

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.40	-2
US 2Y*	4.31	1
Germany 10Y	2.35	-2
UK 10Y	4.47	-1
Japan 10Y	1.07	1

Source: Bloomberg, \*semi-annual

## G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.79	-1
7.10% GS 2034* (10Y)	6.85	-1
7.18% GS 2037*	6.92	0
1-Month T-bill	6.33	-2
3-Month T-bill	6.45	0
6-Month T-bill	6.59	0
12-Month T-bill	6.58	-1

Source: CCIL, Bloomberg, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	86	79	71	72
AA	166	162	156	159
A	356	350	351	364

Source: FIMMDA, as on 18 Nov, 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	4.57

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	94.2	6.49
Triparty Repo	4,096.9	6.40
Market Repo	1,549.3	6.34
Repo in corporate bond	8.3	6.54

Source: RBI, as of 19 Nov, 2024

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	77,578	0.3
NIFTY	23,519	0.3
NASDAQ	18,966	-0.1
S&P 500	5,917	0.0
Nikkei 225	38,068	-0.7
Euro Stoxx 50	4,730	-1.0

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	73.1	-0.6
Natural gas Nymex (USD/MMBtu)	3.2	5.9
Gold Comex (USD/t oz.)	2,659.1	1.3
Copper Comex (USD/lb)	419.5	-0.2
Wheat cbot (USD/bu.)	574.0	1.3

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	84.42	0.0
GBP/ INR	106.81	-0.3
EUR/ INR	88.95	-0.2
EUR/USD	1.05	-0.2
DXI Index	106.56	0.1

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

India: T-Bill Auction; US: Existing Home Sales Oct'24

## News:

Domestic:**RBI releases Monthly Bulletin for Nov'24 (Source: RBI):** Highlights:

- Quipping that the slowdown seen in Q2 is "behind us", the RBI said private consumption was back as the prime mover of the economy. It accepted that private investment is lacklustre with sequentially lower investment in fixed and non-current assets in Q2FY25
- It expressed fears that the momentum in food prices is edging up core inflation via second round effects
- Net FDI moderated to USD 3.6 bn during H1FY25, vs USD 3.9 bn last year. ECB registrations decreased m/m in Sep'24 to USD 4.8 bn (Aug'24: 5.9 bn)
- NRI deposits outstanding increased to USD 161.6 bn in Sep'24 from 158.9 bn in Aug'24

**PLI scheme subsidy remains in slow lane (Source: BS):** The pace of subsidy payout under PLI scheme remained slow as it disbursed only Rs. 40 bn under 14 schemes. As per media sources, total incentive payout under PLI scheme is expected to be around Rs. 150 bn in FY25.

**SEBI mulls doubling application size of SME IPO (Source: SEBI):** SEBI proposed to raise the application size of IPOs of SMEs to up to Rs. 0.4 mn on sharp rise in the market size and to protect retail investors. It also suggested to extend the draw of lots allotment methodology and reservation in the portion to NIIs in SME IPOs. Another proposal is to increase need of minimum 50 allottees in public issue to 200.

**Union eyes 95% of undershot capex target for FY25 (Source: Mint):** Mr. Seth, Secretary DEA, said that capital expenditure of government for FY25 is projected to align closely with FY24 spending, at 95% of target. He also hinted that real GDP growth may have slowed in Q2 but is projected to clock between 6.5%-7% in FY25

**Union announces strategic action plan with Italy (Source: BS):** India and Italy unveiled strategic action plan outlining initiatives in key sectors of defence, trade, clean energy, and connectivity. It has identified 10 pillars that included economic cooperation and investments, energy transition, space, defence, and security.

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

- SGS worth Rs. 93.5 bn were auctioned by 6 states with cut-off yields for 10Y paper being in the range of 7.11%-7.13%.
- 3-day VRRR worth Rs. 225.65 bn was conducted against a notified amount of Rs. 500 bn, at a cut-off yield of 6.49%

International:**US Fed official stake out competing views (Source: Reuters):**

- Ms. Bowman said that she would prefer to proceed cautiously in bringing rate down with inflation still elevated and moving sideways
- Ms. Cook voiced confidence in easing of price pressures sees downward direction of policy rate. This was agreed to by Ms. Collins
- Mr. Schmid said to progress back to 2% target, it is proper time to cut rates, but it remains uncertain on how much interest rate will decline

**China leaves lending benchmark LPRs unchanged (Source: Reuters):** China left benchmark lending rates unchanged after lenders slashed rates more than expected last month. The 1-Y LPR was kept at 3.1%, and the 5-Y LPR was unchanged at 3.6% s expected.

**UK inflation hits 6 months high on high energy bills (Source: Bloomberg):** UK inflation rose by 2.3% y/y in Oct'24 from 1.7% in Sep'24, pushed by increase in regulated energy tariffs (expected: 2.2% y/y). But core inflation picked up to 3.3% from 3.2% in Sep'24, bucking market expectations for a fall.

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**ECB officials advocate further rate cuts (Source: Bloomberg):**

- Mr. Panetta said ECB must move towards neutral rate to ensure it is not constraining economic growth
- Mr. Muller suggested another 25-bps rate cut in CY24 as he does not see any reason for longer rate adjustments
- Mr. de Guindos commented that rates will be reduced further yet it should not rush due to rising trade tensions and global conflicts
- Mr. Stournaras emphasised that inflation is now projected to reach target sooner by early CY25 than anticipated fourth quarter of CY25

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