

Weekly Fixed Income Bulletin

Market Snapshot

13th April 2024

Key Overnight Interest Rates (Annualised-P.A)	Current Week	Previous Week	Change
MIBOR	6.69%	6.56%	0.13%
US SOFR	5.31%	5.32%	-0.01%
EU ESTR	3.91%	3.91%	-0.01%
UK SONIA	5.20%	5.19%	0.00%

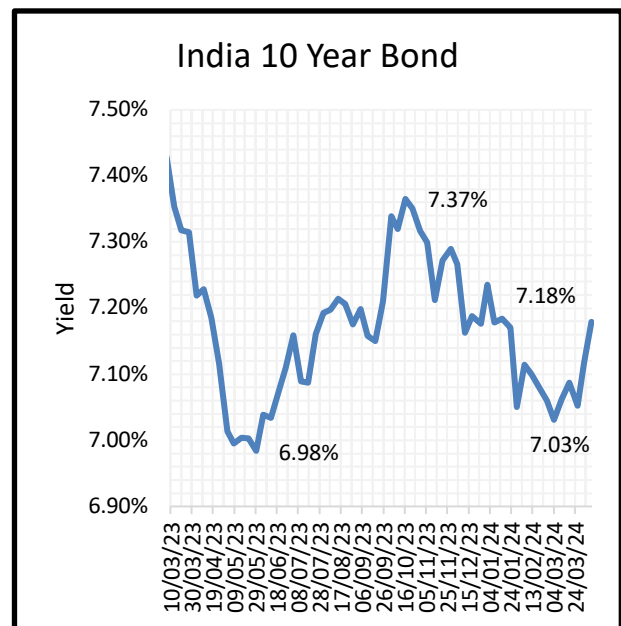
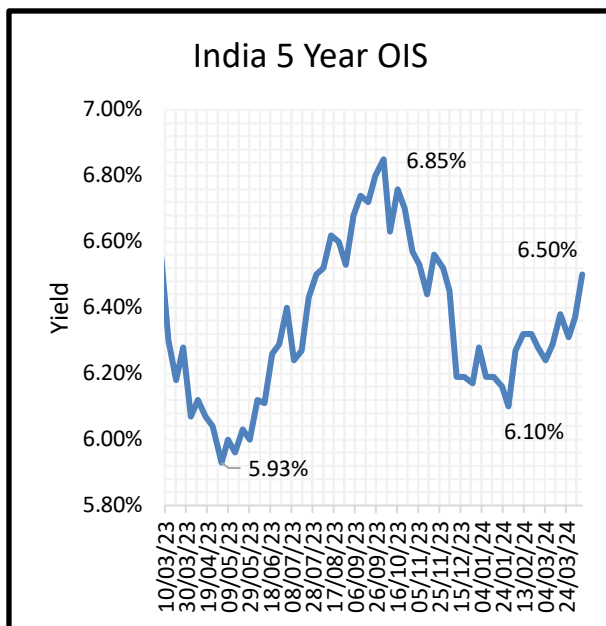
**MIBOR is recorded Friday to Friday while other international benchmarks are recorded Thursday to Thursday.*

Liquidity Adjustment Conducted By RBI	10th April 2024	4th April 2024	Change
Injected (+)/ Absorbed (-) as on Thursday. [In Rs. Crs.]	(79,449.67)	(1,55,775.67)	76,326.00

**Liquidity Injection/absorption is calculated from RBI's outstanding operations which includes repo operations, fine tuning operations, targeted long-term operations and special long-term repo operations (SLTRO) for small finance banks. This is recorded Thursday to Thursday and adjusted for public holidays*

Yields (Annualised-P.A)	Current Week	Previous Week	Change
India 3 Month-T-Bill	6.86%	6.86%	0.00%
India 6 Month T-Bill	7.04%	7.01%	0.03%
India 5 Year Benchmark Yield	7.18%	7.09%	0.09%
India 10 Year Benchmark Yield	7.18%	7.12%	0.06%
US 10 Year Benchmark Yield	4.53%	4.40%	0.12%
EU 10 Year Benchmark Yield	2.37%	2.41%	-0.04%
Japan 10 Year Benchmark Yield	0.85%	0.77%	0.08%
UK 10 Year Benchmark Yield	4.13%	4.06%	0.07%

This data is recorded Friday to Friday



Fund Type	Annualized Weekly Return (P.A)
Liquid Funds	8.05%
Ultra Short Duration	8.23%
Short Duration	0.00%
GILT	-16.60%

**Weekly return as on Friday is annualized to arrive at the above data set.*

Key Events [15-April-24 to 19-April-24]	Date	Previous Number	Forecasted Number
India WPI Inflation (YoY)	15-Apr-24	0.20%	0.50%
Eurozone Industrial Production (YoY)	15-Apr-24	-6.70%	-5.70%
US Retail Sales (MoM)	15-Apr-24	0.60%	0.30%
China Retail Sales (YoY)	16-Apr-24	5.50%	4.50%
China GDP (YoY)	16-Apr-24	5.20%	4.60%
UK ILO Unemployment Rate (February)	16-Apr-24	3.90%	4.00%
US Industrial Production (MoM)	16-Apr-24	0.10%	0.40%
UK Core CPI (YoY)	17-Apr-24	4.50%	4.20%
EU CPI (YoY)	17-Apr-24	2.40%	2.40%
US Initial Jobless Claims	18-Apr-24	211K	215K
Japan Core CPI (YoY)	19-Apr-24	2.80%	2.60%
UK Retail Sales (YoY)	19-Apr-24	-0.40%	0.80%

Market Outlook

A higher-than-expected US CPI rattled markets, dampening hopes for a June rate cut and reinforcing the narrative of US economic strength. Despite India's CPI cooling to a 9-month low, spillover from the US inflation data influenced Indian bonds. This week, robust US retail sales may prompt a bond sell-off as rate cut forecasts are pushed back, while a reading in line with expectations could spur bond buying as investors seek to book profits.

India 10 Year (7.18%): Recent rise above key moving averages can lead to the yields climbing to 7.19% beyond which a move to 7.24% is opened. Key supports are closer to 7.16% and a break below 7.13% would decrease the chance of this bullish move.

US 2 Year (4.90%): Last week's bullish action and the retracement which followed may keep the yield capped at 5.01%. Supports near 4.82% hold key dips. A dip below 4.80% can trigger some sideways action as bullishness is subsided.

— **End of report** —

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