

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	84.013	0.07
BRENT OIL	79.16	0.54
GOLD	2463.30	0.17
INDIA10YR	6.8812	0.046
US10YR	3.997	-1.08
NIFTY50	24367.50	1.04
SENSEX	79,705.91	1.04

G-SEC/BONDS YIELDS

SECURITY	LTY(%)TODAY	LTY(%)PREV DAY
364DTB	6.7250	6.7250
G-SEC2028	6.7922	6.8013
G-SEC2033	6.9193	6.9149
G-SEC2037	6.9442	6.9147
G-SEC2053	7.0323	7.0312
SDL2027	-	7.0497
SDL2033	7.2554	7.2631

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
CANARA BANK SR I 8.40 PP BD FVRS1CR	8.2664	100.4655
INDIA INFRADEBT LIMITED SR I TR V 7.98 NCD 05AG34 FVRS1LAC	7.9829	99.9400
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 181 7.37 BD 31JL29 FVRS1LAC	7.3753	100.100
ADITYA BIRLA FINANCE LIMITED SR K1 8.16 NCD 14FB29 FVRS1LAC	8.1090	99.9657
PIRAMAL CAPITAL & HOUSING FINANCE LIMITED 6.75 LOA 26SP31 FVRS875	11.10	86.6602

**AUCTION RESULT
OF GOI DATED SECURITIES**

SECURITY	MATURITY	CUTOFF YIELD	AMOUNT
7.10% GS 2034	08-04-2034	6.8915	20,000
7.34% GS 2064	22-04-2064	7.0782	11,000
TOTAL		31,000	

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.52	6.53	6.22	6.235	6.0975	6.1050

BOND MARKET

The 10-year benchmark recorded a close of 6.8812 %, 0.32 bps higher from the close of the previous day's trading session. Yields traded in the range of 6.8769 to 6.8890 during the day.

DOMESTIC BROADCAST

The RBI conducted a 14-day VRER auction under LAF for notified amounts of Rs. 1,00,000 crores. The offers received amounted to Rs. 14,954 crores at WARs of 6.49%.

The RBI conducted a 3-day VRER auction under LAF for notified amounts of Rs. 75,000 crores. The offers received amounted to Rs. 45,236 crores at WARs of 6.49%.

On AUGUST 8, 2024, money market operations recorded ₹509,563.49 crore at a WAR of 6.66%. RBI operations resulted in a net liquidity absorption of ₹165,608.16 crore.

GLOBAL BROADCAST

In July, China's CPI inflation grew 0.5% year-on-year, exceeding expectations and rising from 0.2% in the previous month, following interest rate cuts by the People's Bank of China. Meanwhile, PPI inflation contracted for the 22nd consecutive month, shrinking 0.8% year-on-year, matching June's decline and slightly better than expected.

Mexico's central bank lowered its benchmark interest rate to 10.75% in a divided vote, while signaling concerns about rising inflation by revising its year-end headline inflation forecast up to 4.4% from 4.0%.

Oil prices remained steady on Friday, with Brent at \$79.17 and WTI at \$76.27 per barrel, both on track for a weekly gain of over 3% due to eased demand concerns from U.S. jobs data and ongoing Middle East conflict fears.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 288.42 bp, 2.78 bps lower than the closing of the previous day.

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

2 Years vs 1 Year bond spread is 1.87 bp.

5 Years vs 2 Years bond spread is 1.2 bp.

10 Years vs 2 Years bond spread is 10.14 bp.

MARKET OUTLOOK

Today's G-sec auction experienced strong demand. The 10-year benchmark yield edged higher, rising to its highest level in this week, as underlying sentiment affected the demand-supply dynamics. With continued inflows from bond index investors and a global tailwind, yields are expected to ease further. The yield is projected to fluctuate between 6.88% and 6.92%.

INDIA YIELD CURVE
