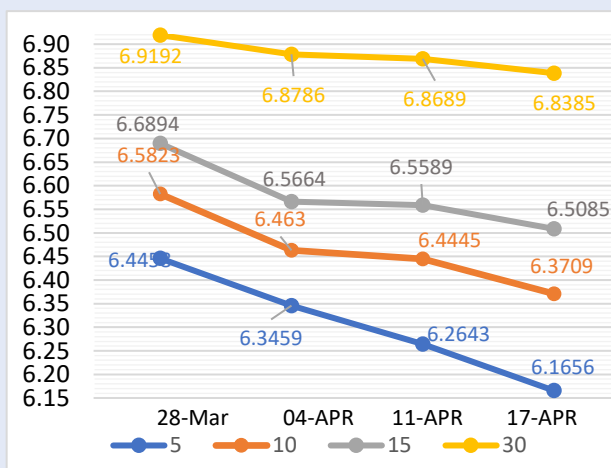
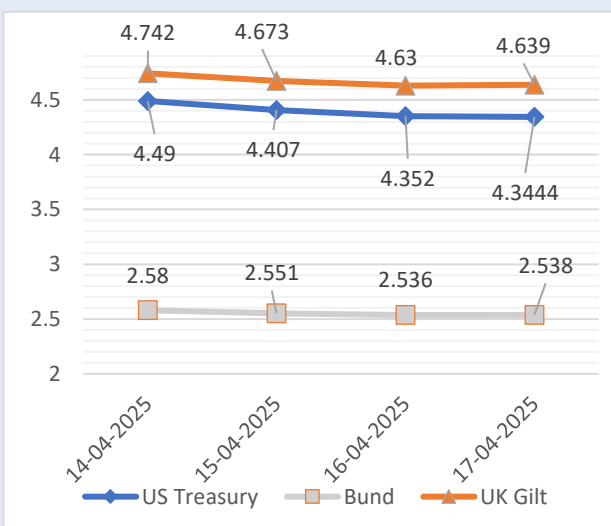


**20<sup>TH</sup> APRIL 2025**
**MARKET OVERVIEW**

	14 APR	15 APR	16 APR	17 APR	18 APR
USD/INR	86.11	86.02	85.77	85.63	85.50
OIL	65.90	65.40	66.36	68.14	-
GOLD	3261	3250	3358	3369	-
India 10 Y	-	6.4142	6.3889	6.3709	-
US 10 Y	4.490	4.407	4.352	4.3444	-
NIFTY 50	-	23323	23433	23840	-
SENSEX	-	76792	77021	78553	-

**INDIA BOND YIELD (%)**

**KEY 10-YR YIELDS (%)**

**Key headlines from the week:**

The 10-year benchmark yield concluded the week at 6.3709 at 7.36 bps lower the previous week's closing figure.

The weekly movement in spreads include 10Y Indian Treasuries (7.36 bps below), 10Y UST (26 bps below), 10Y Bund (10.0 bps below), and 10Y UKT (12 bps below).

China's Q1 GDP grew faster than expected at 5.4%, supported by strong exports and consumer spending, prompting policymakers to delay stimulus while monitoring risks from trade tensions and potential weakness in exports and investment in Q2.

The European Central Bank cut key interest rates by 25 bps to support the weakening eurozone economy amid rising trade tensions and slowing inflation. While the eurozone shows some resilience, the ECB warned that uncertainty from tariffs may further weigh on growth.

Australia's job market rebounded in March with 32,200 new jobs, though below expectations, and the unemployment rate rose slightly to 4.1%, still under forecasts.

U.S. jobless claims fell by 9,000 to 215,000 last week, signalling continued labour market stability despite business hesitation due to tariff uncertainty.

The United Kingdom's annual core inflation rate inched lower to 3.4% in March 2025 from 3.5% in the previous month, matching market consensus while marking its lowest reading since December. The annual CPI goods rate eased (0.6% vs 0.8% in February), and the CPI services rate also slowed (4.7% vs 5.0%).

## Liquidity Operation

Date	VRR	MSF	SDF
Apr 7	16505	542	165387
Apr 8	23515	385	163624
Apr 9	19265	757	209696
Apr 10	-	43	155689
Apr 11	14317	39	191464
Apr 12	-	19	137537

## MONEY MARKET SNAPSHOT

Item	Week Ended		
	APR 12. 2024	APR 4. 2025	APR 11. 2025
	1	2	3
Call Money	20179	17637	25074
Notice Money	1504	9107	1582
Triparty Repo	572172	653565	679080
Market Repo	567845	564475	696512
Repo in Corporate Bond	3216	5897	6319

## Most Actively Traded Debt.

Paper	Yield (%)	LTP
POWER GRID CORPORATION OF INDIA LIMITED SR LXXXI 6.94 BD 15AP35 FVRS1LAC	6.9301	100.2499
LIC HOUSING FINANCE LTD TR 451 7.66 NCD 11DC29 FVRS 1LAC	7.1397	102.1186
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 F 9.35 NCD 31DC32 FVRS1LAC	9.0431	103.1966
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 188 7.17 BD 27AP35 FVRS1LAC	6.9320	101.6670

## Indian Market update:

The RBI Governor Sanjay Malhotra-led MPC cut repo rate by 25 basis points (bps) to 6% amid cooling inflation and slowing economic growth. Moreover, the central bank also shifted the policy stance to 'accommodative' from 'neutral'.

Inflation Rate in India decreased to 3.34 percent in March from 3.61 percent in February of 2025. Inflation Rate in India averaged 5.88 percent from 2012 until 2025, reaching an all-time high of 12.17 percent in November of 2013 and a record low of 1.54 percent in June of 2017.

India's wholesale inflation eased to a four-month low of 2.05% in March, down from 2.38% in February, driven by slower food price increases. Food inflation fell to 4.66% from 5.94%, with vegetable prices dropping 15.88%. While cereal and manufactured goods inflation moderated slightly, fuel prices saw a mild uptick. The RBI recently cut rates and warned of inflation risks from global uncertainties.

India's debt market saw a notable improvement in sentiment during March 2025, supported by proactive liquidity measures from the Reserve Bank of India (RBI), easing inflationary pressures, and a narrowing trade deficit. Puneet Pal, Head – Fixed Income at PGIM India Mutual Fund, highlighted that the RBI's continued Open Market Operations (OMOs) and Forex (FX) swaps helped inject over ₹5 lakh crore of durable liquidity into the banking system during the January–March quarter. This followed a ₹1.13 lakh crore liquidity boost from a CRR cut in December 2024. Additionally, the RBI announced incremental OMO purchases worth ₹80,000 crore for April, further reinforcing its commitment to maintaining adequate liquidity and supporting the debt market.

In the SDL auction conducted on 15th April, 3 states raised an aggregate amount of ₹ 3000 Cr.

Upcoming auction schedule:

- **22<sup>ND</sup> April** – RBI announced the SDL auction, in which 4 states will be raising aggregating to 10,870 crores.
- **23<sup>RD</sup> April** – RBI announced the auction of T bills for 91 days, 182 days, and 364 days for 9000, 5000, & 5000 crores respectively.

## INR – DOLLAR EXCHANGE

	14 APR	15 APR	16 APR	17 APR	18 APR
<b>OPEN</b>	86.0	86.0	85.7	85.6	85.4
<b>HIGH</b>	86.1	86.0	85.7	85.6	85.5
<b>LOW</b>	85.8	85.5	85.5	85.3	85.3
<b>CLOSE</b>	86.0	85.6	85.5	85.3	85.4

## INTEREST RATES

COUNTRY	CURRENT	PREVIOUS
<b>INDIA</b>	6.00	6.25
<b>USA</b>	4.50	4.50
<b>UK</b>	4.5	4.5
<b>CHINA</b>	3.35	3.35
<b>EURO AREA</b>	2.40	2.65
<b>JAPAN</b>	0.50	0.50

## WEEK AHEAD KEY EVENTS

DATE	EVENTS
21-APR	Indonesia Trade, United States CB Leading Index
22-APR	Eurozone Government Budget to GDP, Eurozone Consumer Confidence, United States Richmond Fed Manufacturing Index
23-APR	Eurozone Balance of Trade, US S&P Global Flash PMI, Manufacturing & Services, India HSBC Flash PMI, Manufacturing & Services
24-APR	United States Chicago Fed National Activity Index, United States Existing Home Sales, Australia RBA Bulletin
25-APR	United Kingdom GfK Consumer Confidence, United Kingdom Retail Sales, Japan Tokyo CPI

## Currency Movement:

The Indian rupee logged its best weekly gain since mid-March, rising 0.8% to close at 85.3675/USD, supported by over \$1 billion in foreign portfolio inflows into equities and broad dollar weakness amid U.S. tariff concerns.

Indian stock indexes surged nearly 2% on Thursday, marking their strongest weekly rise in over four years, led by financials. Bullish sentiment on emerging Asian currencies, including the rupee, continues to build as the dollar remains under pressure despite hawkish Fed signals.

RBI Governor Sanjay Malhotra highlighted concerns over liquidity mismatches in India's call money market, which could hinder monetary policy transmission. He urged banks to ensure effective transmission of RBI's liquidity measures and called for deepening the government securities and derivatives markets by enhancing participation, market depth, and risk management. Despite recent surplus liquidity averaging ₹1.7 trillion daily, he emphasized the need for seamless rate alignment and improved market efficiency.

## Key updates and week ahead:

Markets will closely watch upcoming Fed comments and key U.S. data releases, including durable goods orders and home sales, amid inflation and interest rate uncertainty. In Canada, retail sales and housing price data are due, with weak Q1 services activity suggesting potential softness in retail sales.

Key economic data this week includes UK retail sales, with mixed signals from March PMI showing rising services activity but ongoing job losses. In Germany, focus will be on the Ifo business climate data and the flash PMI's Future Output Index for insights into business confidence amid trade challenges.

Bank Indonesia is expected to keep rates steady at its April meeting amid currency pressures, with potential rate cuts later in the year. Key regional data includes South Korea's Q1 GDP and upcoming inflation reports from multiple economies.