

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
₹ USD/INR	84.068	0.02
BRENT OIL	75.34	0.99
GOLD	2733.60	0.77
India 10 YR	6.8204	0.01
US 10 YR	4.255	-1.18
NIFTY 50	24399.40	-0.15
SENSEX	80065.16	-0.02

G-SEC / BONDS YIELDS

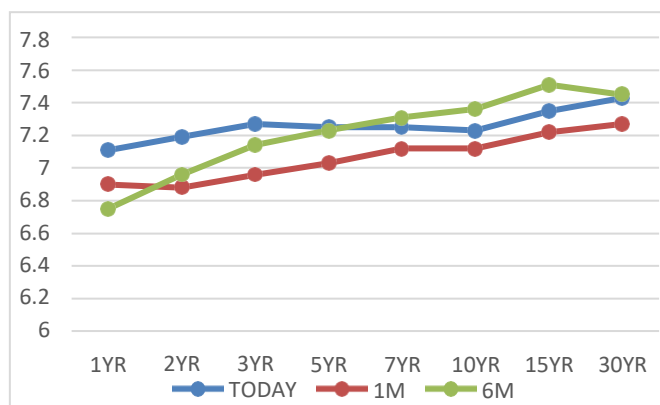
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.59	6.59
G-SEC 2028	6.7231	6.7145
G-SEC 2033	6.8410	6.8411
G-SEC 2037	6.8723	6.8770
G-SEC 2053	6.9540	6.9470
SDL 2027	6.8682	-
SDL 2033	-	7.1009

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.2030	54.6730
MAHINDRA RURAL HOUSING FINANCE LIMITED SR MRHFLBB2024 8.25 NCD 03AG29 FVRS1LAC	8.1231	100.4035
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD SR D 9.49 BD 08OT31 FVRS1LAC	9.5337	103.8450
TATA CAPITAL LIMITED SR C 8.07 NCD 20OT28 FVRS1LAC	7.7609	100.9767

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.525	6.5311	6.26	6.2825	6.23	6.2375

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.8204%, ending 0.07 bps higher than the close of the previous day's trading session. Yields traded in the range of 6.8164 to 6.8275 during the day.

DOMESTIC BROADCAST

India's business activity grew in October, led by stronger manufacturing demand, with job creation rising at its fastest pace since 2006. HSBC's flash India Composite PMI rose to 58.6 from September's 58.3, maintaining growth for 39 consecutive months. Manufacturing PMI increased to 57.4 from 56.5, and services activity also saw a slight uptick. New orders, including exports, expanded at faster rates, signaling positive industrial production for late 2024. The manufacturing sector, bolstered by the government's production-linked incentive scheme, has attracted over \$17 billion in investment, creating nearly a million jobs.

Money market operations on October 27, 2024: Overnight segment totaled ₹578,427.56 crores at a 6.69% weighted average rate. The segment's significant operations included triparty repo at ₹424,741.25 crore and 6.69%. RBI's net liquidity absorption stood at ₹57,428.30 crore.

GLOBAL BROADCAST

Japan's factory activity contracted for the fourth consecutive month in October, with the au Jibun Bank manufacturing PMI falling to 49.0 from 49.7 in September, remaining below the growth threshold of 50.0. Both domestic and foreign demand weakened, with new orders from abroad declining at the fastest pace since February 2023. Output also shrank for the second month. Japan's exports dropped for the first time in 10 months due to soft demand from China and slowing U.S. growth. The services PMI also contracted for the first time in four months, dropping to 49.3 from 53.1 in September.

The euro and yen rose as the U.S. dollar paused near three-month highs. The euro gained 0.2% to \$1.080075 after hitting a low, with expectations for further ECB rate cuts. The dollar index held at 104.20, supported by slower expected Fed rate cuts and increased market bets on a Trump presidency. Sterling rose 0.4%, and the yen found support at 151.925 per dollar after Japan hinted at potential intervention to stop its decline.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 256.4 bps, 2.56 bps higher than the closing of the previous day.

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

2 Years vs 1Year bond spread is 8.61 bp.
5 Years vs 2 Years bond spread is 4.61 bp.
10 Years vs 2Years bond spread is 12.04 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher compared to the previous day. The yield is projected to fluctuate between 6.79% and 6.83%.