	Rajasthan	800	800	7.08	10
11	Tamil Nadu	1000	1000	6.96	04
		1000	1000	7.08	10
12	Telangana	100	100	7.10	21
		1000	1000	7.10	21
13	Uttar Pradesh	3000	3000	100.56/7.1195	12 (R)

#### BOND MARKET

The 10-year benchmark recorded a close of 6.7513%, ending 0.35 bps lower compared to the previous day's trading session.

#### DOMESTIC BROADCAST

India has achieved significant export growth across key sectors in 2023, showcasing its growing global economic influence. Highlights include semiconductors and electronics (\$1.91 billion, 9th globally), precious stones (36.53% global share, \$1.52 billion), electric motor parts (\$1.15 billion, 6th globally), and petroleum products (\$84.96 billion, 2nd globally). Agrochemical exports reached \$4.32 billion (3rd globally), sugar exports \$3.72 billion (2nd globally), and rubber tyres \$2.66 billion (8th globally). Industrial valves and coal tar products also showed strong performance. These gains reflect India's enhanced manufacturing, innovation, and trade policies, positioning it as a global economic leader.

Money Market Operations on December 02, 2024: ₹597093.53 crore in the overnight segment at a weighted average rate of 6.37%. Net liquidity absorption: ₹ 89450.76 crore.

#### GLOBAL BROADCAST

Federal Reserve's Neel Kashkari indicated the possibility of a U.S. manufacturing contracted moderately in November, with the ISM PMI rising to 48.4 from October's 46.5, signaling continued contraction but improving sentiment. Orders grew for the first time in eight months, and input prices dropped significantly, reflecting hopes for more business-friendly policies. However, production remained sluggish, backlogs were weak, and some product shortages persisted. Economists noted parallels to post-2016 election optimism but highlighted tepid underlying factory sector fundamentals. Manufacturing accounts for 10.3% of the economy, with the PMI staying below 50 for the eighth consecutive month, indicating ongoing challenges.

European Central Bank board member Piero Cipollone suggested that U.S. President-elect Trump's proposed import tariffs could lower both economic growth and inflation in the eurozone. While some economists argue that tariffs might push up inflation due to a stronger dollar and retaliatory trade measures,

#### SPREAD ANALYSIS

The India 10 Years/United States 10 Years Government Bond spread value is 255.83 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 2.33 bp.  
5 Years vs 2 Years bond spread is 2.33 bp.  
10 Years vs 2 Years bond spread is 9.75 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 6.70 and 6.75.

#### INDIA YIELD CURVE

