

G-Sec Yield Vs. Debt Market Traded Volume



Liquidity Indicators (₹ Cr.)

	21-Jun-24	Week Ago	Month Ago	Year Ago
G-Sec	55,039	58,478	51,805	38,582
Net Liquidity Injected	146940.01 ^[1]	55,327	255,709	-29,083
T-Bill	3,855	3,094	7,010	15,551
Call	13,108	10,678	13,262	8,715
T-Repo	375,407	333,340	351,545	322,004

Source: CCIL

Key Monitorables

Current Rates	21-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	83.65	82.04
Brent Crude	85.02	85.69	76.98

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

Money Market Rates (in %)

Indicators	21-Jun-24	Week Ago	Month Ago	Year Ago
Call Rate	6.70	6.72	6.76	6.47
T-Repo	6.68	6.70	6.72	6.32
Repo	6.69	6.65	6.72	6.44
3 Month CP	7.16	7.14	7.18	6.90
3 Month CD	7.13	7.10	7.26	6.89
6 Month CP	7.45	7.48	7.46	7.23
6 Month CD	7.45	7.51	7.36	7.11
1 Year CP	7.69	7.70	7.70	7.43
1 Year CD	7.56	7.59	7.48	7.37

Source: CCIL, Refinitiv

MIBOR-OIS (in %)

Current Rates	21-Jun-24	Week Ago	Year Ago
1 Year	6.79	6.77	6.68
2 Years	6.50	6.48	6.38
3 Years	6.43	6.41	6.29
5 Years	6.36	6.70	6.21

Source: CCIL

MIFOR & Overnight MIBOR (in %)

Indicators	21-Jun-24	Week Ago	Month Ago	Year Ago
MIBOR Overnight	6.78	6.79	6.83	6.55
2 Years (MIFOR)	6.67	6.71	6.88	6.81
3 Years (MIFOR)	6.83	6.79	6.94	6.82
5 Years (MIFOR)	6.85	6.84	6.96	6.81

Source: CCIL MIFOR - Mumbai Interbank Forward Offer Rate

Top 5 traded G - Sec(21 Jun 2024)

Security	Volume (Rs. Cr.)	No. of Trades	Last Traded YTM Yield
7.10% GS 2034	17,066.00	1731	6.97
7.18% GS 2033	8,763.52	777	7.02
7.18% GS 2037	3,557.17	301	7.02
7.04% GS 2029	3,071.49	101	6.98
7.23% GS 2039	2,545.00	212	7.01

Source: RBI

State Development Loans (SDL Rates)

State Name	Security Name	Maturity Bucket (in Years)	Volume (Rs. Cr.)	Last Traded YTM Yield
Maharashtra	7.45% MAHA SGS 2038	14	288	7.31
Tamil Nadu	7.36% TN SGS 2054	30	150	7.30
Gujarat	7.52% GUJ SDL 2027	3	200	7.20
Uttar Pradesh	7.48% UP SGS 2042	18	70	7.33
West Bengal	7.52% WB SGS 2039	15	10	7.35

Source: CCIL

- Bond yields fell marginally due to purchase by foreign investors and banks that aided sentiment ahead of a crucial week where Indian bonds will be included in JPMorgan's emerging market debt index.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 1 bps to close at 6.97% as compared to the previous close of 6.98%.
- Reserve Bank of India conducted the auction of three government securities namely 7.04% GS 2029 and 7.46% GS 2073 for a notified amount of Rs. 23,000 crore, which was completely accepted. The cut off price/implicit yield at cut-off for 7.04% GS 2029 and 7.46% GS 2073 stood at Rs. 100.20/6.9899% and Rs. 105.29/7.0724%, respectively.
- Data from Reserve Bank of India showed that India's foreign exchange reserves decreased to \$652.90 billion for the week ended Jun 14, 2024 compared with \$655.82 billion a week earlier.
- According to labour ministry, retail inflation for agricultural labourers and rural workers in India remained flat at 7.7% and 7.02% in May 2024, respectively, compared to 7.03% and 6.96% a month ago.
- The Indian rupee in the spot trade rose against the U.S. dollar following inflow of foreign capital and greenback sales.
- Brent crude oil prices (spot) rose slightly on optimism about improving oil demand.

Yield Monitor

Corporate Bonds/G-Sec	21-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	7.59	7.82	7.86	7.43
3 Year AAA Corporate Bond	7.72	7.73	7.72	7.74	7.72	7.79	7.49
5 Year AAA Corporate Bond	7.65	7.64	7.62	7.63	7.64	7.68	7.46
10 Year AAA Corporate Bond	7.50	7.50	7.53	7.56	7.55	7.69	7.84
1 Year AA Corporate Bond	8.13	8.13	8.13	8.10	8.27	8.14	7.71
3 Year AA Corporate Bond	8.39	8.39	8.39	8.46	8.44	8.42	8.21
5 Year AA Corporate Bond	8.30	8.29	8.27	8.28	8.29	8.32	8.20
10 Year AA Corporate Bond	8.29	8.29	8.32	8.35	8.31	8.32	8.33
1 Year A Corporate Bond	12.96	12.96	12.96	12.94	12.99	12.98	12.58
3 Year A Corporate Bond	12.79	12.79	12.79	12.81	12.79	12.87	12.60
5 Year A Corporate Bond	12.75	12.74	12.72	12.73	12.65	12.82	12.63
1 Year G-Sec	7.07	7.07	7.11	7.15	7.21	7.30	6.95
3 Year G-Sec	7.07	7.09	7.12	7.17	7.19	7.19	7.09
5 Year G-Sec	7.12	7.12	7.13	7.19	7.19	7.21	7.13
10 Year G-Sec	7.09	7.10	7.11	7.20	7.17	7.31	7.19

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

[1] Data as on 20 Jun, 2024

Spread Monitor (in bps)

Corporate Bonds/G-Sec	21-Jun-24	Previous close	Week Ago	Month Ago	3 Months Ago	6 Months Ago	Year Ago
1 Y-AAA & G-Sec	59	59	55	44	61	56	48
3 Y-AAA & G-Sec	65	64	60	57	53	60	40
5 Y-AAA & G-Sec	53	52	49	44	45	47	33
10 Y-AAA & G-Sec	41	40	42	36	38	38	65
1 Y-AA & G-Sec	106	106	102	95	106	84	76
3 Y-AA & G-Sec	132	130	127	129	125	123	112
5 Y-AA & G-Sec	118	117	114	109	110	111	107
10 Y-AA & G-Sec	120	119	121	115	114	101	114
1 Y-A & G-Sec	589	589	585	579	578	568	563
3 Y-A & G-Sec	572	570	567	564	560	568	551
5 Y-A & G-Sec	563	562	559	554	546	561	550

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%
7.46% GS 2073	11,000	11,000	7.07%
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%
7.04% GS 2029	12,000	12,000	6.99%

Source: RBI

Maturity Bucket Wise Govt. Borrowing

Maturity Period	Scheduled H1 FY25	Completed H1 FY25
1 to 9 Yrs	23.20%	50.00%
10 to 14 Yrs	25.60%	41.67%
Long Dated (above 14 Yrs)	51.20%	45.31%

Source: RBI

Institutional Flows (Debt)

Description	Rs. Cr.		
	Net	MTD	YTD
FII*	941	10,575	64,244
MF**	-478	-3,181	-146,332

*As on 21st June 2024; **As on 19th June 2024; Source: SEBI, NSDL

Term of the Day

Haircut

Definition: Haircut refers to a margin which accounts for the risk of loss when the money is lent against some collateral. It is a difference between the loan amount and the market value of an asset that is being used as collateral.

Explanation: Haircut constitutes that portion of the value of an asset which cannot be used as collateral and thus acts as a cushion. The haircut is meant to protect the lender against a possible decrease in the value of the collateral asset. It is like a discount applied on the value of the collateral asset in an attempt to cover the risk of loss that the investment in the said asset poses. Haircut has an important role on many types of trades such as repo, reverse repo etc.

In a repo transaction, a commercial bank borrows fund from the Central Bank after giving Government Securities as collateral. The bank receives Rs. 180 crore against Government Securities worth Rs. 200 crore from the Central Bank. Here, the difference of Rs. 20 crore is referred to as the haircut.

Event for the Week (Monday to Friday)

Event	Date
SDL Auction	25-Jun-24
Treasury Bill Auction	26-Jun-24
Reserve Money	26-Jun-24
G-Sec Auction	28-Jun-24
Forex Reserves	28-Jun-24

Source: Refinitiv

Govt Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
Week: June 17-21, 2024	23,000	23,000	100.00%
Month: Jun 2024	117,000	86,000	73.50%
H1: Apr 24-Sep 24	750,000	341,000	45.47%

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
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	6.38	6.57	6.70
Liquid Fund	6.89	7.32	7.17
Ultra Short Duration Fund	6.64	7.11	6.83
Low Duration Fund	6.90	7.31	6.96
Money Market Fund	6.87	7.40	7.13
Short Duration Fund	7.16	6.99	6.43
Medium Duration Fund	8.72	7.70	6.71
Medium to Long Duration Fund	11.62	8.70	6.71
Long Duration Fund	20.80	13.26	8.84
Corporate Bond Fund	7.70	7.62	6.86
Gilt Fund	14.51	10.12	7.72
Gilt Fund with 10 year constant duration	11.63	9.25	7.08
Dynamic Bond	13.02	9.34	7.36
Banking and PSU Fund	7.22	7.50	6.75
Floater Fund	8.72	8.15	7.69
Credit Risk Fund	8.99	7.74	7.83

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

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