

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.03	-6
US 2Y*	3.94	-1
Germany 10Y	2.22	-5
UK 10Y	4.16	-8
Japan 10Y	0.94	0

Source: Bloomberg, \*semi-annual

## G-sec yield:

G-Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.68	-1
7.10% GS 2034* (10Y)	6.77	-1
7.18% GS 2037*	6.83	-1
1-Month T-bill	6.43	3
3-Month T-bill	6.45	4
6-Month T-bill	6.52	-1
12-Month T-bill	6.52	1

Source: CCL, Bloomberg, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	85	90	83	80
AA	159	168	164	164
A	343	356	356	363

Source: FIMMDA, as on 14 Oct, 2024

## 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	8.95
SOFR	4.81

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	102.5	6.42
Triparty Repo	3,697.7	6.27
Market Repo	1,511.7	6.31
Repo in corporate bond	10.1	6.40

Source: RBI, as of 15 Oct, 2024

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	81,820	-0.2
NIFTY	25,057	-0.3
NASDAQ	18,316	-1.0
S&P 500	5,815	-0.8
Nikkei 225	39,911	0.8
Euro Stoxx 50	4,947	-1.9

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	74.4	-1.1
Natural gas Nymex (USD/MMBtu)	2.5	0.8
Gold Comex (USD/t oz.)	2,682.5	0.5
Copper Comex (USD/lb)	434.4	-1.3
Wheat cbot (USD/bu.)	581.0	-0.3

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	84.04	0.0
GBP/ INR	109.89	0.1
EUR/ INR	91.46	-0.1
EUR/USD	1.09	-0.1
DX Index	103.22	0.0

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

India: Trade Balance Sep'24; UK: CPI Sep'24; Policy Rate: Thailand, Philippines

## News:

Domestic:

**RBI DG pays tribute to Flexible Inflation Targeting (FIT) regime, assures descent of CPI (Source: RBI):** Asserting that the FIT regime had stood the test of time, Mr. Patra said retail inflation is projected to average 4.5% y/y in FY25 and align with the target on a durable basis by FY26. He also said digitalisation can improve the transmission of policy, but the flip side is shift of credit supply from banks to less regulated non-banks.

**RBI to establish global model of risk focused supervision: Official (Source: RBI):** Mr. Swaminathan said that RBI is aiming to establish a global model of risk focused supervision along with others. He also emphasised that financial risks could build up over time and now have new and faster drivers. Additionally, the growing interconnections between stakeholders make system more susceptible to shocks.

**Domestic air traffic rises in Sep'24 (Source: BS):** Domestic air passenger traffic grew by 6.4% y/y to 13 mn passengers in Sep'24. The month saw further consolidation in market share of leading players.

**State ports plan capacity expansion (Source: ET):** State controlled ports are planning to expand cargo handling capacity to 10, 000 MT annually by CY47. They are expected to invest over Rs. 2 trn. Also, Gujarat aims to develop integrated port cities with Rs. 1.5 trn while Andhra Pradesh plans Rs. 0.5 trn investment by CY50.

**SEBI increases position limits for trading members in index F&O contracts (Source: Mint):** SEBI has raised position limits for trading members in index futures and options to RS. 75 bn or 15% of total open interest, whichever is higher. Earlier it was Rs. 5 bn or 15% of the total OI in the market. This position limit is separately applicable for all open positions on futures and options, effective immediately.

**SGS and VRRR auctions conducted successfully (Source: RBI):**

- SGS worth Rs. 130.5 bn were auctioned by 8 states, against a notified amount of Rs. 130.5 bn, with cut-off yields for 10Y paper being in the range of 7.08% to 7.09%.
- 2-day VRRR worth Rs. 260.6 bn was conducted against a notified amount of Rs. 500 bn, at a cut-off yield of 6.49%

International:**US Fed officials say they are still targeting inflation (Source: Reuters):**

- Ms. Daly said that even with last month's rate cut monetary policy is still working to bring down inflation. She also defended 50 bps cut in sep'24.
- Mr. Bostic commented that he pencilled in just one more rate cut of 25 bps this year after he updated his projections for last meeting

**Chinese banks mull cutting deposit rates (Source: Bloomberg):** As per media sources, Chinese banks are set to trim deposit rates on USD 55 trn of deposits after the latest barrage of stimulus policies further squeeze profitability. Rates on 1Y time deposit may drop by 20 bps, while on longer tenors may come down by 25 bps.

**Global public debt to exceed USD 100 trn (Source: IMF):** The IMF expects that global public debt to hit 93% of global GDP in CY24, and to approach 100% by CY30, 10 % higher than pre-pandemic year of CY19 with China and the US driving much of the increase. EMs have a greater potential to manage debt. India's public debt currently stands at 81.5% of the GDP.

**World oil demand growth continues losing momentum (Source: IEA):** IEA reduced its global oil demand growth forecast for CY24 due to weak demand in China. It said the world's oil demand will rise by 860 kbpd this year, down 40 kbpd from the previous forecast. For CY25 it sees an expansion of 1 mbpd, revised upwards.

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