

#### GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	84.079	30.03
BRENT OIL	74.63	0.73
GOLD	2746.15	-0.66
INDIA10YR	6.8495	1.08
US10YR	4.206	-0.02
NIFTY50	24180.80	-0.90
SENSEX	79402.29	-0.83

#### G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV DAY
364DTB	6.53	6.59
G-SEC2028	6.7450	6.7231
G-SEC2033	6.8679	6.8410
G-SEC2037	6.8956	6.8723
G-SEC2053	6.9823	6.9540
SDL2027	-	6.8682
SDL2033	7.1015	-

#### MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.2510	54.4399
HDB FINANCIAL SERVICES LIMITED SR 187 7.96 NCD 17NV25 FVRS10LAC	7.9852	99.9926
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23A 7.40 BD 30JN26 FVRS10LAC	7.5938	99.7111
SBI CARDS AND PAYMENT SERVICES LIMITED SR 36 8.25 NCD 08AG34 FVRS1CR	8.22	100.1105

#### AUCTION RESULT OF GOI DATED SECURITIES

SECURITY	MATURITY	CUTOFF	AMOUNT
6.79% GS 2034	2034	101.33/6.7662	20,000
7.46% GS 2073	2073	103.37/6.8590	12,000
TOTAL	32,000		

#### OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.5425	6.58	6.27	6.32	6.22	6.295

#### BOND MARKET

The 10-year benchmark recorded a close of 6.8193 %, 7.41 bps higher than the close of the previous day's trading session. Yields traded in the range of 6.8158 to 6.8495 during the day.

#### DOMESTIC BROADCAST

Indian government bond yields remained steady on Friday, with the 10-year yield at 6.8251%, set for a flat week amid limited market triggers and focus on a fresh debt auction. The 10-year U.S. yield held around 4.2%, as expectations for a Fed rate cut and upcoming U.S. elections tempered any major shifts. The RBI kept its repo rate at 6.5% with a neutral stance, and the MPC showed caution on inflation, creating a split among analysts about the timing of a rate cut, with forecasts ranging from December to February. India aims to raise Rs 32,000 crore in debt, including a new 6.79% 2034 bond that may become the new benchmark. Weak demand at auction could push yields to test 6.85%.

On OCTOBER 17, 2024, money market operations recorded ₹586,241.55 crore at a WAR of 6.66%. RBI operations resulted in a net liquidity absorption of ₹67,217.30 crore.

#### GLOBAL BROADCAST

Citigroup expects the Bank of Japan to hold rates steady at the October 30-31 meeting due to external uncertainties like the U.S. election. However, the BoJ may hint at future rate hikes, potentially reaching 0.5% by December or January, especially if yen weakness continues. Immediate USD/JPY impact may be minimal, but a narrowing U.S.-Japan rate spread could pressure the pair downward post-election.

Oil prices rose slightly on Friday and are set for a weekly gain of over 1%, driven by Middle East tensions and upcoming Gaza ceasefire talks. Brent crude climbed to \$74.69 per barrel, and WTI reached \$70.48, each up by 0.4%.

#### SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 264.35 bps, 7.59 bps.

Normal Convexity in Long-Term vs Short-Term Maturities.  
2 Years vs 1Year bond spread is 8.95 bp.  
5 Years vs 2 Years bond spread is 5.81 bp.  
10 Years vs 2Years bond spread is 13.85 bp.

#### MARKET OUTLOOK

Today's G-sec auction experienced strong demand. Today, the 10-year benchmark yields ended higher compared to the previous day, the market experienced higher liquidity and both positive and negative movement following the outcomes associated with the political tension. The yield is projected to fluctuate between 6.80% and 6.85%.

#### INDIA YIELD CURVE

