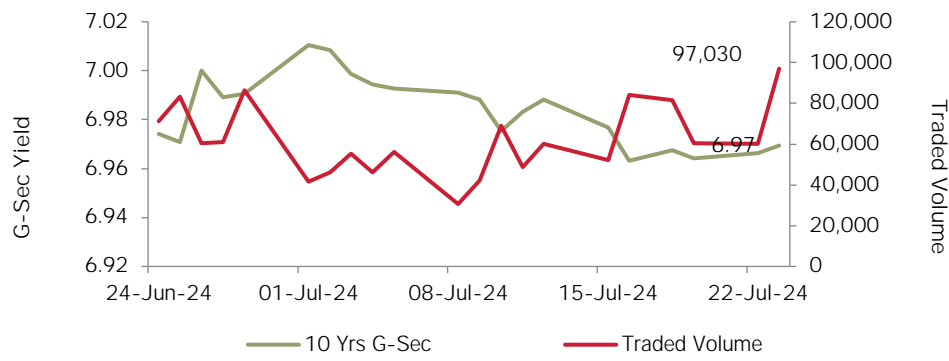


### G-Sec Yield Vs. Debt Market Traded Volume



### Liquidity Indicators (₹ Cr.)

	23-Jul-24	Week Ago	Month Ago	Year Ago
G-Sec	88,983	72,847	55,039	50,783
Net Liquidity Injected	-38756.68 <sup>[1]</sup>	-111,990	160,968	-105,120
T-Bill	3,646	7,206	3,855	3,424
Call	10,660	10,066	13,108	12,070
T-Repo	419,339	359,268	375,407	293,816

Source: CCIL

### Key Monitorables

Current Rates	23-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	83.69	83.66	81.95
Brent Crude	81.55	82.26	80.86

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

### Money Market Rates (in %)

Indicators	23-Jul-24	Week Ago	Month Ago	Year Ago
Call Rate	6.67	6.48	6.70	6.61
T-Repo	6.67	6.38	6.68	6.51
Repo	6.64	6.42	6.69	6.57
3 Month CP	7.17	7.17	7.16	6.98
3 Month CD	7.12	7.11	7.13	7.00
6 Month CP	7.47	7.47	7.45	7.25
6 Month CD	7.38	7.37	7.45	7.17
1 Year CP	7.63	7.63	7.69	7.48
1 Year CD	7.65	7.61	7.56	7.42

Source: CCIL, Refinitiv

### MIBOR-OIS (In %)

Current Rates	23-Jul-24	Week Ago	Year Ago
1 Year	6.71	6.72	6.80
2 Years	6.42	6.43	6.50
3 Years	6.34	6.36	6.39
5 Years	6.97	6.31	6.32

Source: CCIL

### MIFOR & Overnight MIBOR (In %)

Indicators	23-Jul-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.77	6.55	6.78	6.66
2 Years (MIFOR)	6.60	6.58	6.67	6.88
3 Years (MIFOR)	6.62	6.65	6.83	6.83
5 Years (MIFOR)	6.71	6.70	6.85	6.81

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

### Top 5 traded G - Sec(23 Jul 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	51,483.22	4439	6.97
7.18% GS 2033	10,558.50	921	7.01
7.18% GS 2037	4,085.35	332	7.01
7.32% GS 2030	4,430.77	291	6.96
7.23% GS 2039	3,356.00	280	6.99

Source: RBI

### State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.96% MH SDL 2026	2	19	7.10
Tamil Nadu	7.33% TN SGS 2032	8	53	7.32
Gujarat	7.57% GJ SGS 2026	2	13	7.12
Uttar Pradesh	7.38% UP SGS 2036	12	8	7.35
West Bengal	7.36% WB SGS 2040	16	17	7.34

Source: CCIL

- Bond yields mostly remained steady since the government's budgetary announcement of a reduction in gross borrowing for the current fiscal year fell short of market expectations.
- Yield on the 10-year benchmark paper (7.10% GS 2034) was unchanged to close at 6.97% as compared to the previous close.
- Reserve Bank of India conducted the auction of government securities for seven states for a notified amount of Rs. 12,100 crore for which full amount was accepted. The cut off yield ranged from 7.33% to 7.36%. The lowest yield was witnessed in case of Kerala, Tamil Nadu & Telangana and the highest yield was witnessed in case of Goa, Rajasthan & West Bengal.
- RBI announced to conduct the auction of 2-day Variable Rate Reverse Repo for the notified amount of Rs. 50,000 crore on Jul 24, 2024.
- According to finance minister, the government has lowered its fiscal deficit target for FY25 to 4.9% of gross domestic product from the interim budget goal of 5.1% and aims to beat its FY26 target of containing the fiscal gap at 4.5%.
- The Indian rupee in the spot trade fell against the U.S. dollar due to a fall in domestic stock markets after the proposal by finance minister to raise tax rates on long-term capital gains (LTCG) and short-term capital gains (STCG).

### Yield Monitor

Corporate Bonds/G-Sec	23-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.62	7.62	7.61	7.66	7.60	7.72	7.48
3 Year AAA Corporate Bond	7.68	7.67	7.68	7.72	7.78	7.80	7.56
5 Year AAA Corporate Bond	7.60	7.60	7.61	7.65	7.82	7.77	7.53
10 Year AAA Corporate Bond	7.47	7.47	7.47	7.50	7.64	7.78	7.78
1 Year AA Corporate Bond	8.06	8.06	8.08	8.13	8.12	8.01	7.76
3 Year AA Corporate Bond	8.35	8.34	8.35	8.39	8.53	8.43	8.22
5 Year AA Corporate Bond	8.25	8.25	8.26	8.30	8.47	8.36	8.26
10 Year AA Corporate Bond	8.26	8.26	8.26	8.29	8.43	8.53	8.27
1 Year A Corporate Bond	12.89	12.89	12.91	12.96	12.96	13.02	12.63
3 Year A Corporate Bond	12.75	12.74	12.75	12.79	12.88	12.87	12.67
5 Year A Corporate Bond	12.70	12.70	12.71	12.75	12.85	12.78	12.63
1 Year G-Sec	7.00	6.99	7.01	7.07	7.21	7.22	7.04
3 Year G-Sec	7.01	7.02	7.02	7.07	7.31	7.18	7.16
5 Year G-Sec	7.04	7.05	7.06	7.12	7.30	7.17	7.20
10 Year G-Sec	7.09	7.09	7.09	7.09	7.30	7.30	7.21

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

<sup>[1]</sup>Data as on 22 Jul, 2024

### Spread Monitor (In bps)

Corporate Bonds/G-Sec	23-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	62	63	60	59	39	50	44
3 Y-AAA & G-Sec	67	65	66	65	47	62	40
5 Y-AAA & G-Sec	56	55	55	53	52	60	33
10 Y-AAA & G-Sec	38	38	38	41	34	48	57
1 Y-AA & G-Sec	106	107	107	106	91	79	72
3 Y-AA & G-Sec	134	132	133	132	122	125	106
5 Y-AA & G-Sec	121	120	120	118	117	119	106
10 Y-AA & G-Sec	117	117	117	120	113	123	106
1 Y-A & G-Sec	589	590	590	589	575	580	559
3 Y-A & G-Sec	574	572	573	572	557	569	551
5 Y-A & G-Sec	566	565	565	563	555	561	543

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%
7.46% GS 2073	11,000	11,000	7.09%
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%
7.10% GS 2034	20,000	20,000	6.98%
7.02% GS 2027	6,000	6,000	6.96%

Source: RBI

### Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY24	Completed H1 FY24
1 to 9 Yrs	23.20%	59.77%
10 to 14 Yrs	25.60%	62.50%
Long Dated (above 14 Yrs)	51.20%	59.64%

Source: RBI

### Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	36	15,199	83,823
MF**	834	4,779	-143,344

\*As on 23rd July 2024; \*\*As on 19th July 2024; Source: SEBI, NSDL

### Term of the Day

#### Fungibility

**Definition:** Fungibility refers to the quality of being able to substitute or interchange one unit of a financial instrument for another unit of the same financial instrument. However, in trading, a financial instrument is said to be fungible if buy or sell of the same financial instrument can happen on a different market with the same end result.

**Explanation:** There are many financial instruments which qualify to be considered as fungible. Some of those financial instruments include individual stock, gold, silver, currencies etc. These fungible financial instruments are generally used in arbitrage trades as price difference often arises due to difference in location.

The euro to the U.S. dollar exchange rate was 1.3500 in the U.S. and 1.3505 in the U.K. Hence, a trader could do arbitrage by buying euro in the U.S., and then immediately selling that in the U.K., making a profit of 0.0005 per Euro (or \$5 per €10,000), because euro is a fungible financial instrument.

### Event for the Week (Monday to Friday)

Event for the Week (Monday to Friday)	Date
Reserve Money	24-Jul-24
Currency in Circulation	24-Jul-24
Banker's Deposits with RBI	24-Jul-24
Forex Reserves	26-Jul-24
Credit Growth	26-Jul-24

Source: Refinitiv

### Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: July 22-26, 2024	35,000	0	0.00%
Month: Jul 2024	116,000	81,000	69.83%
H1: Apr 24-Sep 24	750,000	453,000	60.40%

Source: RBI

### State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: July 22-26, 2024	16,100	16,100	100.00%
Month: Jul 2024	79,490	38,883	48.92%
Q2FY25: Jul 24-Sep 24	263,562	42,883	16.27%

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	6.35	6.52	6.69
Liquid Fund	7.03	7.27	7.20
Ultra Short Duration Fund	7.03	7.16	6.86
Low Duration Fund	7.43	7.39	7.00
Money Market Fund	7.43	7.47	7.18
Short Duration Fund	7.41	7.14	6.55
Medium Duration Fund	7.70	7.90	6.90
Medium to Long Duration Fund	6.72	8.74	6.88
Long Duration Fund	5.71	12.77	8.86
Corporate Bond Fund	8.01	7.87	6.99
Gilt Fund	5.99	9.86	7.81
Gilt Fund with 10 year constant duration	7.44	9.25	7.32
Dynamic Bond	6.52	9.30	7.47
Banking and PSU Fund	8.09	7.82	6.92
Floater Fund	8.20	8.28	7.68
Credit Risk Fund	7.30	7.74	7.87

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

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