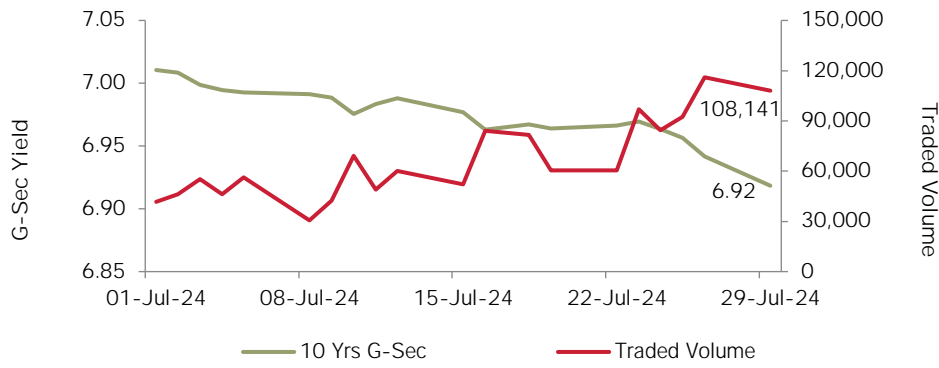


G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	29-Jul-24	Week Ago	Month Ago	Year Ago
G-Sec	100,158	54,626	66,228	57,466
Net Liquidity Injected	-145222.68 ^[1]	-38,757	-22,318	-138,294
T-Bill	5,221	2,142	18,272	6,839
Call	11,431	11,462	8,419	9,240
T-Repo	387,079	403,412	353,501	309,930

Source: CCIL

Key Monitorables

Current Rates	29-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	83.73	83.70	82.25
Brent Crude	79.83	80.55	84.78

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

Money Market Rates (In %)

Indicators	29-Jul-24	Week Ago	Month Ago	Year Ago
Call Rate	6.48	6.60	6.85	6.48
T-Repo	6.36	6.59	6.72	6.54
Repo	6.42	6.57	6.72	6.46
3 Month CP	7.17	7.17	7.21	7.01
3 Month CD	7.14	7.16	7.12	6.98
6 Month CP	7.47	7.47	7.45	7.30
6 Month CD	7.41	7.35	7.47	7.11
1 Year CP	7.63	7.63	7.68	7.48
1 Year CD	7.68	7.62	7.62	7.37

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	29-Jul-24	Week Ago	Year Ago
1 Year	6.67	6.72	6.87
2 Years	6.37	6.44	6.63
3 Years	6.27	6.35	6.53
5 Years	6.23	6.31	6.50

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	29-Jul-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.55	6.69	6.86	6.50
2 Years (MIFOR)	6.55	6.62	6.77	7.05
3 Years (MIFOR)	6.62	6.68	6.84	7.01
5 Years (MIFOR)	6.64	6.72	6.88	7.00

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(29 Jul 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	42,336.25	3491	6.92
7.18% GS 2033	13,691.60	980	6.95
7.23% GS 2039	5,905.64	422	6.97
7.26% GS 2033	4,422.04	211	6.96
7.32% GS 2030	4,331.26	244	6.88

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.49% MAHA SGS 2036	12	16	7.30
Tamil Nadu	5.95% TN SDL 2025	1	10	6.91
Gujarat	8.5% GUJ SDL 2028	4	13	7.14
Uttar Pradesh	7.75% UP SGS 2035	11	30	7.29
West Bengal	7.36% WB SGS 2040	16	1	7.32

Source: CCIL

- Bond yields decreased and the benchmark paper reached its lowest point in over two years, following fall in U.S. Treasury yields. Gains were extended as domestic banks' demand for bonds increased in anticipation of further declines in yields.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 2 bps to close at 6.92% as compared to the previous close of 6.94%.
- RBI conducted the auction of 4-day Variable Rate Reverse Repo for the notified amount of Rs. 1,00,000 crore for which amount of Rs. 41,785 crore was accepted and the cut-off yield stood at 6.49%.
- NITI Aayog stated in an approach paper summarising its vision for 'Viksit Bharat' that India must maintain a consistent growth rate of 7-10% over the next 20-30 years in order to avoid the middle-income trap and achieve the status of a developed nation. This growth trajectory would lead to a per capita income of USD 18,000 per year and an economy worth USD 30 trillion by the year 2047, when the country celebrates its centenary anniversary of independence.
- The Indian rupee in the spot trade fell slightly against the U.S. dollar due to greenback demand. However, likely intervention from the Reserve Bank of India helped limit the losses.
- Brent crude oil prices (spot) fell on concerns about the outlook for demand from China.

Yield Monitor

Corporate Bonds/G-Sec	29-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	7.62	7.71	7.60	7.81	7.43
3 Year AAA Corporate Bond	7.64	7.62	7.67	7.74	7.81	7.81	7.61
5 Year AAA Corporate Bond	7.51	7.53	7.60	7.65	7.75	7.77	7.60
10 Year AAA Corporate Bond	7.47	7.47	7.47	7.48	7.56	7.75	7.82
1 Year AA Corporate Bond	8.08	8.03	8.06	8.18	8.12	8.10	7.71
3 Year AA Corporate Bond	8.31	8.29	8.34	8.41	8.53	8.44	8.27
5 Year AA Corporate Bond	8.16	8.18	8.25	8.30	8.40	8.36	8.33
10 Year AA Corporate Bond	8.26	8.26	8.26	8.27	8.35	8.50	8.31
1 Year A Corporate Bond	12.91	12.86	12.89	13.01	12.96	13.05	12.58
3 Year A Corporate Bond	12.71	12.69	12.74	12.81	12.88	12.88	12.72
5 Year A Corporate Bond	12.61	12.63	12.70	12.75	12.85	12.78	12.70
1 Year G-Sec	6.95	6.94	6.99	7.06	7.18	7.21	7.06
3 Year G-Sec	6.95	6.96	7.02	7.10	7.32	7.17	7.24
5 Year G-Sec	6.96	6.96	7.05	7.15	7.34	7.17	7.28
10 Year G-Sec	7.04	7.06	7.09	7.13	7.33	7.30	7.29

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

^[1]Data as on 26 Jul, 2024

Spread Monitor (in bps)

Corporate Bonds/G-Sec	29-Jul-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	67	68	63	65	42	60	37
3 Y-AAA & G-Sec	69	66	65	64	49	64	37
5 Y-AAA & G-Sec	55	57	55	50	41	60	32
10 Y-AAA & G-Sec	43	41	38	35	23	45	53
1 Y-AA & G-Sec	113	109	107	112	94	89	65
3 Y-AA & G-Sec	136	133	132	131	121	127	103
5 Y-AA & G-Sec	120	122	120	115	106	119	105
10 Y-AA & G-Sec	122	120	117	114	102	120	102
1 Y-A & G-Sec	596	592	590	595	578	584	552
3 Y-A & G-Sec	576	573	572	571	556	571	548
5 Y-A & G-Sec	565	567	565	560	551	561	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
7.46% GS 2073	11,000	11,000	7.09%
7.34% GS 2064	22,000	22,000	7.09%
7.30% GS 2053	10,000	10,000	7.08%
7.23% GS 2039	24,000	24,000	7.01%
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 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	66.67%
10 to 14 Yrs	25.60%	62.50%
Long Dated (above 14 Yrs)	51.20%	65.63%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	-659	18,564	87,188
MF**	-2,184	-900	-149,023

*As on 29th July 2024; **As on 25th July 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
Infrastructure Output	31-Jul-24
Fiscal deficit (as a % of budget estimates)	31-Jul-24
Reserve Money	31-Jul-24
Currency in Circulation	31-Jul-24
Banker's Deposits with RBI	31-Jul-24

Source: Refinitiv

Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: July 29-August 02, 2024	22,000	0	0.00%
Month: Jul 2024	116,000	116,000	100.00%
H1: Apr 24-Sep 24	750,000	488,000	65.07%

Source: RBI

State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: July 29-August 2 ,2024	26,100	0	0.00%
Month: Jul 2024	79,490	38,883	48.92%
Q2FY25: Jul 24-Sep 24	263,562	38,883	14.75%

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	6.31	6.51	6.69
Liquid Fund	7.04	7.27	7.21
Ultra Short Duration Fund	7.03	7.17	6.87
Low Duration Fund	7.91	7.50	7.05
Money Market Fund	7.40	7.48	7.19
Short Duration Fund	9.77	7.46	6.83
Medium Duration Fund	10.56	8.23	7.29
Medium to Long Duration Fund	11.26	9.03	7.46
Long Duration Fund	10.43	12.26	9.70
Corporate Bond Fund	10.60	8.21	7.29
Gilt Fund	11.17	9.91	8.34
Gilt Fund with 10 year constant duration	13.75	9.84	8.19
Dynamic Bond	11.27	9.47	7.92
Banking and PSU Fund	10.35	8.08	7.20
Floater Fund	10.63	8.66	7.86
Credit Risk Fund	8.92	7.97	8.05

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

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