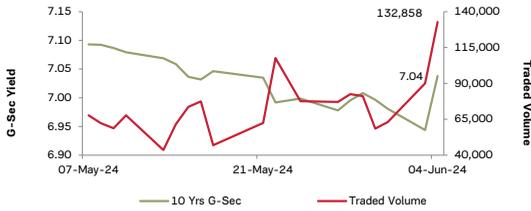


### G-Sec Yield Vs. Debt Market Traded Volume



### Liquidity Indicators (₹ Cr.)

	4-Jun-24	Week Ago	Month Ago	Year Ago
G-Sec	121,176	59,510	54,463	58,252
Net Liquidity Injected	-28878.99 <sup>[1]</sup>	138,097	77,597	-237,854
T-Bill	3,709	9,917	9,179	3,403
Call	11,425	11,377	9,532	8,839
T-Repo	342,589	366,219	306,358	313,823

Source: CCIL

### Key Monitorables

Current Rates	4-Jun-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	83.53	83.14	82.31
Brent Crude	77.13	78.15	76.20

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

### Money Market Rates (in %)

Indicators	4-Jun-24	Week Ago	Month Ago	Year Ago
Call Rate	6.46	6.49	6.45	6.39
T-Repo	6.34	6.42	6.35	6.30
Repo	6.35	6.44	6.37	6.38
3 Month CP	7.16	7.18	7.27	6.98
3 Month CD	7.20	7.26	7.21	6.95
6 Month CP	7.53	7.50	7.56	7.23
6 Month CD	7.53	7.46	7.34	7.18
1 Year CP	7.70	7.70	7.73	7.50
1 Year CD	7.69	7.50	7.50	7.29

Source: CCIL, Refinitiv

### MIBOR-OIS (in %)

Current Rates	4-Jun-24	Week Ago	Year Ago
1 Year	6.85	6.82	6.57
2 Years	6.58	6.53	6.20
3 Years	6.52	6.46	6.05
5 Years	6.46	6.40	5.99

Source: CCIL

### MIFOR & Overnight MIBOR (in %)

Indicators	4-Jun-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.54	6.55	6.50	6.44
2 Years (MIFOR)	6.89	6.87	6.96	6.67
3 Years (MIFOR)	6.94	6.92	7.02	6.63
5 Years (MIFOR)	6.98	6.94	7.05	6.70

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

### Top 5 traded G - Sec(04 Jun 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.18% GS 2033	43,694.02	2765	7.11
7.10% GS 2034	40,733.86	3080	7.04
7.18% GS 2037	7,301.30	429	7.12
7.32% GS 2030	4,223.31	211	7.10
7.23% GS 2039	4,015.00	298	7.07

Source: RBI

### State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	8.15% MAHA SDL 2025	1	1	7.16
Tamil Nadu	7.6% TN SGS 2031	7	187	7.44
Gujarat	8.27% GUJ SDL 2026	2	30	7.35
Uttar Pradesh	7.48% UP SGS 2036	12	1	7.33
West Bengal	--	--	--	--

Source: CCIL

- Bond yields rose sharply as vote-counting trends showed that the ruling party alliance at the center would win a narrower majority than was expected.
- Yield on the 10-year benchmark paper (7.10% GS 2034) rose by 10 bps to close at 7.04% as compared to the previous close of 6.94%.
- Reserve Bank of India conducted the auction of government securities for eleven states for a notified amount of Rs. 19,500 crore for which full amount was accepted. The cut off yield ranged from 7.38% to 7.48%. The lowest yield was witnessed in case of Kerala and the highest yield was witnessed in case of Punjab.
- RBI conducted the auction of 3-day Variable Rate Reverse Repo for the notified amount of Rs. 50,000 crore for which amount of Rs. 41,730 crore was accepted and the cut-off yield stood at 6.49%.
- According to the third advance estimates of production released by agriculture ministry, the total foodgrain production in India is estimated at 3,288.52 lakh tonne in 2023-24, which is lower than 3,296.87 lakh tonnes of foodgrain production of 2022-23.
- The Indian rupee in the spot trade fell against the U.S. dollar after vote counting trends signaled that the ruling party would win a narrower majority than was expected, causing a sell-off in regional stocks.
- Brent crude oil prices (spot) fell amid concerns about possible oversupply in the market.

### Yield Monitor

Corporate Bonds/G-Sec	04-Jun-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.71	7.65	7.64	7.65	7.83	7.69	7.42
3 Year AAA Corporate Bond	7.79	7.73	7.75	7.80	7.73	7.88	7.42
5 Year AAA Corporate Bond	7.70	7.65	7.64	7.74	7.72	7.72	7.33
10 Year AAA Corporate Bond	7.55	7.49	7.51	7.56	7.62	7.74	7.72
1 Year AA Corporate Bond	8.23	8.17	8.16	8.16	8.20	7.97	7.63
3 Year AA Corporate Bond	8.51	8.44	8.47	8.52	8.46	8.51	8.08
5 Year AA Corporate Bond	8.35	8.30	8.29	8.39	8.37	8.36	8.00
10 Year AA Corporate Bond	8.34	8.28	8.30	8.35	8.38	8.37	8.21
1 Year A Corporate Bond	13.01	12.95	12.94	13.00	13.09	12.86	12.57
3 Year A Corporate Bond	12.86	12.79	12.82	12.87	12.80	12.96	12.53
5 Year A Corporate Bond	12.80	12.75	12.74	12.84	12.73	12.92	12.50
1 Year G-Sec	7.14	7.08	7.14	7.18	7.16	7.36	6.91
3 Year G-Sec	7.23	7.15	7.15	7.29	7.19	7.37	6.98
5 Year G-Sec	7.23	7.15	7.17	7.29	7.19	7.38	7.01
10 Year G-Sec	7.16	7.07	7.12	7.28	7.18	7.40	7.11

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

<sup>[1]</sup>Data as on 03 Jun, 2024

### Spread Monitor (In bps)

Corporate Bonds/G-Sec	04-Jun-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	57	57	50	47	67	33	51
3 Y-AAA & G-Sec	56	58	60	51	54	51	44
5 Y-AAA & G-Sec	47	50	47	45	53	34	32
10 Y-AAA & G-Sec	39	42	39	28	44	34	61
1 Y-AA & G-Sec	109	109	102	98	104	61	72
3 Y-AA & G-Sec	128	129	132	123	127	114	110
5 Y-AA & G-Sec	112	115	112	110	118	98	99
10 Y-AA & G-Sec	118	121	118	107	120	97	110
1 Y-A & G-Sec	587	587	580	582	593	550	566
3 Y-A & G-Sec	563	564	567	558	561	559	555
5 Y-A & G-Sec	557	560	557	555	554	554	549

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	34,000	34,000	7.22%
7.30% GS 2053	9,000	9,000	7.21%
7.46% GS 2073	11,000	11,000	7.15%
7.33% GS 2026	6,000	6,000	7.15%
7.32% GS 2030	11,000	11,000	7.13%
7.23% GS 2039	22,000	22,000	7.12%
7.10% GS 2034	20,000	20,000	7.05%

Source: RBI

### Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	36.78%
10 to 14 Yrs	25.60%	31.25%
Long Dated (above 14 Yrs)	51.20%	34.11%

Source: RBI

### Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	2,265	1,603	55,272
MF**	-5,302	-44,066	-143,151

\*As on 4th June 2024; \*\*As on 31st May 2024; Source: SEBI, NSDL

### Term of the Day

#### Treasuries and Treasury Operation

**Definition:** Treasury is one of the most important departments for a bank or corporate and is primarily responsible for management of cash, fund, currency and financial risk. The important treasury operations are maintaining liquidity in the business, minimising currency risk and providing quick finance for the company.

**Explanation:** For any organization, treasury is the core of the corporate finance department and is involved in collections, disbursements, investing and funding activities. But for a bank or a larger organization, the scope of treasury operation is even wider and includes separate desk for trading in bonds, currency and equity markets. It also includes management of an enterprise's holdings, with the ultimate goal of maximizing the firm's liquidity and manage its operational, financial and reputational risk.

The surplus cash management in a treasury is normally done with the twin objective of capital protection and return optimization and hence it becomes very important to keep an eye on overdraft rates and yield generated from surplus cash deployment in the money-market instruments. Suppose there is a payment of Rs. 200 crore due tentatively after two days and yield on money-market instruments are much higher than overdraft charges. The treasury manager would then deploy the fund in money market knowing well that even if the payment has to made after one day, they can take an overdraft from bank to make the payment and settle the overdraft from money-market proceeds, thus making a net gain.

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

Event	Date
Reserve Money	5-Jun-24
Currency in Circulation	5-Jun-24
Banker's Deposits with RBI	5-Jun-24
Forex Reserves	7-Jun-24
Loans and Advances to Central Government	7-Jun-24

Source: Refinitiv

### Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: June 03-07, 2024	29,000	0	0.00%
Month: Jun 2024	117,000	0	0.00%
H1: Apr 24-Sep 24	750,000	255,000	34.00%

Source: RBI

### State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: June 03-07, 2024	18,600	19,500	104.84%
Month: Jun 2024	69,250	19,500	28.16%
Q1FY25: Apr 24-Jun 24	254,040	113,500	44.68%

Source: RBI

### Public Issue Data of Corporate Debt

Name of Company	Issue closed on	Base issue size Rs Crore	Final issue size Rs Crore
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
Indiabulls Housing Finance Limited	19-Mar-24	200	130
Navi Finserv Limited	07-Mar-24	600	525
Chemmanur Credits and Investments Limite	04-Mar-24	100	48

Source: SEBI

### Mutual Fund Category Performance - Debt

Category-Debt	1 Month	6 Month	1 Year
Overnight Fund	6.42	6.59	6.70
Liquid Fund	6.92	7.31	7.15
Ultra Short Duration Fund	6.42	7.03	6.78
Low Duration Fund	6.40	7.18	6.85
Money Market Fund	6.62	7.34	7.09
Short Duration Fund	6.59	7.00	6.04
Medium Duration Fund	7.42	7.67	6.05
Medium to Long Duration Fund	9.73	8.61	5.64
Long Duration Fund	15.04	13.11	6.58
Corporate Bond Fund	7.06	7.47	6.38
Gilt Fund	11.54	9.70	6.48
Gilt Fund with 10 year constant duration	11.21	9.42	5.93
Dynamic Bond	10.44	8.99	6.27
Banking and PSU Fund	6.94	7.41	6.27
Floater Fund	6.98	7.69	7.41
Credit Risk Fund	6.79	7.44	7.39

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

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