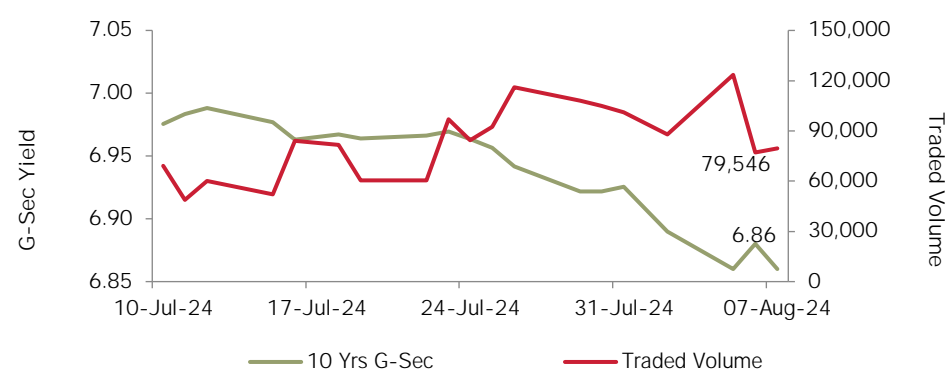


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	7-Aug-24	Week Ago	Month Ago	Year Ago
G-Sec	63,808	85,540	49,996	40,589
Net Liquidity Injected	-278759.6 ^[1]	-155,618	-128,610	-225,199
T-Bill	10,463	12,523	3,280	4,675
Call	10,908	11,301	9,511	9,445
T-Repo	342,161	335,962	361,220	276,556

Source: CCIL

Key Monitorables

Current Rates	7-Aug-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	83.96	83.95	82.74
Brent Crude	78.55	76.10	85.88

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

Money Market Rates (in %)

Indicators	7-Aug-24	Week Ago	Month Ago	Year Ago
Call Rate	6.48	6.49	6.55	6.36
T-Repo	6.36	6.41	6.42	6.24
Repo	6.39	6.45	6.41	6.28
3 Month CP	7.20	7.20	7.15	6.99
3 Month CD	7.14	7.16	7.15	7.01
6 Month CP	7.48	7.48	7.43	7.30
6 Month CD	7.42	7.43	7.43	7.14
1 Year CP	7.62	7.61	7.58	7.45
1 Year CD	7.56	7.57	7.67	7.43

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	7-Aug-24	Week Ago	Year Ago
1 Year	6.50	6.67	6.89
2 Years	6.20	6.37	6.63
3 Years	6.13	6.28	6.60
5 Years	6.11	6.23	6.52

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	7-Aug-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.50	6.55	6.60	6.40
2 Years (MIFOR)	0.00	6.52	6.74	6.95
3 Years (MIFOR)	0.00	6.62	6.81	6.97
5 Years (MIFOR)	0.00	6.60	6.84	7.00

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(07 Aug 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	28,643.35	2664	6.86
7.18% GS 2033	6,389.92	646	6.90
7.32% GS 2030	4,742.40	307	6.83
7.23% GS 2039	3,571.84	227	6.94
6.18% GS 2024	2,640.00	57	6.69

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.7% MAHA SGS 2034	10	3	7.22
Tamil Nadu	5.95% TN SDL 2025	1	1	6.86
Gujarat	7.57% GUJ SGS 2026	2	1	6.95
Uttar Pradesh	7.48% UP SGS 2040	16	3	7.28
West Bengal	7.0% WB SDL 2031	7	0	7.05

Source: CCIL

- Bond yields fell ahead of the RBI's monetary policy meeting outcome where market participants are expecting that the central bank would keep the key policy rates unchanged for the ninth consecutive time amid inflationary pressures.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 2 bps to close at 6.86% as compared to the previous close of 6.88%.
- Reserve Bank of India conducted the auction of 91 days, 182 days and 364 days Treasury Bills for an aggregate amount of Rs. 20,000 crore for which the full amount was accepted, and the cut-off rate stood at Rs. 98.3727 (YTM: 6.6351%), Rs. 96.7539 (YTM: 6.7284%) and Rs. 93.7106 (YTM: 6.7300%) respectively.
- Finance Minister introduced an amendment to the long-term capital gains tax on real estate, which was passed in Lok Sabha. According to the amendment taxpayers can choose between the new 12.5% rate without indexation or the old 20% rate with indexation for properties bought before Jul 23, 2024.
- The National Highways Authority of India (NHAI) saved approximately Rs. 1,000 crore in interest costs by paying off Rs. 15,700 crore of its debt early. This move has lowered NHAI's total debt to about Rs. 3,20,000 crore. Additionally, NHAI obtained better interest rates from banks, decreasing from 8.10% to 7.59%.
- The Indian rupee in the spot trade fell slightly against the U.S. dollar due to greenback demand from local importers.
- Brent crude oil prices (spot) rose after data showed a much larger than expected drop in U.S. crude inventories in the week ended Aug 2nd, 2024.

Yield Monitor

Corporate Bonds/G-Sec	07-Aug-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.53	7.55	7.62	7.64	7.63	7.79	7.43
3 Year AAA Corporate Bond	7.50	7.50	7.63	7.72	7.77	7.71	7.59
5 Year AAA Corporate Bond	7.51	7.52	7.54	7.64	7.66	7.77	7.60
10 Year AAA Corporate Bond	7.46	7.46	7.47	7.44	7.56	7.66	7.89
1 Year AA Corporate Bond	8.02	8.02	8.08	8.13	8.12	8.03	7.71
3 Year AA Corporate Bond	8.17	8.17	8.30	8.39	8.49	8.34	8.25
5 Year AA Corporate Bond	8.16	8.17	8.19	8.29	8.31	8.36	8.33
10 Year AA Corporate Bond	8.27	8.27	8.26	8.23	8.35	8.41	8.38
1 Year A Corporate Bond	12.91	12.91	12.91	12.96	12.96	12.98	12.58
3 Year A Corporate Bond	12.68	12.68	12.70	12.79	12.84	12.78	12.70
5 Year A Corporate Bond	12.61	12.62	12.64	12.74	12.76	12.78	12.70
1 Year G-Sec	6.83	6.83	6.96	7.04	7.20	7.16	7.06
3 Year G-Sec	6.89	6.90	6.94	7.08	7.24	7.13	7.27
5 Year G-Sec	6.89	6.90	6.96	7.12	7.26	7.13	7.31
10 Year G-Sec	6.98	6.99	7.04	7.12	7.26	7.20	7.33

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

^[1]Data as on 06 Aug, 2024

Spread Monitor (in bps)

Corporate Bonds/G-Sec	07-Aug-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	70	72	66	60	43	63	37
3 Y-AAA & G-Sec	61	60	69	64	53	58	32
5 Y-AAA & G-Sec	62	62	58	52	40	64	29
10 Y-AAA & G-Sec	48	47	43	32	30	46	56
1 Y-AA & G-Sec	119	119	112	109	92	87	65
3 Y-AA & G-Sec	128	127	136	131	125	121	98
5 Y-AA & G-Sec	127	127	123	117	105	123	102
10 Y-AA & G-Sec	129	128	122	111	109	121	105
1 Y-A & G-Sec	608	608	595	592	576	582	552
3 Y-A & G-Sec	579	578	576	571	560	565	543
5 Y-A & G-Sec	572	572	568	562	550	565	539

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
7.02% GS 2027	6,000	6,000	6.81%
6.90% GOI SGrB 2034	6,000	1,697	6.90%
7.09% GS 2054	10,000	10,000	7.09%

Source: RBI

Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	81.61%
10 to 14 Yrs	25.60%	52.97%
Long Dated (above 14 Yrs)	51.20%	68.23%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	-2,010	3,892	94,880
MF**	-353	-6,400	-161,136

*As on 7th August 2024; **As on 5th August 2024; Source: SEBI, NSDL

Term of the Day

Discount and Rediscount

Definition: Discount or Bill discounting is a fund based activity carried out by commercial banks. Here the concerned bank buys the bill (bill of exchange or Promissory Note) before its maturity period and credits the value of the bill to the customer's bank account (after deducting interest charges known as discount). A rediscount can be defined as a second discount given by the Reserve Bank of India on the same short term negotiable debt instrument that has already been discounted once by the concerned bank.

Explanation: Suppose Mr. A buys goods worth Rs. 1000 from Mr. B and pays through short term negotiable debt instrument instead of cash. This short term negotiable debt instrument has a maturity period ranging from 30 days to 120 days. Now in case Mr. B needs the money on an urgent basis, he will approach a bank. The bank after taking into account the credit worthiness of Mr. A charges an interest rate on the advance money paid to the customer (seller), here Mr. B. and thereby discounts the amount that needs to be paid at the end of credit period to Mr. B's bank account. Let's assume that the bank pays Rs. 900 to Mr. B after taking into account the interest charges. Now at the end of the maturity period, the bank collects Rs. 1,000 from Mr. A, against the negotiable debt instrument, and thereby earns a profit of Rs. 100. Rediscount may takes place when the banking sector is facing tight liquidity. In that case the commercial banks approach the Reserve Bank of India for rediscounting their debt instruments. This helps to maintain liquidity in the banking sector.

Event for the Week (Monday to Friday)	Date
Forex Reserves	9-Aug-24
Credit Growth	9-Aug-24
Deposit Growth	9-Aug-24
Loans and Advances to Central Government	9-Aug-24
Loans and Advances to State Government	9-Aug-24

Source: Refinitiv

Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: August 05-09, 2024	31,000	0	0.00%
Month: Aug 2024	140,000	17,697	12.64%
H1: Apr 24-Sep 24	750,000	505,697	67.43%

Source: RBI

State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: August 5-9, 2024	25,490	23,200	91.02%
Month: Aug 2024	111,480	52,700	47.27%
Q2FY25: Jul 24-Sep 24	263,562	91,583	34.75%

Source: RBI

Public Issue Data of Corporate Debt

Name of Company	Issue closed on	Base issue size Rs Crore	Final issue size Rs Crore
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
Motilal Oswal Financial Services Limited	03-May-24	500	1,000
Muthoot Fincorp Limited	25-Apr-24	100	258

Source: SEBI

Mutual Fund Category Performance - Debt

Category-Debt	1 Month	6 Month	1 Year
Overnight Fund	6.25	6.50	6.69
Liquid Fund	6.80	7.25	7.21
Ultra Short Duration Fund	6.56	7.15	6.88
Low Duration Fund	7.32	7.46	7.06
Money Market Fund	6.80	7.46	7.19
Short Duration Fund	9.76	7.29	6.95
Medium Duration Fund	11.00	7.79	7.49
Medium to Long Duration Fund	13.09	8.02	7.85
Long Duration Fund	13.82	9.22	10.40
Corporate Bond Fund	10.54	7.94	7.42
Gilt Fund	13.80	8.45	8.78
Gilt Fund with 10 year constant duration	16.23	9.10	8.81
Dynamic Bond	13.26	8.26	8.28
Banking and PSU Fund	9.91	7.71	7.30
Floater Fund	10.29	8.65	7.92
Credit Risk Fund	9.49	7.89	8.16

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

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