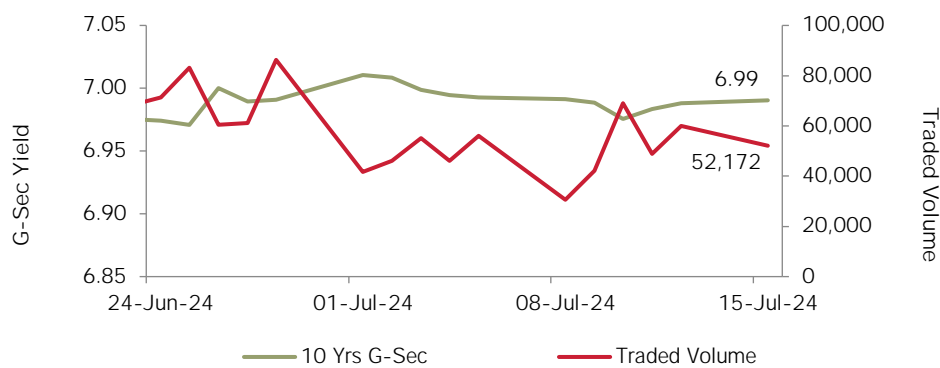


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	15-Jul-24	Week Ago	Month Ago	Year Ago
G-Sec	46,168	27,418	58,478	42,899
Net Liquidity Injected	-135856.72 ^[1]	-77,263	55,327	-20,822
T-Bill	4,813	2,305	3,094	7,621
Call	10,700	11,306	10,678	13,091
T-Repo	364,121	381,966	333,340	293,052

Source: CCIL

Key Monitorables

Current Rates	15-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	83.59	83.54	82.17
Brent Crude	84.88	85.21	79.62

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

Money Market Rates (in %)

Indicators	15-Jul-24	Week Ago	Month Ago	Year Ago
Call Rate	6.47	6.54	6.72	6.42
T-Repo	6.34	6.43	6.70	6.30
Repo	6.40	6.50	6.65	6.32
3 Month CP	7.17	7.15	7.14	6.96
3 Month CD	7.04	7.25	7.10	6.93
6 Month CP	7.43	7.43	7.48	7.28
6 Month CD	7.38	7.43	7.51	7.13
1 Year CP	7.63	7.58	7.70	7.48
1 Year CD	7.61	7.67	7.59	7.39

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	15-Jul-24	Week Ago	Year Ago
1 Year	6.75	6.76	6.77
2 Years	6.48	6.50	6.44
3 Years	6.40	6.44	6.34
5 Years	6.37	6.40	6.28

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	15-Jul-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.55	6.62	6.79	6.45
2 Years (MIFOR)	6.63	6.67	6.71	6.81
3 Years (MIFOR)	6.71	6.75	6.79	6.81
5 Years (MIFOR)	6.76	6.81	6.84	6.81

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(15 Jul 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.18% GS 2033	7,756.92	705	7.02
7.32% GS 2030	3,196.23	203	6.99
7.18% GS 2037	2,275.16	121	7.04
7.02% GS 2031	1,740.00	129	6.98
7.37% GS 2028	1,685.01	104	6.94

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.1% MAHA SDL 2036	12	8	7.34
Tamil Nadu	8.69% TN SDL 2026	2	5	7.14
Gujarat	7.52% GUJ SGS 2025	1	10	7.00
Uttar Pradesh	7.02% UP SDL 2031	7	5	7.31
West Bengal	7.52% WB SGS 2039	15	1	7.36

Source: CCIL

- Bond yields fell slightly despite stronger-than-expected domestic retail inflation data in Jun 2024, while market participants awaited for fresh triggers.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 1 bps to close at 6.98% as compared to the previous close of 6.99%.
- RBI conducted the auction of 4-day Variable Rate Reverse Repo for the notified amount of Rs. 75,000 crore for which amount of Rs. 37,200 crore was accepted and the cut-off yield stood at 6.49%.
- India's wholesale price index (WPI) based inflation surged to 16-month high of 3.36% YoY in Jun 2024 as compared to 2.61% in May 2024. The positive rate of inflation in Jun, 2024 was primarily due to an increase in prices of food articles, manufacture of food products, crude petroleum & natural gas, mineral oils, other manufacturing etc.
- India's merchandise trade deficit widened to \$20.98 billion in Jun 2024 from \$19.19 billion in Jun 2023. Exports surged 2.56% to \$35.20 billion in Jun 2024 from \$34.32 billion of the same month of previous year and imports also rose by 4.99% to \$56.18 billion from \$53.51 billion during the same period.
- 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 concerns about political uncertainty in the U.S. and weak economic data from China.

Yield Monitor

Corporate Bonds/G-Sec	15-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.64	7.64	7.64	7.66	7.63	7.71	7.48
3 Year AAA Corporate Bond	7.69	7.69	7.72	7.72	7.73	7.78	7.54
5 Year AAA Corporate Bond	7.61	7.61	7.63	7.62	7.68	7.77	7.53
10 Year AAA Corporate Bond	7.47	7.44	7.44	7.53	7.54	7.75	7.76
1 Year AA Corporate Bond	8.13	8.13	8.13	8.13	8.15	8.00	7.76
3 Year AA Corporate Bond	8.36	8.36	8.39	8.39	8.45	8.41	8.24
5 Year AA Corporate Bond	8.26	8.26	8.28	8.27	8.33	8.36	8.27
10 Year AA Corporate Bond	8.26	8.23	8.23	8.32	8.37	8.50	8.25
1 Year A Corporate Bond	12.96	12.96	12.96	12.96	12.94	13.01	12.63
3 Year A Corporate Bond	12.76	12.76	12.79	12.79	12.80	12.85	12.63
5 Year A Corporate Bond	12.71	12.71	12.73	12.72	12.71	12.78	12.65
1 Year G-Sec	7.00	7.05	7.03	7.11	7.11	7.21	6.97
3 Year G-Sec	7.04	7.04	7.07	7.12	7.27	7.14	7.18
5 Year G-Sec	7.08	7.10	7.11	7.13	7.30	7.15	7.19
10 Year G-Sec	7.10	7.11	7.11	7.11	7.30	7.28	7.21

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

^[1]Data as on 12 Jul, 2024

Spread Monitor (In bps)

Corporate Bonds/G-Sec	15-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	64	59	61	55	52	50	51
3 Y-AAA & G-Sec	65	65	65	60	46	64	36
5 Y-AAA & G-Sec	53	51	52	49	38	62	34
10 Y-AAA & G-Sec	37	33	33	42	24	47	55
1 Y-AA & G-Sec	113	108	110	102	104	79	79
3 Y-AA & G-Sec	132	132	132	127	118	127	106
5 Y-AA & G-Sec	118	116	117	114	103	121	108
10 Y-AA & G-Sec	116	112	112	121	107	122	104
1 Y-A & G-Sec	596	591	593	585	583	580	566
3 Y-A & G-Sec	572	572	572	567	553	571	545
5 Y-A & G-Sec	563	561	562	559	541	563	546

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	7.10%
7.30% GS 2053	10,000	10,000	7.08%
7.23% GS 2039	12,000	12,000	7.04%
7.02% GS 2031	11,000	11,000	6.99%
7.02% GS 2027	6,000	6,000	6.96%

Source: RBI

Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	71.26%
10 to 14 Yrs	25.60%	44.79%
Long Dated (above 14 Yrs)	51.20%	56.77%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	584	9,069	77,693
MF**	-1,880	6,688	-141,435

*As on 15th July 2024; **As on 11th July 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 take 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)

Event for the Week (Monday to Friday)	Date
Reserve Money	17-Jul-24
Currency in Circulation	17-Jul-24
Banker's Deposits with RBI	17-Jul-24
Forex Reserves	19-Jul-24
Loans and Advances to Central Government	19-Jul-24

Source: Refinitiv

Govt Borrowing Program FYTD	Rs. Crore		
Description	Scheduled	Completed	% Completed
Week: July 15-19, 2024	31,000	0	0.00%
Month: Jul 2024	116,000	50,000	43.10%
H1: Apr 24-Sep 24	750,000	428,000	57.07%

Source: RBI

State Govt Borrowing Program FYTD

State Govt Borrowing Program FYTD	Rs. Crore		
Description	Scheduled	Completed	% Completed
Week: July 15-19, 2024	12,990	0	0.00%
Month: Jul 2024	79,490	20,193	25.40%
H1: Apr 24-Sep 24	517,602	166,014	32.07%

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	6.40	6.53	6.70
Liquid Fund	7.06	7.26	7.20
Ultra Short Duration Fund	7.10	7.11	6.86
Low Duration Fund	7.55	7.32	7.00
Money Market Fund	7.46	7.41	7.16
Short Duration Fund	7.34	6.93	6.53
Medium Duration Fund	7.61	7.60	6.85
Medium to Long Duration Fund	7.30	8.23	6.80
Long Duration Fund	9.08	12.38	8.91
Corporate Bond Fund	8.01	7.64	6.97
Gilt Fund	7.52	9.32	7.69
Gilt Fund with 10 year constant duration	7.51	8.68	7.22
Dynamic Bond	7.49	8.82	7.35
Banking and PSU Fund	7.90	7.58	6.89
Floater Fund	8.81	8.11	7.69
Credit Risk Fund	7.00	7.57	7.85

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

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