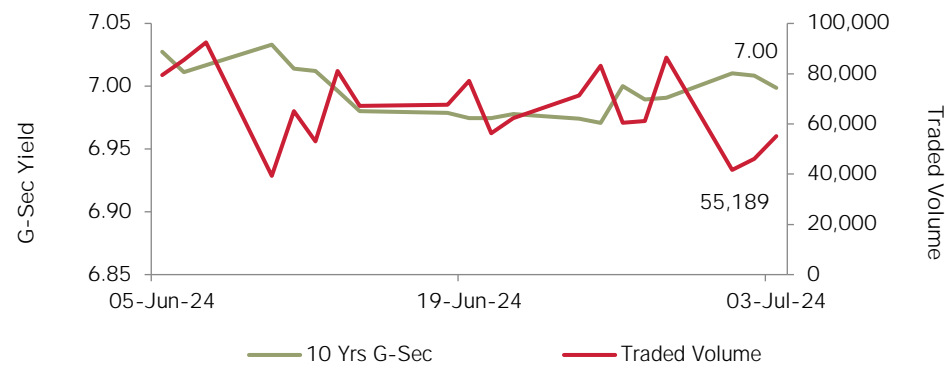


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	3-Jul-24	Week Ago	Month Ago	Year Ago
G-Sec	34,001	45,595	81,669	36,753
Net Liquidity Injected	-91225.32 ^[1]	152,308	-28,879	-277,278
T-Bill	17,629	11,389	4,947	11,007
Call	12,120	13,846	10,519	11,259
T-Repo	393,537	412,648	362,057	310,400

Source: CCIL

Key Monitorables

Current Rates	3-Jul-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	83.53	83.51	81.96
Brent Crude	87.07	86.58	74.92

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

Money Market Rates (in %)

Indicators	3-Jul-24	Week Ago	Month Ago	Year Ago
Call Rate	6.49	6.59	6.46	6.39
T-Repo	6.34	6.54	6.32	6.27
Repo	6.36	6.54	6.38	6.28
3 Month CP	7.20	7.24	7.18	7.05
3 Month CD	6.98	7.19	7.24	6.94
6 Month CP	7.42	7.52	7.50	7.29
6 Month CD	7.35	7.49	7.45	7.24
1 Year CP	7.60	7.70	7.68	7.46
1 Year CD	7.57	7.67	7.65	7.45

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	3-Jul-24	Week Ago	Year Ago
1 Year	6.80	6.80	6.75
2 Years	6.55	6.55	6.46
3 Years	6.49	6.47	6.38
5 Years	6.44	6.41	6.31

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	3-Jul-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.55	6.65	6.52	6.45
2 Years (MIFOR)	6.77	6.77	6.86	6.95
3 Years (MIFOR)	6.84	6.85	6.92	6.92
5 Years (MIFOR)	6.87	6.87	6.91	6.79

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(03 Jul 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	11,821.10	1199	7.00
7.18% GS 2033	3,288.85	351	7.04
7.23% GS 2039	1,631.00	135	7.02
7.37% GS 2028	1,480.00	89	6.98
7.32% GS 2030	1,463.29	136	7.02

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	8.26% MAHA SDL 2029	5	13	7.30
Tamil Nadu	8.24% TN SDL 2025	1	20	7.07
Gujarat	8.27% GUJ SDL 2029	5	8	7.31
Uttar Pradesh	7.52% UP SDL 2027	3	8	7.20
West Bengal	7.89% WB SGS 2040	16	1	7.37

Source: CCIL

- Bond yields fell marginally following the ease in U.S. Treasury yields, while market participants continue to gauge the pace of foreign inflows into Indian government bonds since the inclusion of local debt in the JPMorgan index.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 1 bps to close at 7.00% as compared to the previous close of 7.01%.
- Data from Reserve Bank of India showed that reserve money grew 7.4% on a yearly basis for the week ended Jun 28, 2024 compared to an increase of 6.3% in the same period of the previous year. The currency in circulation grew 6.0% on a yearly basis for the week ended Jun 28, 2024 compared to an increase of 4.9% in the same period of the previous year.
- India's Services Purchasing Managers' Index (PMI) rose slightly to 60.5 in Jun 2024 as compared to 60.2 in May 2024 buoyed by strong demand and a record rise in export orders. Composite PMI also rose to 60.9 from 60.5 in the same period.
- The Indian rupee in the spot trade fell against the U.S. dollar due to strong greenback demand from local corporates and state-run banks alongside weakness in Asian currencies.
- Brent crude oil prices (spot) fell slightly after the Energy Information Administration released a report that showing there was a larger decrease in U.S. crude oil inventories than anticipated for the week ending on Jun 28th, 2024.

Yield Monitor

Corporate Bonds/G-Sec	03-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.64	7.65	7.71	7.65	7.68	7.80	7.48
3 Year AAA Corporate Bond	7.74	7.74	7.75	7.73	7.68	7.79	7.59
5 Year AAA Corporate Bond	7.65	7.65	7.67	7.65	7.69	7.79	7.57
10 Year AAA Corporate Bond	7.44	7.48	7.49	7.49	7.51	8.00	7.83
1 Year AA Corporate Bond	8.13	8.12	8.18	8.17	8.20	8.05	7.76
3 Year AA Corporate Bond	8.41	8.41	8.42	8.44	8.40	8.42	8.25
5 Year AA Corporate Bond	8.30	8.30	8.32	8.30	8.34	8.38	8.31
10 Year AA Corporate Bond	8.23	8.27	8.28	8.28	8.34	8.63	8.32
1 Year A Corporate Bond	12.96	12.95	13.01	12.95	12.92	13.01	12.63
3 Year A Corporate Bond	12.81	12.81	12.82	12.79	12.75	12.86	12.64
5 Year A Corporate Bond	12.75	12.75	12.77	12.75	12.70	12.80	12.69
1 Year G-Sec	7.06	7.08	7.08	7.08	7.16	7.29	6.92
3 Year G-Sec	7.08	7.09	7.10	7.15	7.21	7.22	7.16
5 Year G-Sec	7.12	7.15	7.14	7.15	7.23	7.19	7.21
10 Year G-Sec	7.12	7.13	7.12	7.07	7.23	7.35	7.24

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

^[1]Data as on 02 Jul, 2024

Spread Monitor (In bps)

Corporate Bonds/G-Sec	03-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	58	57	63	57	52	51	56
3 Y-AAA & G-Sec	66	65	65	58	47	57	43
5 Y-AAA & G-Sec	53	50	53	50	46	60	36
10 Y-AAA & G-Sec	32	35	37	42	28	65	59
1 Y-AA & G-Sec	107	104	110	109	104	76	84
3 Y-AA & G-Sec	133	132	132	129	119	120	109
5 Y-AA & G-Sec	118	115	118	115	111	119	110
10 Y-AA & G-Sec	111	114	116	121	111	128	108
1 Y-A & G-Sec	590	587	593	587	576	572	571
3 Y-A & G-Sec	573	572	572	564	554	564	548
5 Y-A & G-Sec	563	560	563	560	547	561	548

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
7.30% GS 2053	9,000	9,000	7.14%
7.34% GS 2064	22,000	22,000	7.11%
7.46% GS 2073	11,000	11,000	7.07%
7.23% GS 2039	12,000	12,000	7.03%
7.10% GS 2034	40,000	40,000	7.02%
7.02% GS 2031	11,000	11,000	7.02%
7.04% GS 2029	12,000	12,000	6.99%

Source: RBI

Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	61.49%
10 to 14 Yrs	25.60%	44.79%
Long Dated (above 14 Yrs)	51.20%	48.18%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	302	3,672	72,297
MF**	2,042	2,042	-146,239

*As on 3rd July 2024;**As on 1st July 2024; Source: SEBI, NSDL

Term of the Day

Mortgage-Backed Securities

Definition: A mortgage-backed security (MBS) is a type of asset-backed security (ABS) that is secured by a mortgage, or more commonly a collection of mortgages, also referred to as "Pool". The mortgages of an MBS may be residential or commercial. They are known as Residential Mortgage-Backed Securities (RMBS) or Commercial Mortgage-Backed Securities (CMBS). Most of the time, they are secured by residential property and other real-estate loans. Other types of MBS are Collateralized Mortgage Obligations (CMO) and Collateralized Debt Obligations (CDO).

Explanation: A bank or a financial institution lends a borrower to buy a residential or any other real estate property and collects monthly payment on the loan. Such mortgage loans are purchased from banks, mortgage companies and other originators and then assembled into pools by a Government, quasi-Government, or a private entity. The entity then issues securities to investors who buy them. In lieu of such investment, the investor receives monthly payments that include both principal and interest. Thus, when an MBS is bought, the actual mortgage is not bought; rather it only represents claims on the principal and interest payments made by borrowers on the loans in the pool.

Event for the Week (Monday to Friday)

Event for the Week (Monday to Friday)	Date
Forex Reserves	5-Jul-24
Loans and Advances to Central Government	5-Jul-24
Loans and Advances to State Government	5-Jul-24

Source: Refinitiv

Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: July 01-05, 2024	28,000	0	0.00%
Month: Jul 2024	116,000	0	0.00%
H1: Apr 24-Sep 24	750,000	378,000	50.40%

Source: RBI

State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: July 1-5 ,2024	14,100	14,093	99.95%
Month: Jul 2024	79,490	14,093	17.73%
Q2FY25: Jul 24-Sep 24	263,562	14,093	5.35%

Source: RBI

Public Issue Data of Corporate Debt

Name of Company	Issue closed on	Base issue size Rs Crore	Final issue size Rs Crore
Indiabulls Housing Finance Limited	27-May-24	100	153
Muthoot Mercantile Limited	17-May-24	50	54
Motilal Oswal Financial Services Limited	03-May-24	500	1,000
Muthoot Fincorp Limited	25-Apr-24	100	258
ICL Fincorp Limited	23-Apr-24	75	75
Edelweiss Financial Services Limited	23-Apr-24	100	175
Kosamattam Finance Limited	23-Apr-24	125	179

Source: SEBI

Mutual Fund Category Performance - Debt

Category-Debt	1 Month	6 Month	1 Year
Overnight Fund	6.42	6.55	6.70
Liquid Fund	7.10	7.29	7.19
Ultra Short Duration Fund	7.10	7.12	6.87
Low Duration Fund	7.30	7.30	7.02
Money Market Fund	7.43	7.42	7.18
Short Duration Fund	5.95	6.96	6.52
Medium Duration Fund	6.26	7.79	6.85
Medium to Long Duration Fund	5.17	8.95	6.86
Long Duration Fund	10.31	14.17	9.31
Corporate Bond Fund	6.20	7.61	6.94
Gilt Fund	6.20	10.37	7.81
Gilt Fund with 10 year constant duration	3.74	9.46	7.28
Dynamic Bond	5.89	9.52	7.42
Banking and PSU Fund	6.40	7.57	6.88
Floater Fund	7.88	8.07	7.69
Credit Risk Fund	6.97	7.66	7.87

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

Disclaimer:

All information contained in this document has been obtained by ICRA Analytics Limited from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA Analytics Limited in particular, make no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion, and ICRA Analytics Limited shall not be liable for any losses incurred by users from any use of this document or its contents in any manner. Opinions expressed in this document are not the opinions of ICRA Analytics Limited's holding company, ICRA Limited (ICRA), and should not be construed as any indication of credit rating or grading of ICRA for any instruments that have been issued or are to be issued by any entity.

Past performance may or may not be sustained in the future.

Aditya Birla Sun Life AMC Limited /Aditya Birla Sun Life Mutual Fund is not guaranteeing/offering/communicating any indicative yield/returns on investments.

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.