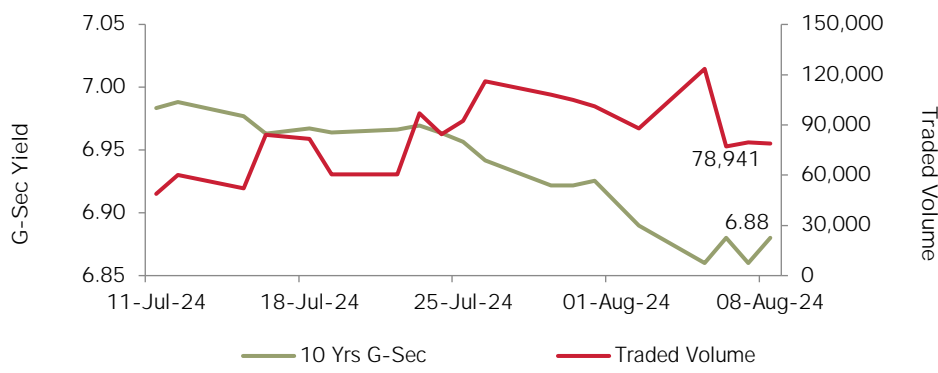


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	8-Aug-24	Week Ago	Month Ago	Year Ago
G-Sec	69,502	151,606	27,418	40,371
Net Liquidity Injected	-197620.28 ^[1]	-196,509	-77,263	-192,113
T-Bill	5,151	20,016	2,305	4,591
Call	10,345	10,740	11,306	10,044
T-Repo	336,077	322,577	381,966	295,439

Source: CCIL

Key Monitorables

Current Rates	8-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	83.96	82.83
Brent Crude	78.94	78.55	86.12

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

Money Market Rates (in %)

Indicators	8-Aug-24	Week Ago	Month Ago	Year Ago
Call Rate	6.65	6.47	6.54	6.36
T-Repo	6.65	6.36	6.43	6.28
Repo	6.68	6.43	6.50	6.30
3 Month CP	7.20	7.20	7.15	6.99
3 Month CD	7.18	7.16	7.25	6.95
6 Month CP	7.48	7.48	7.43	7.30
6 Month CD	7.47	7.44	7.43	7.16
1 Year CP	7.62	7.61	7.58	7.45
1 Year CD	7.61	7.57	7.67	7.44

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	8-Aug-24	Week Ago	Year Ago
1 Year	6.53	6.65	6.89
2 Years	6.22	6.33	6.65
3 Years	6.14	6.25	6.57
5 Years	6.10	6.19	6.55

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	8-Aug-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.75	6.55	6.62	6.40
2 Years (MIFOR)	6.31	6.52	6.67	6.94
3 Years (MIFOR)	6.40	6.57	6.75	6.92
5 Years (MIFOR)	6.46	6.61	6.81	6.99

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(08 Aug 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	42,076.98	3770	6.88
7.18% GS 2033	5,931.51	645	6.91
7.32% GS 2030	3,031.10	213	6.84
7.18% GS 2037	2,701.16	194	6.94
7.23% GS 2039	2,240.00	156	6.95

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.3% MAHA SGS 2038	14	3	7.24
Tamil Nadu	7.82% TN SGS 2032	8	1	7.24
Gujarat	7.55% GUJ SGS 2031	7	1	7.19
Uttar Pradesh	7.69% UP SGS 2035	11	3	7.23
West Bengal	8.88% WB SDL 2026	2	0	7.20

Source: CCIL

- Bond yields rose after the RBI maintained a status quo on interest rates and retained its hawkish policy stance with focus on bringing inflation down in its latest monetary policy meeting concluded on Aug 8, 2024. Losses were extended following a rise in U.S. Treasury yields as fears that the economy is quickly entering a recession were deemed exaggerated.
- 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 announced to conduct the auction of 14-day Variable Rate Reverse Repo for the notified amount of Rs. 1,00,000 crore on Aug 09, 2024.
- The Monetary Policy Committee (MPC) of the RBI in its third bi-monthly monetary policy review of FY25 kept key policy repo rate unchanged at 6.50% with immediate effect for the ninth consecutive time. The standing deposit facility (SDF) rate also remained unchanged at 6.25%. Four out of six members voted to keep the policy repo rate unchanged. The MPC also remained focused on withdrawal of accommodation to ensure that inflation progressively aligns with the target, while supporting growth.
- The Indian rupee in the spot trade fell slightly against the U.S. dollar due to weak domestic equity market and foreign fund outflows.
- Brent crude oil prices (spot) rose amid possible supply disruptions due to Middle East tensions, and expectations for heightened demand in the U.S. have risen following the release of data indicating a decline in unemployment claims.

Yield Monitor

Corporate Bonds/G-Sec	08-Aug-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.53	7.53	7.61	7.64	7.63	7.79	7.43
3 Year AAA Corporate Bond	7.50	7.50	7.63	7.72	7.76	7.71	7.63
5 Year AAA Corporate Bond	7.52	7.51	7.52	7.63	7.71	7.72	7.63
10 Year AAA Corporate Bond	7.46	7.46	7.46	7.44	7.56	7.66	7.89
1 Year AA Corporate Bond	8.02	8.02	8.08	8.13	8.13	8.03	7.71
3 Year AA Corporate Bond	8.17	8.17	8.30	8.39	8.48	8.34	8.29
5 Year AA Corporate Bond	8.17	8.16	8.17	8.28	8.36	8.31	8.36
10 Year AA Corporate Bond	8.27	8.27	8.27	8.23	8.35	8.41	8.38
1 Year A Corporate Bond	12.91	12.91	12.91	12.96	12.97	12.98	12.58
3 Year A Corporate Bond	12.68	12.68	12.70	12.79	12.83	12.78	12.74
5 Year A Corporate Bond	12.62	12.61	12.62	12.73	12.81	12.73	12.73
1 Year G-Sec	6.84	6.83	6.93	7.03	7.19	7.15	7.02
3 Year G-Sec	6.90	6.89	6.94	7.07	7.25	7.15	7.25
5 Year G-Sec	6.91	6.89	6.94	7.11	7.27	7.14	7.26
10 Year G-Sec	7.00	6.98	7.04	7.11	7.27	7.21	7.30

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

^[1]Data as on 07 Aug, 2024

Spread Monitor (In bps)

Corporate Bonds/G-Sec	08-Aug-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	69	70	68	61	44	64	41
3 Y-AAA & G-Sec	60	61	69	65	51	56	38
5 Y-AAA & G-Sec	61	62	58	52	44	58	37
10 Y-AAA & G-Sec	46	48	42	33	29	45	59
1 Y-AA & G-Sec	118	119	115	110	94	88	69
3 Y-AA & G-Sec	127	128	136	132	123	119	104
5 Y-AA & G-Sec	126	127	123	117	109	117	110
10 Y-AA & G-Sec	127	129	123	112	108	120	108
1 Y-A & G-Sec	607	608	598	593	578	583	556
3 Y-A & G-Sec	578	579	576	572	558	563	549
5 Y-A & G-Sec	571	572	568	562	554	559	547

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*	1,980	5,872	96,859
MF**	-7,241	-13,641	-168,377

*As on 8th August 2024; **As on 6th August 2024; Source: SEBI, NSDL

Term of the Day

Flash Trading

Definition: Flash trading is a mechanism in which sophisticated high-speed technology allows traders to view orders from other market participants a fraction of a second before others in the market place. This is because the exchange or market centre is not quoting the best price or cannot fill that order in its entirety. This allows flash traders to take advantage of being able to gauge supply and demand and recognize market sentiments before other traders.

Explanation: Flash trading is a controversial technology because of the advantage they give to traders who are able to participate in the orders. It provides two-fold advantage. Submitters can use flash facilities at transaction-fee exchanges where they expect to benefit from greater liquidity and lower fees than they would pay at make-or-take exchanges, while retaining the benefit of the best market quote. For the exchange, a flash ordering system facilitates the arrangement of trades that might not have taken place otherwise and thus increases the availability of liquid assets to its other customers. Flash orders, i.e. orders placed through flash trading are also known as 'step-up orders' or 'pre-routing orders'.

Flash trading also raises problem because it provides unequal advantages to responders who own the technology to execute flash trades and have been permitted to do so by the exchange.

Event for the Week (Monday to Friday)

Event for the Week (Monday to Friday)	Date
Forex Reserves	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	6.26	6.50	6.69
Liquid Fund	6.83	7.25	7.21
Ultra Short Duration Fund	6.58	7.15	6.89
Low Duration Fund	7.36	7.47	7.07
Money Market Fund	6.82	7.45	7.19
Short Duration Fund	9.69	7.29	6.92
Medium Duration Fund	10.86	7.75	7.44
Medium to Long Duration Fund	12.45	7.91	7.70
Long Duration Fund	12.37	9.01	10.10
Corporate Bond Fund	10.46	7.92	7.42
Gilt Fund	12.72	8.29	8.56
Gilt Fund with 10 year constant duration	15.35	8.98	8.52
Dynamic Bond	12.43	8.11	8.14
Banking and PSU Fund	9.94	7.68	7.31
Floater Fund	10.29	8.63	7.92
Credit Risk Fund	9.44	7.87	8.15

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

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