

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.62	10
US 2Y*	4.93	3
Germany 10Y	2.44	8
UK 10Y	4.24	10
Japan 10Y	0.86	2

Source: Bloomberg, \*semi-annual

## G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.06% GS 2028*	7.15	0
7.18% GS 2033* (10Y)	7.18	0
7.18% GS 2037*	7.20	0
91-day T-bill	6.87	0
182-day T-bill	7.03	0
364-day T-bill	7.05	0

Source: CCL, RBI, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	75	53	37	44
AA	133	118	106	119
A	318	305	293	306

Source: FIMMDA, as on 12 Apr, 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	8.80
SOFR	5.31

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	114.7	6.51
Triparty Repo	3,733.3	6.40
Market Repo	1,896.4	6.46
Repo in corporate bond	9.8	6.69

Source: RBI, as of 15 Apr, 2024

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	73,400	-1.1
NIFTY	22,272	-1.1
NASDAQ	15,885	-1.8
S&P 500	5,062	-1.2
Nikkei 225	38,506	-2.6
Euro Stoxx 50	4,984	0.6

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	90.8	0.3
Natural gas Nymex (USD/MMBtu)	1.7	-4.5
Gold Comex (USD/t oz.)	2,399.8	1.1
Copper Comex (USD/lb)	435.3	2.2
Wheat cbot (USD/bu.)	571.3	0.1

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	83.45	0.0
GBP/ INR	103.82	-0.2
EUR/ INR	88.57	-0.4
EUR/USD	1.06	-0.3
DX Index	106.36	0.3

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

**India:** SGS Auction; **China:** GDP Q1CY24, Fixed Asset Investment Mar'24, Industrial Production Mar'24, Retail Sales Mar'24; **Canada:** CPI Mar'24; **US:** Housing Starts, Industrial Production Mar'24

## News:

Domestic:

**WPI inches up to 3-month high in Mar'24 led by food inflation (Source: PIB):** WPI rose to a 3-month high of 0.53% y/y in Mar'24 from 0.2% y/y in Feb'24. Primary articles rose by 4.5% y/y, driven by cereals, pulses, potatoes and onions, while fuel and power fell by 0.77% y/y and manufactured products by 0.85% y/y. For FY24, WPI fell by 0.7% y/y after rising by 9.4% y/y in FY23, with cereals jumping 11.3%, and fuel and power surging by 28.1%.

**Merchandise trade deficit narrows in Mar'24 (Source: PIB):**

- Merchandise exports fell by 0.3% y/y in Mar'24 to USD 41.7 bn. Merchandise imports fell faster at a clip of ~6% y/y to USD 57.3 bn. Consequently, merchandise trade deficit narrowed to 11-month low of USD 15.6 bn, from USD 18.7 bn in Feb'24.
- Services surplus stood at USD 12.7 bn in Mar'24, taking the overall deficit (services + goods) to USD 2.9 bn in Mar'24
- Overall trade deficit for FY24 stood at USD 78 bn, from USD 92 bn in FY23

**Above normal monsoons expected in CY24 (Source: Mint):** According to IMD, India is likely to see above normal rainfall in the 4-month monsoon, with cumulative rainfall estimated at 106% of LPA (87 cm), with El-Nino phenomenon turning neutral and benign La Nina setting in by Aug'24.

**Union raises windfall tax on petroleum crude (Source: ET):** Windfall tax on petroleum has been raised to Rs. 9,600 per tonne from Rs. 6,800 earlier. The windfall tax on diesel and ATF remained unchanged at nil.

**Domestic air traffic rises multifold in Mar'24 (Source: FE):** Domestic airlines in Mar'24 witnessed a 3.7% y/y increase to 13.4 mn. Cumulatively, Jan-Mar'24 period witnessed traffic of 39.2 mn, growing by 4.4% y/y.

International:

**US retail sales jubilant in Mar'24 (Source: Reuters):** US retail sales grew by 0.7% m/m in Mar'24, above expectations of 0.3% m/m, rising from 0.6% m/m in Feb'24. Notably, online sales jumped 2.7% m/m, specialty stores were up 2.1% m/m while sale of clothes fell by 1.6% m/m in Mar'24.

**China's economy grows faster than expected in Q1CY24 (Source: Bloomberg):**

- Real GDP growth printed at 5.3% y/y in Q1CY24, higher than expected 4.6% y/y growth (Q4CY23: 5.2%)
- Industrial output grew by 4.5% y/y in Mar'24, missing expectations of 6%
- Fixed asset investment, rising by 4.5% y/y in Mar'24, was above forecasts
- Retail sales grew by 3.1% y/y in Mar'24, lower than expectations of 4.6%
- Unemployment reduced marginally to 5.2%, in line with estimates
- Home prices declined continued in Mar'24

**US Fed officials advocate for data-dependent approach (Source: ForexLive):**

- Mr. Williams said that tailwind from supply side and strong consumer spending bodes well for growth, despite slower progress on inflation
- Ms. Daly said that inflation data is not surprising and that bumps are expected, avoid too strong or weak response

**ECB officials expect a Jun'24 rate cut (Source: ForexLive):**

- Mr. Lane sees inflation dropping to target by CY25, although states that current phase is bumpy with sticky services inflation and wage growth.
- Mr. Rehn and Mr. Kazimir reflected that a expected slowdown in inflation warrants rate cuts in Jun'24, although further policy path is not certain.

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