

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.41	-3
US 2Y*	4.91	2
Germany 10Y	2.61	3
UK 10Y	4.12	2
Japan 10Y	0.71	-4

Source: Bloomberg, \*semi-annual

## G-sec yield:

G-Sec	Yield (in %)	1-Day Change in Bps
7.06% GS 2028*	7.25	4
7.18% GS 2033* (10Y)	7.26	4
7.18% GS 2037*	7.37	4
91-day T-bill	6.93	0
182-day T-bill	7.10	0
364-day T-bill	7.13	0

Source: CCL, RBI, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	37	62	48	53
AA	101	127	113	118
A	290	317	304	310

Source: FIMMDA, as on 17 Nov, 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	5.32

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments (Term segment):

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	120.7	6.79
Triparty Repo	3,236.3	6.78
Market Repo	1,577.0	6.81
Repo in corporate bond	2.4	7.20

Source: RBI, as of 20 Nov, 2023

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	65,655	-0.2
NIFTY	19,694	-0.2
NASDAQ	14,285	1.1
S&P 500	4,547	0.7
Nikkei 225	33,388	-0.6
Euro Stoxx 50	4,342	0.0

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	82.3	2.1
Natural gas Nymex (USD/MMBtu)	2.9	-2.0
Gold Comex (USD/t oz.)	1,988.2	0.2
Copper Comex (USD/lb)	384.2	1.9
Wheat cbot (USD/bu.)	570.5	-0.9

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	83.34	0.1
GBP/ INR	104.22	0.4
EUR/ INR	91.13	0.4
EUR/USD	1.09	0.3
DX Index	103.42	-0.4

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

**India:** SGS Auction; **US:** FOMC Minutes, Existing Home Sales Oct'23; **Canada:** CPI Oct'23

## News:

## International:

**US officials remain data driven on economy and policy (Source: Forexlive):**

- US Fed's Mr. Barkin said that Fed will respond to data as it is not a big time for offering forward guidance. He also mentioned that business contracts report raising prices faster than pandemic
- Ms. Yellen mentioned that economy is making considerable progress in bringing down inflation given the labour market remains strong

**ECB officials cautious about interest rate cuts (Source: Bloomberg, Forexlive):**

- Mr. de Cos mentioned it is too early to talk about interest rate cuts and ECB is not expected return to for guidance on monetary policy
- Mr. Wunsch opinioned that rates should stay unchanged till Jan'24
- Mr. Villeroy said reliance on forward guidance was excessive, it needs to be more modest to achieve soft landing path

**German PPI falls in line with expectations in Oct'23 (Source: Reuters):** The PPI declined by 11.0% y/y in Oct'23, in line with expectations after record fall of 14.7% in Sep'23. The 27.9% y/y fall in energy prices was the main factor for the decline in producer prices.

**BoE officials dismiss talks of rate cuts (Source: Forexlive):** Mr. Bailey mentioned that it is far too early to be thinking about rate cuts. He added that the BoE must watch out for further signs of inflation persistence which may require further rate hikes. He reiterated that returning inflation to 2% targets remains absolute priority.

## Domestic:

**State may not fully utilize capex loan in FY24 (Source: FE):** States are likely to be able to utilize around Rs. 1 trn from Rs. 1.3 trn 50-year interest free capex loans facility for FY24. Till 7 Nov'23, union had sanctioned Rs. 1.1 trn or 85% of capex loans facility, more than half of which was already disbursed. The second installment of the loan is tied to achievement of capex targets, and only 3-4 states have approached the Union till now.

**Liquidation share in insolvency cases on decline (Source: BS):** As per IBBI, The share of liquidations in mode of closure of IBC cases the share of liquidation came down to 44% in Sep'23 from 60% as of Dec'19. This reflects the clearance of the initial cases which represented long standing stressed assets which were largely resolved through liquidation mode.

**Union plans to build strategic natural gas reserve (Source: ET):** As per media sources, Union is drawing up a plan to build a strategic natural gas reserve with a capacity of 4 bn cubic metres of imported gas expected to cost USD 1-2 bn. It is aimed at increasing the share of gas in its energy mix from 6% to 15% by CY30.

**Project cost doubles under Bharatmala Pariyojana (Source: BS):** As per ICRA, Project cost under the Bharatmala Pariyojana has more than doubled to Rs. 10.64 trn owing to steep rise in input cost and increase in land acquisition cost. This is more than double the original cost and translates to Rs. 316 mn/km. With the revised expense plan for Phase 1 awaiting Union approval, there has been a marked slowdown in project awards.

**Fresh formal job creation slows further in Sep'23 (Source: PIB):** As per EPFO data, new monthly subscribers declined 3.6% m/m to 892k in Sep'23 (Aug'23: 926k) while the share of young subscribers, usually first timers, stood at 58.9% (Aug'23: 68.3%). The net payroll addition increased by 1.8% m/m to 1.72 mn in Sep'23 (Aug'23: 1.69 mn).

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