

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



### Liquidity Indicators (₹ Cr.)

	18-Jun-24	Week Ago	Month Ago	Year Ago
G-Sec	58,990	54,080	42,852	63,132
Net Liquidity Injected	55327.01 <sup>[1]</sup>	14,736	112,569	-85,479
T-Bill	3,094	6,491	2,772	7,573
Call	12,010	10,848	10,900	9,921
T-Repo	391,968	384,525	321,144	320,753

Source: CCIL

### Key Monitorables

Current Rates	18-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	83.41	83.56	81.93
Brent Crude	85.34	84.39	76.26

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

### Money Market Rates (in %)

Indicators	18-Jun-24	Week Ago	Month Ago	Year Ago
Call Rate	6.73	6.52	6.73	6.65
T-Repo	6.64	6.45	6.71	6.54
Repo	6.70	6.43	6.64	6.54
3 Month CP	7.16	7.13	7.30	6.95
3 Month CD	7.02	7.18	7.32	6.89
6 Month CP	7.46	7.48	7.51	7.23
6 Month CD	7.38	7.50	7.49	7.10
1 Year CP	7.70	7.70	7.72	7.45
1 Year CD	7.66	7.66	7.54	7.34

Source: CCIL, Refinitiv

### MIBOR-OIS (in %)

Current Rates	18-Jun-24	Week Ago	Year Ago
1 Year	6.78	6.78	6.66
2 Years	6.49	6.49	6.34
3 Years	6.42	6.41	6.23
5 Years	6.36	6.35	6.15

Source: CCIL

### MIFOR & Overnight MIBOR (in %)

Indicators	18-Jun-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.85	6.60	6.78	6.73
2 Years (MIFOR)	6.74	6.72	6.87	6.85
3 Years (MIFOR)	6.74	6.85	6.94	6.84
5 Years (MIFOR)	6.77	6.80	6.96	6.84

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

### Top 5 traded G - Sec (18 Jun 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	13,877.58	1525	6.98
7.18% GS 2033	6,998.43	750	7.04
7.18% GS 2037	4,297.73	337	7.04
7.32% GS 2030	3,243.00	245	7.03
7.23% GS 2039	2,066.03	161	7.02

Source: RBI

### State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.47% MAHA SGS 2034	10	378	7.35
Tamil Nadu	7.15% TN SDL 2027	3	30	7.23
Gujarat	7.47% GUJ SGS 2025	1	70	7.18
Uttar Pradesh	7.51% UP SGS 2040	16	113	7.36
West Bengal	7.52% WB SGS 2039	15	55	7.38

Source: CCIL

- Bond yields mostly remained unchanged as market participants awaited fresh cues ahead of U.S. retail sales data along with the minutes from the RBI's latest monetary policy meeting.
- Yield on the 10-year benchmark paper (7.10% GS 2034) was unchanged to close at 6.98% as compared to the previous session's close.
- Reserve Bank of India conducted the auction of government securities for six states for a notified amount of Rs. 9,500 crore for which full amount was accepted. The cut off yield ranged from 7.23% to 7.39%. The lowest yield was witnessed in case of Gujarat and the highest yield was witnessed in case of Punjab.
- RBI conducted the auction of 3-day Variable Rate Repo for the notified amount of Rs. 1,00,000 crore for which amount of Rs. 1,00,002 crore was accepted and the cut-off yield stood at 6.57%.
- According to the Central Board of Direct Taxes, India's net direct tax collections have surged by 21% YoY to over Rs. 4.62 lakh crore till Jun 17 of FY25.
- The Indian rupee in the spot trade rose against the U.S. dollar following rise in the domestic equity market and dollar sales by state-run banks.
- Brent crude oil prices (spot) rose amid expectations of high summer demand for the commodity and ongoing reduction in production by OPEC and allies.

### Yield Monitor

Corporate Bonds/G-Sec	18-Jun-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.66	7.66	7.66	7.61	7.83	7.88	7.42
3 Year AAA Corporate Bond	7.74	7.72	7.73	7.74	7.64	7.79	7.48
5 Year AAA Corporate Bond	7.62	7.62	7.66	7.63	7.69	7.71	7.37
10 Year AAA Corporate Bond	7.54	7.53	7.53	7.56	7.55	7.73	7.81
1 Year AA Corporate Bond	8.13	8.13	8.13	8.10	8.12	8.16	7.70
3 Year AA Corporate Bond	8.41	8.39	8.40	8.46	8.36	8.42	8.20
5 Year AA Corporate Bond	8.27	8.27	8.31	8.28	8.34	8.35	8.11
10 Year AA Corporate Bond	8.33	8.32	8.32	8.35	8.31	8.36	8.30
1 Year A Corporate Bond	12.96	12.96	12.96	12.94	13.01	13.00	12.57
3 Year A Corporate Bond	12.81	12.79	12.80	12.81	12.71	12.87	12.59
5 Year A Corporate Bond	12.72	12.72	12.76	12.73	12.70	12.85	12.54
1 Year G-Sec	7.10	7.11	7.13	7.19	7.23	7.20	6.94
3 Year G-Sec	7.11	7.12	7.14	7.21	7.21	7.21	7.09
5 Year G-Sec	7.13	7.13	7.15	7.21	7.20	7.19	7.09
10 Year G-Sec	7.10	7.11	7.14	7.22	7.21	7.28	7.16

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

<sup>[1]</sup>Data as on 14 Jun, 2024

### Spread Monitor (in bps)

Corporate Bonds/G-Sec	18-Jun-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	56	55	53	4	60	68	48
3 Y-AAA & G-Sec	63	60	59	53	43	58	39
5 Y-AAA & G-Sec	49	49	51	4	49	52	28
10 Y-AAA & G-Sec	44	42	39	34	34	45	65
1 Y-AA & G-Sec	103	102	100	91	89	96	76
3 Y-AA & G-Sec	130	127	126	125	115	121	111
5 Y-AA & G-Sec	114	114	116	107	114	116	102
10 Y-AA & G-Sec	123	121	118	113	110	108	114
1 Y-A & G-Sec	586	585	583	575	578	580	563
3 Y-A & G-Sec	570	567	566	560	550	566	550
5 Y-A & G-Sec	559	559	561	552	550	566	545

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
7.30% GS 2053	9,000	9,000	7.14%
7.34% GS 2064	11,000	11,000	7.12%
7.23% GS 2039	12,000	12,000	7.03%
7.10% GS 2034	20,000	20,000	7.02%
7.02% GS 2031	11,000	11,000	7.02%

Source: RBI

### Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	43.10%
10 to 14 Yrs	25.60%	41.67%
Long Dated (above 14 Yrs)	51.20%	42.45%

Source: RBI

### Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	880	6,584	60,253
MF**	1,250	-1,014	-144,164

\*As on 18th June 2024; \*\*As on 13th June 2024; Source: SEBI, NSDL

### Term of the Day

#### Participatory Notes

**Definition:** Participatory Note or P-Note, refers to the derivative instrument issued in foreign jurisdictions, by a SEBI-registered Foreign Institutional Investor (FII) or its associates. The underlying instrument is an Indian security. Such security instrument may be equity, debt, derivatives or may even be an index. The holder of P-Notes does not own the Indian security, which is held by the FII that issues the P-Notes. The investor in P-Notes derives benefits from fluctuations in the price of the underlying security since the value of the P-Notes is linked with the value of the underlying Indian security.

**Explanation:** P-Notes have gained importance since it is a huge source of foreign funds in the domestic stock markets. In return, the foreign investor pays the P-Notes issuer a certain basis point(s) of the value of P-Notes traded by him as costs. P-Notes helps offshore investors gain exposure to the local share markets without incurring the time and costs involved in investing directly. It also offers an important hedging tool to a foreign investor already registered as an FII. Although the P-Notes are privately negotiated Over-the-Counter contracts, the terminology, terms and conditions used in these contracts are standardized and uniform. However, P-Notes have their own disadvantages. Since the ultimate beneficiary of transactions carried out using P-Notes is not known to the market regulator and the tax authorities, there is scope for misuse and tax avoidance.

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

Event	Date
Reserve Money	19-Jun-24
Currency in Circulation	19-Jun-24
Banker's Deposits with RBI	19-Jun-24
Forex Reserves	21-Jun-24
Loans and Advances to Central Government	21-Jun-24

Source: Refinitiv

### Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: June 17-21, 2024	23,000	0	0.00%
Month: Jun 2024	117,000	63,000	53.85%
H1: Apr 24-Sep 24	750,000	318,000	42.40%

Source: RBI

### State Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: June 17-21, 2024	16,150	9,500	58.82%
Month: Jun 2024	69,250	34,750	50.18%
Q1FY25: Apr 24-Jun 24	254,040	128,750	50.68%

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	04-Mar-24	100	48

Source: SEBI

### Mutual Fund Category Performance - Debt

Category-Debt	1 Month	6 Month	1 Year
Overnight Fund	6.40	6.57	6.70
Liquid Fund	7.01	7.33	7.17
Ultra Short Duration Fund	6.74	7.11	6.82
Low Duration Fund	6.97	7.28	6.95
Money Market Fund	6.88	7.40	7.11
Short Duration Fund	7.22	6.83	6.35
Medium Duration Fund	8.66	7.51	6.56
Medium to Long Duration Fund	10.75	8.14	6.43
Long Duration Fund	16.88	12.14	8.30
Corporate Bond Fund	7.52	7.47	6.75
Gilt Fund	12.70	9.32	7.35
Gilt Fund with 10 year constant duration	11.69	8.66	6.76
Dynamic Bond	11.70	8.78	7.06
Banking and PSU Fund	7.17	7.40	6.64
Floater Fund	8.53	7.94	7.64
Credit Risk Fund	9.12	7.69	7.75

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

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