

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.25	5
US 2Y*	4.64	10
Germany 10Y	2.35	-1
UK 10Y	4.19	6
Japan 10Y	0.69	0

Source: Bloomberg, \*semi-annual

## G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.06% GS 2028*	7.26	-1
7.18% GS 2033* (10Y)	7.27	-2
7.18% GS 2037*	7.39	-3
91-day T-bill	6.96	0
182-day T-bill	7.16	0
364-day T-bill	7.15	0

Source: CCL, RBI, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	53	53	42	46
AA	119	121	110	113
A	306	310	301	307

Source: FIMMDA, as on 1 Dec, 2023

## Key rates:

Policy	Rate (in %)
Repo rate	6.50
Standing Deposit Facility Rate	6.25
Bank rate	6.75
1-year median MCLR of SCBs	8.70
SOFR	5.39

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	130.5	6.74
Triparty Repo	3,938.7	6.75
Market Repo	1,528.8	6.77
Repo in corporate bond	0.0	-

Source: RBI, as of 04 Dec, 2023

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	68,865	2.1
NIFTY	20,687	2.1
NASDAQ	14,185	-0.8
S&P 500	4,570	-0.5
Nikkei 225	33,231	-0.6
Euro Stoxx 50	4,415	-0.1

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	78.1	-1.0
Natural gas Nymex (USD/MMBtu)	2.7	-4.3
Gold Comex (USD/t oz.)	2,054.8	-1.7
Copper Comex (USD/lb)	383.2	-2.5
Wheat cbot (USD/bu.)	617.0	2.4

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	83.39	0.1
GBP/ INR	105.34	-0.4
EUR/ INR	90.32	0.6
EUR/USD	1.08	-0.8
DX Index	103.63	0.4

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

**India:** SGS Auction; **US:** Job openings Oct'23; **Services PMI Nov'23:** India, US, Euro zone, China, Japan, UK; **Japan:** CPI Nov'23

## News:

International:

**China Caixin services PMI jumped while Japan saw a dip in Nov'23 (Source: S&P Global):**

- China Caixin services PMI jumps to 51.5 in Nov'23, from 50.4 in Oct'23, as both services supply and demand expanded. The Business activity and new orders increased at quickest rates in three months
- Japan service PMI fell further to 50.8 in Nov'23 from 51.6 in Oct'23 (forecast: 51.7) marking weakest reading since Nov'22. New business intakes were supported by domestic recovery, while international demand weakened

**Saudi Arabia says that cuts could be extended if need be (Source: Bloomberg):**

Saudi Arabia's energy minister said that OPEC+ countries could extend cuts in oil production past Mar'24, and will only be withdrawn in a phased manner after considering all the market conditions. Saudi Arabia believes that 2.2 mbpd cuts are enough to overcome the usual inventory buildup in Q1CY24, amidst signs of improving demand.

**German exports unexpectedly drop in Oct'23 (Source: Reuters):**

Goods exports declined by 0.2% m/m (forecast: +1.1%) and imports were down 1.2% (forecast: +0.8). Most German exports went to the US (up 5.7%), while most imports came from China (declined 2.4%). Merchandise trade balance was reported at EUR 17.8 bn, higher than consensus.

**Green bonds sales mark second busiest month in CY23 as supply increases (Source: Bloomberg):**

Global sales of green bonds reached USD 57 bn in Nov'23 as issuers rushed to borrow amid a rally in broader markets. Issuance of all kinds of ESG and sustainability linked bonds reached USD 83 bn, up from USD 56 bn in Oct'23. As per market expectations, issuances will reach USD 825 bn in CY24, in line with recent years.

**ECB members share divergent views (Source: Bloomberg):**

- Mr. Centeno warned that labor market fallout from too much tightening can be precipitous when the economy turns, adding that employment doesn't adjust gradually as downturn takes hold.
- Mr. De Guindos said that ECB needs to remain cautious despite the positive surprise on inflation as big wage increases are being seen in some parts of Euro zone.

Domestic:

**Corporate bond market to double in the next 6 years: CRISIL (Source: Mint):**

Market is expected to grow from Rs 43 trn in FY24 to Rs 100-120 trn in FY30. Large capex in the infrastructure and corporate sectors, and strong retail credit growth are expected to boost bond supply, while rising financialisation of household savings should drive demand. Further, regulatory actions are likely to also contribute to the growth of the capital markets.

**Centre firms up plan to quicken action on personal guarantors (Source: FE):**

Centre considers lifting interim moratorium period for personal guarantors to transfer or dispose off their assets under insolvency resolution process, aimed at ensuring the proceeds from such asset sales can be used at servicing the loan.

**Average daily international and domestic air passenger traffic rises m/m in Nov'23 (Source: BS):**

The average daily international passenger traffic jumped 8.36% m/m to 198k in Nov'23 with the onset of the inbound travel season, while average daily domestic traffic rose by 3.94% m/m to 423.8k in Nov'23 due to Diwali and other festivals.

Contd...

December 5, 2023



## SBICAPS Daily Digest

**IEX total trade volume jumps 18% y/y to 9,136 MU in Nov'23 (Source: BS):** Market clearing price in DAM during Nov'23 was Rs 3.98 per unit, down 13% y/y at a volume of 5,144 MU, due to various factors including lower demand owing to festive season, temperature drop and improved sell side liquidity on the exchange. Further, the RTM volume increased 68% y/y to 2,359 MU.

**2,623 willful defaulters owe Rs 1.96 trn to banks (Source: ET):** With respect to borrowers with aggregate exposures of Rs. 50 mn and above, as of end of FY23, 2,623 borrowers were classified as willful defaulters with an aggregate outstanding to SCBs of Rs. 1.96 trn.

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