

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	83.955	-0.01
BRENT OIL	72.69	0.17
GOLD	2543.1	0.23
INDIA10YR	6.8542	-0.17
US10YR	3.732	-0.98
NIFTY50	24852.15	-1.17
SENSEX	81183.93	-1.24

G-SEC/BONDS YIELDS

SECURITY	LTY(%)TODAY	LTY(%)PREV DAY
364DTB	6.72	6.7050
G-SEC2028	6.7609	6.7683
G-SEC2033	6.8807	6.8840
G-SEC2037	6.9096	6.9022
G-SEC2053	6.9841	6.8938
SDL2027	7.0450	6.9798
SDL2033	7.1975	7.1900

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL HOUSING BANK 7.59 BD 14JL27 FVRS1LAC	7.4095	100.4162
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR IX 7.59 BD 10FB26 FVRS1LAC	7.75	99.7314
INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED 7.37 NCD 02AG34 FVRS1LAC	7.3591	100.08
ARKA FINCAP LIMITED SR XVI 9.50 NCD 23AG34 FVRS1LAC	9.22	101.75

**AUCTION RESULT
OF GOI DATED SECURITIES**

SECURITY	MATURITY	CUTOFF	AMOUNT
7.02% GS 2027	2027	100.67/ 6.7401%	6000
7.23% GS 2039	2039	100.92/ 6.9082%	12000
7.24% GS 2064	2064	104.31/ 7.0157%	11000
TOTAL		29,000	

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.4675	6.4650	6.15	6.155	6.0350	6.0475

BOND MARKET

The 10-year benchmark recorded a close of 6.8542 %, 0.12 bps lower from the close of the previous day's trading session. Yields traded in the range of 6.8457 to 6.8553 during the day.

DOMESTIC BROADCAST

Foreign direct investment in India surged by 47.8% to USD 16.17 billion in April-June this fiscal, driven by strong inflows in services, computer, telecom, and pharma sectors. Total FDI grew by 28% to USD 22.49 billion during the first quarter. Maharashtra received the highest inflow of USD 8.48 billion.

On SEPTEMBER 5, 2024, money market operations recorded ₹503,775.36 crore at a WAR of 6.33%. RBI operations resulted in a net liquidity absorption of ₹255,296.54 crore.

GLOBAL BROADCAST

The U.S. economy added 142,000 jobs in August, falling short of expectations (164,000), but higher than the revised July figure of 89,000. The unemployment rate dropped slightly to 4.2% from July's 4.3%, aligning with forecasts. Average hourly earnings grew by 0.4% in August after a 0.1% contraction in July. Despite private employers hiring the fewest workers since 2021 and job openings hitting a 3-1/2-year low, concerns about the labor market eased with a decline in jobless claims and growth in the services sector.

Oil prices steadied on Friday as investors awaited U.S. employment data, though both Brent and U.S. West Texas Intermediate (WTI) crude were on track for weekly losses. Brent rose 0.51% to \$73.06, and WTI increased 0.48% to \$69.48. Despite OPEC+ delaying supply increases, Brent was set for a 7% weekly decline, with WTI down nearly 6%. U.S. non-farm payrolls data, due later, is expected to influence the size of a potential interest rate cut by the Federal Reserve in mid-September.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 312.22 bp, 3.48 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 1.3 bp.
 5 Years vs 2 Years bond spread is 2.95 bp.
 10 Years vs 2 Years bond spread is 11.36 bp.

MARKET OUTLOOK

Today's G-sec auction experienced strong demand. With continued inflows from bond index investors and a global tailwind, yields are expected to ease further. The yield is projected to fluctuate between 6.83% and 6.85%.

INDIA YIELD CURVE
