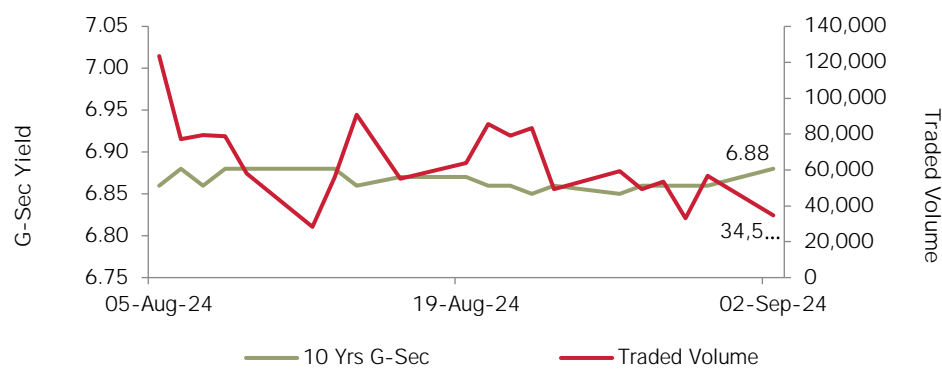


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	2-Sep-24	Week Ago	Month Ago	Year Ago
G-Sec	27,912	51,972	74,441	47,693
Net Liquidity Injected	-122340.23 ^[1]	-82,235	-255,687	-85,165
T-Bill	3,621	2,731	7,807	3,386
Call	11,622	7,492	10,065	9,852
T-Repo	387,775	400,962	327,300	369,056

Source: CCIL

Key Monitorables

Current Rates	2-Sep-24	Last Update	Year Ago
Fixed Reverse Repo (in %)	3.35	3.35	3.35
Repo (in %)	6.50	6.50	6.50
CRR (in %)	4.50	4.50	4.50
SLR (in %)	18.00	18.00	18.00
Bank Rate (in %)	6.75	6.75	6.75
SDF Rate (in %)	6.25	6.00	6.25
MSF Rate (in %)	6.75	6.75	6.75
USD/INR	83.92	83.86	82.72
Brent Crude	77.27	78.75	88.85

Source: RBI, Refinitiv, SDF - Standing Deposit Facility, MSF - Marginal Standing Facility

Money Market Rates (in %)

Indicators	2-Sep-24	Week Ago	Month Ago	Year Ago
Call Rate	6.49	6.52	6.49	6.55
T-Repo	6.26	6.32	6.21	6.55
Repo	6.34	6.37	6.39	6.56
3 Month CP	7.25	7.23	7.22	7.02
3 Month CD	7.23	7.23	7.17	7.05
6 Month CP	7.56	7.52	7.48	7.31
6 Month CD	7.51	7.44	7.42	7.24
1 Year CP	7.70	7.68	7.62	7.48
1 Year CD	7.66	7.60	7.55	7.43

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	2-Sep-24	Week Ago	Year Ago
1 Year	6.50	6.48	6.97
2 Years	6.20	6.16	6.67
3 Years	6.13	6.08	6.62
5 Years	6.11	6.05	6.57

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	2-Sep-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.55	6.60	6.55	6.66
2 Years (MIFOR)	6.47	6.35	6.45	6.98
3 Years (MIFOR)	6.55	6.42	6.49	7.00
5 Years (MIFOR)	6.62	6.47	6.55	7.00

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(02 Sep 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	14,643.89	1447	6.88
7.34% GS 2064	1,535.49	70	7.04
7.18% GS 2033	1,440.90	151	6.91
7.09% GS 2054	836.00	70	7.03
7.23% GS 2039	755.00	90	6.92

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.84% MAHA SDL 2026	2	2	7.01
Tamil Nadu	7.64% TN SDL 2029	5	1	7.11
Gujarat	7.43% GUJ SGS 2027	3	2	6.97
Uttar Pradesh	7.72% UP SGS 2034	10	1	7.20
West Bengal	7.66% WB SDL 2027	3	0	7.06

Source: CCIL

- Bond yields rose tracking U.S. counterparts, as market participants anticipated that the U.S. Federal Reserve will only implement a small rate cut in Sep 2024 meeting. U.S. Treasury yields traded higher after the personal consumption expenditure (PCE) price index increased in Jul 2024, matching market expectations.
- Yield on the 10-year benchmark paper (7.10% GS 2034) rose by 2 bps to close at 6.88% as compared to the previous close of 6.86%.
- RBI conducted the auction of 4-day Variable Rate Reverse Repo for the notified amount of Rs. 1,50,000 crore for which amount of Rs. 38,965 crore was accepted, and the cut-off yield stood at 6.49%.
- The Manufacturing Purchasing Managers' Index edged down slightly to 57.5 in Aug 2024 compared to 58.1 in Jul 2024. The latest reading indicated growth decreased to its lowest point in three months in Aug 2024 due to a notable decline in demand. Despite falling, the index beat its average and held above the 50-mark that separates growth from contraction, where it has been since Jul 2021.
- Gross goods and services tax (GST) collections in Aug 2024 stood at Rs. 1,74,962 crore, representing a 10% rise on a yearly basis. This growth was observed across all categories: Central GST (CGST), State GST (SGST), Integrated GST (IGST), and cess.
- The Indian rupee in the spot trade fell against the U.S. dollar due to weakness in other Asian peers.
- Brent crude oil prices (spot) fell on the prospect of higher OPEC+ supply from Oct 2024. China demand concerns also weighted the prices.

Yield Monitor

Corporate Bonds/G-Sec	02-Sep-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.59	7.58	7.57	7.61	7.66	7.83	7.50
3 Year AAA Corporate Bond	7.47	7.47	7.50	7.62	7.74	7.77	7.65
5 Year AAA Corporate Bond	7.51	7.49	7.51	7.52	7.66	7.72	7.63
10 Year AAA Corporate Bond	7.40	7.40	7.43	7.46	7.51	7.62	7.93
1 Year AA Corporate Bond	8.08	8.07	8.04	8.08	8.18	8.20	7.78
3 Year AA Corporate Bond	8.14	8.14	8.17	8.29	8.46	8.50	8.33
5 Year AA Corporate Bond	8.16	8.14	8.16	8.17	8.31	8.37	8.36
10 Year AA Corporate Bond	8.23	8.23	8.24	8.27	8.30	8.37	8.42
1 Year A Corporate Bond	12.97	12.96	12.93	12.91	12.96	13.09	12.65
3 Year A Corporate Bond	12.69	12.69	12.72	12.69	12.81	12.84	12.78
5 Year A Corporate Bond	12.61	12.59	12.61	12.62	12.76	12.73	12.73
1 Year G-Sec	6.84	6.86	6.84	6.91	7.06	7.13	7.22
3 Year G-Sec	6.86	6.86	6.86	6.92	7.18	7.18	7.29
5 Year G-Sec	6.89	6.89	6.89	6.92	7.18	7.18	7.29
10 Year G-Sec	6.99	6.98	6.97	7.02	7.11	7.18	7.30

Source: ICRA Analytics Research, Refinitiv, G-Sec Yields are annualised

^[1]Data as on 30 Aug, 2024

Spread Monitor (In bps)

Corporate Bonds/G-Sec	02-Sep-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	75	72	73	70	60	70	28
3 Y-AAA & G-Sec	61	61	64	70	56	59	36
5 Y-AAA & G-Sec	62	60	62	60	48	54	34
10 Y-AAA & G-Sec	41	42	46	44	40	44	63
1 Y-AA & G-Sec	124	121	120	117	112	107	56
3 Y-AA & G-Sec	128	128	131	137	128	132	104
5 Y-AA & G-Sec	127	125	127	125	113	119	107
10 Y-AA & G-Sec	124	125	127	125	119	119	112
1 Y-A & G-Sec	613	610	609	600	590	596	543
3 Y-A & G-Sec	583	583	586	577	563	566	549
5 Y-A & G-Sec	572	570	572	570	558	555	544

Source: ICRA Analytics Research, Refinitiv, G-Sec Yields are annualised

Government Securities	Notified Amount (In Rs. Crore)	Accepted Amount (In Rs. Crore)	Average Cut off Yield
7.46% GS 2073	11,000	11,000	7.07%
7.34% GS 2064	22,000	22,000	7.05%
7.23% GS 2039	12,000	12,000	6.96%
7.10% GS 2034	40,000	40,000	6.88%
7.02% GS 2031	11,000	11,000	6.86%
7.02% GS 2027	6,000	6,000	6.81%
7.04% GS 2029	12,000	12,000	6.78%

Source: RBI

Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	106.32%
10 to 14 Yrs	25.60%	63.38%
Long Dated (above 14 Yrs)	51.20%	82.55%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	169	169	109,117
MF**	-2,320	-49,067	-203,802

*As on 2nd September 2024; **As on 29th August 2024; Source: SEBI, NSDL

Term of the Day

Jumbo Bonds

Definition: As the name suggests, a 'jumbo' issue refers to an issue of securities for a high nominal amount. The size varies from market to market. Generally, it is in excess of 1 billion euro. Jumbo bonds are normally covered bonds, which are backed by cash flows from mortgages and similar loans.

Explanation: In the past, covered bonds, known in German as Pfandbriefe, were issued as small-sized bonds, which were basically targeted at domestic investors. However, with the rising fund requirement, the need to broaden the distribution of Pfandbriefe increased. In order to promote the trading of covered bonds and to make these investment vehicles attractive for foreign investors, jumbo covered bonds, or jumbos, were introduced in 1997. Several smaller issues were combined to form one large bond called a jumbo. Jumbo issues are also called "benchmark" issues. The main advantage of jumbo issue is that it minimises issue costs and increases the liquidity of the security as well.

Event for the Week (Monday to Friday)

Event for the Week (Monday to Friday)	Date
Reserve Money	4-Sep-24
Money Supply	4-Sep-24
Currency in Circulation	4-Sep-24
Bank Credit to Commercial Sector	4-Sep-24
Banker's Deposits with RBI	4-Sep-24

Source: Refinitiv

Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: September 02-06, 2024	29,000	0	0.00%
Month: Sep 2024	116,000	0	0.00%
H1: Apr 24-Sep 24	750,000	623,697	83.16%

Source: RBI

State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: September 2-6, 2024	27,500	0	0.00%
Month: Sep 2024	95,332	0	0.00%
Q2FY25: Jul 24-Sep 24	263,562	157,573	59.79%

Source: RBI

Public Issue Data of Corporate Debt

Name of Company	Issue closed on	Base issue size Rs Crore	Final issue size Rs Crore
Edelweiss Financial Services Limited	22-Jul-24	100	138
Sakthi Finance Limited	03-Jul-24	75	124
Nido Home Finance Limited	27-Jun-24	50	76
IIFL Samasta Finance Limited	14-Jun-24	200	181
360 One Prime Limited	06-Jun-24	100	304
Indiabulls Housing Finance Limited	27-May-24	100	153
Muthoot Mercantile Limited	17-May-24	50	54

Source: SEBI

Mutual Fund Category Performance - Debt

Category-Debt	1 Month	6 Month	1 Year
Overnight Fund	6.27	6.47	6.68
Liquid Fund	6.77	7.17	7.23
Ultra Short Duration Fund	6.35	7.01	6.91
Low Duration Fund	6.49	7.34	7.08
Money Market Fund	6.58	7.30	7.21
Short Duration Fund	6.74	7.23	6.95
Medium Duration Fund	7.56	7.72	7.50
Medium to Long Duration Fund	8.48	7.93	7.77
Long Duration Fund	11.67	9.26	9.96
Corporate Bond Fund	7.69	7.91	7.47
Gilt Fund	9.68	8.38	8.68
Gilt Fund with 10 year constant duration	8.59	8.72	8.54
Dynamic Bond	8.98	8.07	8.23
Banking and PSU Fund	7.54	7.66	7.37
Floater Fund	7.71	8.55	7.89
Credit Risk Fund	7.72	7.72	8.24

Less than 1 year returns are simple annualised and greater than 1 year returns are CAGR, Source: MFI 360 Explorer

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