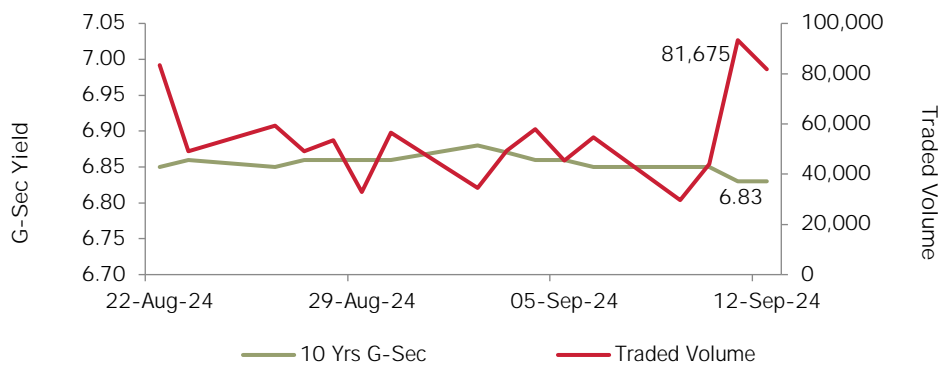


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	12-Sep-24	Week Ago	Month Ago	Year Ago
G-Sec	75,571	35,848	23,253	34,820
Net Liquidity Injected	-153288.65 ^[1]	-255,297	-112,620	-28,384
T-Bill	3,353	5,763	2,457	2,563
Call	11,271	11,191	11,164	8,882
T-Repo	350,745	352,277	332,418	391,569

Source: CCIL

Key Monitorables

Current Rates	12-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	83.97	83.98	82.92
Brent Crude	72.21	70.69	91.94

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

Money Market Rates (in %)

Indicators	12-Sep-24	Week Ago	Month Ago	Year Ago
Call Rate	6.52	6.49	6.47	6.73
T-Repo	6.27	6.30	6.28	6.75
Repo	6.41	6.38	6.39	6.76
3 Month CP	7.33	7.27	7.21	7.10
3 Month CD	7.30	7.25	7.28	7.09
6 Month CP	7.56	7.56	7.49	7.32
6 Month CD	7.51	7.49	7.45	7.25
1 Year CP	7.72	7.72	7.64	7.50
1 Year CD	7.70	7.65	7.62	7.40

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	12-Sep-24	Week Ago	Year Ago
1 Year	6.39	6.47	7.08
2 Years	6.07	6.17	6.86
3 Years	5.99	6.08	6.83
5 Years	5.97	6.05	6.81

Source: CCIL

MIFOR & Overnight MIBOR (In %)

Indicators	12-Sep-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.60	6.55	6.55	6.83
2 Years (MIFOR)	6.27	6.34	6.32	7.24
3 Years (MIFOR)	6.37	6.45	6.47	7.26
5 Years (MIFOR)	6.46	6.52	6.54	7.26

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(12 Sep 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	32,626.07	2526	6.83
7.18% GS 2033	6,702.32	483	6.83
7.23% GS 2039	6,123.13	433	6.86
7.06% GS 2028	3,160.60	183	6.74
7.26% GS 2033	3,041.19	165	6.84

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (In Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.26% MAHA SGS 2050	26	4	7.20
Tamil Nadu	6.57% TN SDL 2031	7	1	7.13
Gujarat	5.77% GUJ SDL 2025	1	1	6.80
Uttar Pradesh	7.75% UP SGS 2033	9	1	7.19
West Bengal	6.99% WB SDL 2035	11	0	7.24

Source: CCIL

- Bond yields fell on expectations of rate cuts by major central banks around the world. Gains were extended after the report suggested a likely rate cut on mortgages by China to boost consumption. However, gains were limited after U.S. economic data reduced the chances of a major interest rate cut by the Federal Reserve next week. Market participants awaited for domestic inflation data for further cues.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 2 bps to close at 6.81% as compared to the previous close of 6.83%.
- RBI conducted the auction of overnight Variable Rate Reverse Repo for the notified amount of Rs. 75,000 crore for which amount of Rs. 72,240 crore was accepted and the cut-off yield stood at 6.49%.
- The consumer price index-based inflation increased marginally to 3.65% YoY in Aug 2024 compared to 3.60% in Jul 2024. The inflation rate remained below the RBI's medium-term target of 4% for the second time since Aug 2019. Consumer food price inflation rose to 5.66% YoY in Aug 2024 from 5.42% in Jul 2024.
- Industrial production growth in India (IIP) increased to 4.8% YoY in Jul 2024, as compared to 4.7% in Jun 2024. Production in the manufacturing industry increased by 4.6%, mining by 3.7% and electricity by 7.9% in Jul 2024.
- The Indian rupee in the spot trade rose against the U.S. dollar following positive trends in the domestic equity markets.
- Brent crude oil prices (spot) rose amid reports of supply cuts in facilities along the Gulf of Mexico due to the impact of Hurricane Francine.

Yield Monitor

Corporate Bonds/G-Sec	12-Sep-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.65	7.65	7.61	7.54	7.66	7.84	7.50
3 Year AAA Corporate Bond	7.47	7.46	7.47	7.51	7.73	7.68	7.71
5 Year AAA Corporate Bond	7.49	7.49	7.49	7.53	7.65	7.66	7.69
10 Year AAA Corporate Bond	7.39	7.39	7.40	7.46	7.53	7.63	7.91
1 Year AA Corporate Bond	8.12	8.12	8.10	8.03	8.13	8.15	7.78
3 Year AA Corporate Bond	8.14	8.13	8.14	8.17	8.40	8.40	8.34
5 Year AA Corporate Bond	8.14	8.14	8.14	8.18	8.30	8.31	8.33
10 Year AA Corporate Bond	8.21	8.21	8.23	8.27	8.32	8.39	8.36
1 Year A Corporate Bond	13.01	13.01	12.99	12.92	12.96	13.04	12.65
3 Year A Corporate Bond	12.69	12.68	12.69	12.68	12.80	12.75	12.82
5 Year A Corporate Bond	12.59	12.59	12.59	12.63	12.75	12.67	12.79
1 Year G-Sec	6.84	6.87	6.85	6.86	7.13	7.13	7.24
3 Year G-Sec	6.83	6.83	6.85	6.88	7.13	7.16	7.33
5 Year G-Sec	6.83	6.84	6.87	6.91	7.15	7.15	7.37
10 Year G-Sec	6.93	6.95	6.97	7.00	7.13	7.15	7.33

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

^[1]Data as on 11 Sep, 2024

Spread Monitor (in bps)

Corporate Bonds/G-Sec	12-Sep-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	81	78	76	68	53	71	26
3 Y-AAA & G-Sec	64	63	62	63	60	52	38
5 Y-AAA & G-Sec	66	65	62	62	50	51	32
10 Y-AAA & G-Sec	46	44	43	46	40	48	58
1 Y-AA & G-Sec	128	125	125	117	100	102	54
3 Y-AA & G-Sec	131	130	129	129	127	124	101
5 Y-AA & G-Sec	131	130	127	127	115	116	96
10 Y-AA & G-Sec	128	126	126	127	119	124	103
1 Y-A & G-Sec	617	614	614	606	583	591	541
3 Y-A & G-Sec	586	585	584	580	567	559	549
5 Y-A & G-Sec	576	575	572	572	560	552	542

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
7.34% GS 2064	11,000	11,000	7.02%
7.23% GS 2039	12,000	12,000	6.91%
7.02% GS 2027	6,000	6,000	6.74%

Source: RBI

Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	109.77%
10 to 14 Yrs	25.60%	63.38%
Long Dated (above 14 Yrs)	51.20%	88.54%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	-187	651	109,599
MF**	-6,981	-8,171	-215,376

*As on 12th September 2024; **As on 6th September 2024; Source: SEBI, NSDL

Term of the Day

Mark to market (MTM)

Definition: It is an accounting concept through which value of an asset is recorded as per its market value. It is applicable to determine the price or value of a security, portfolio or account on a daily basis to reflect the current market value. Through MTM, the real market value of an asset (or liability) is reflected rather than the initial or historical cost of the asset (or liability).

Explanation: In a company balance sheet, assets are recorded usually at their historical costs. However, under historical cost, values of the assets are counted at their purchase price and do not reflect the true picture for decision making. In order to get the most accurate and timely information regarding the financials of a company, assets should be considered at their present value. In accounting concept, the method had been considered as official in April 2009 by the Financial Accounting Standards Board (FASB).

In case of stocks and bonds held in a portfolio either individually or through a mutual fund, marking to market is done on a daily basis. Unlike assets held on the balance sheet of a company, stock and bond prices are available on a daily basis and thus daily return on a portfolio can be calculated. In the fixed income space, the market price of a bond can be different from its face value. In a changing interest rate scenario, the longer a bond's period to maturity is, the more will be the volatility in prices. Here lies the need for mark to market.

Event for the Week (Monday to Friday)

Event for the Week (Monday to Friday)	Date
WPI Inflation (Aug 2024)	13-Sep-24
Forex Reserves	13-Sep-24
Loans and Advances to Central Government	13-Sep-24
Loans and Advances to State Government	13-Sep-24
WPI Food Index (Aug 2024)	13-Sep-24

Source: Refinitiv

Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: September 09-13, 2024	22,000	0	0.00%
Month: Sep 2024	116,000	29,000	25.00%
H1: Apr 24-Sep 24	750,000	652,697	84.93%

Source: RBI

State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: September 9-13, 2024	12,540	13,790	109.97%
Month: Sep 2024	95,332	34,343	36.02%
Q2FY25: Jul 24-Sep 24	263,562	191,916	72.82%

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	6.25	6.46	6.67
Liquid Fund	6.72	7.13	7.23
Ultra Short Duration Fund	6.38	6.93	6.91
Low Duration Fund	6.62	7.24	7.12
Money Market Fund	6.60	7.19	7.22
Short Duration Fund	7.58	7.25	7.19
Medium Duration Fund	9.19	7.88	7.90
Medium to Long Duration Fund	11.16	8.32	8.48
Long Duration Fund	16.10	9.90	10.97
Corporate Bond Fund	8.34	7.83	7.69
Gilt Fund	13.68	9.09	9.54
Gilt Fund with 10 year constant duration	12.52	9.25	9.47
Dynamic Bond	12.43	8.65	8.94
Banking and PSU Fund	7.99	7.53	7.57
Floater Fund	8.04	8.44	8.02
Credit Risk Fund	8.81	7.89	8.48

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

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