

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.956	-0.03
BRENT OIL	71.56	0.76
GOLD	2524.6	0.09
India 10Y	6.8546	0.004
US 10 YR	3.706	1.12
NIFTY 50	24936.40	0.34
SENSEX	81559.54	0.46

G-SEC / BONDS YIELDS

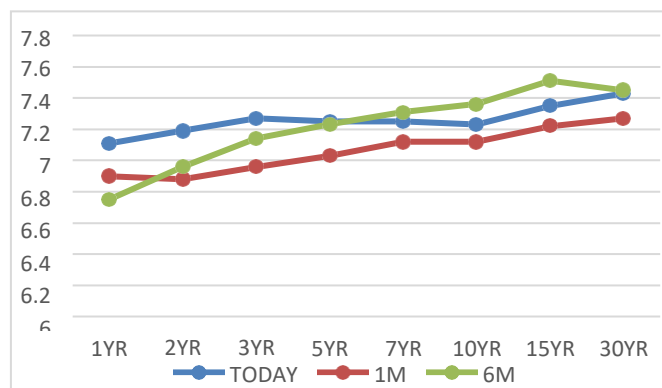
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.65	6.72
G-SEC 2028	6.764	6.7609
G-SEC 2033	6.8814	6.8807
G-SEC 2037	6.9072	6.9096
G-SEC 2053	6.9794	6.9841
SDL 2027	7.0255	7.0450
SDL 2033	-	7.1975

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR II 7.47 BD 05SP29 FVRS1LAC	7.4610	100.02
HDFC BANK LIMITED SR US004 7.65 NCD 25MY33 FVRS1LAC	7.5988	100.2383
NATIONAL HIGHWAYS AUTHORITY OF INDIA SR X 7.48 BD 06MR50 FVRS10LAC	7.2413	102.7541
GODREJ PROPERTIES LIMITED SR 2 8.55 NCD 26JL29 FVRS1LAC	8.4522	100.3310

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.46	6.455	6.155	6.16	6.055	6.060

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.8546%, ending 0.04 bps higher than the close of the previous day's trading session. The paper traded in the range of 6.8517 and 6.8574.

DOMESTIC BROADCAST

India's GDP growth slowed to 6.7% in the April-June quarter, below estimates, due to reduced government spending during national elections. Despite this moderation, the Reserve Bank of India Governor Shaktikanta Das expects the economy to meet its full-year growth target of 7.2%.

The RBI conducted a 4-day VRRR auction under LAF for notified amounts of Rs. 1,00,000 crores. The offers received amounted to Rs. 48,395 crores at WARs of 6.49%.

On September 6, the RBI reported no money market activity in the overnight and term segments. Under RBI operations, MSF saw ₹2565 crore at 6.75%, and SDF saw ₹144808 crore at 6.25%. The net liquidity absorbed totaled ₹39,838 crore.

GLOBAL BROADCAST

The UAE's economy grew by 3.4% in Q1 2024 compared to the same period in 2023, with GDP reaching 430 billion dirhams (\$117 billion). Non-oil GDP rose by 4% year-on-year, according to preliminary estimates from the Federal Competitiveness and Statistics Centre.

Japan's economy grew at an annualized 2.9% in Q2 2024, slightly below the preliminary estimate of 3.1%, due to downward revisions in corporate and household spending. The revised growth translates to a 0.7% quarter-on-quarter increase, compared to the previous 0.8%. This signals challenges ahead for consumption and the Bank of Japan's plans to exit its long-standing monetary stimulus program and raise interest rates.

China's consumer inflation accelerated to 0.6% in August, driven by rising food prices due to weather disruptions, including floods and heat, rather than a recovery in domestic demand. Food prices rose 2.8%, while non-food inflation eased to 0.2%. Producer price deflation worsened, adding pressure on China's economy amid a housing downturn, joblessness, debt issues, and trade tensions.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 314.86 bps, 2.64 bps higher than the closing of the previous day.

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

5 Years vs 2 Years bond spread is 0.44 bp.
10 Years vs 2Years bond spread is 10.31 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher than the previous, tracking upcoming US CPI DATA, S&P Global Investment Manager Index, US PPI. We expect the yield to fluctuate between 6.85% to 6.88%.