

Weekly Update

Debt Market

For the Week ended 29th July 2016

G-Sec Yield

Type	Current (%)	Change Over (bps)		
		1 Week	1 Month	3 Month
1 Year	6.82	1.6	-12.6	-15.1
2 Years	6.87	-3.2	-19.4	-30.6
5 Years	7.10	-4.1	-35.5	-38.0
10 Years	7.30	-8.7	-31.0	-28.3
15 Years	7.40	-6.1	-36.6	-38.9
20 Years	7.32	-18.3	-39.8	-49.1
30 Years	7.39	-15.8	-35.2	-45.9

Source: CCIL

MIBOR OIS

Type	Current (%)	Change Over (bps)		
		1 Week	1 Month	3 Month
1 Year	6.49	-1.42	-6.39	-19.01
2 Years	6.33	-3.67	-11.32	-24.73
3 Years	6.38	-4.14	-11.65	-23.23
5 Years	6.49	-5.80	-13.98	-21.65

Source: CCIL

OIS/G Sec Spread

Type	Current (bps)	Change Over (bps)		
		1 Week	1 Month	3 Month
2 years	-54	-54	-62	-60
5 years	-60	-58	-82	-78

Source: CCIL

Money Market Operations

Repo Rate under LAF	6.50%
Reverse Repo Rate	6.00%
Cash Reserve Ratio	4.00%
Statutory Liquidity Ratio	21.00%
Marginal Standing Facility	7.00%

Source: RBI

Commodity Trends

Particular	As on 29 th July 2016
Gold (\$/Ounce)	1343.93
Silver (\$/Ounce)	20.33
Crude (\$/bbl)	41.13

Source: CCIL

Highlights of the week

- The Government of India conducted the auction of "7.80% Government Stock 2021", "7.59% Government Stock 2029", "7.50% Government Stock 2034" and "7.72% Government Stock 2055" for the notified amounts of 3,000 crore, 8,000 crore, 2,000 crore and 2,000 crore respectively on July 29, 2016. The cut-off yields were set at 7.0469%, 7.2776%, 7.3263% and 7.3523% respectively.
- RBI conducted auction of SDLs worth 9,150 crore for ten State Governments on July 26, 2016. The cut-off yield was set at 7.59% for the 5-year SDL of Andhra Pradesh. For the 10-year SDLs it was set at 7.69% for Gujarat, Jammu & Kashmir, Kerala, Maharashtra, Meghalaya, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal.
- India registered a fiscal deficit of 97,337 crore during June 2016, an increase of 24.68% over the fiscal deficit of 78,071 crore in June 2015. The fiscal deficit during April-June 2016 accounted for 61.10% of the budgeted estimates of 5,33,904 crore for 2016-17.
- As on July 8, 2016 all the Scheduled Banks' investments (at book value) in the central and state government securities stood at 28,703.70 billion as against 27,083.63 billion in the corresponding period of the previous year.
- Global Crude oil price of Indian Basket was US\$ 41.13 per bbl on 29.07.2016 compared to US\$ 43.96 per bbl on 22.07.2016.

Currency Indicators

Particular	As on 29 th July 2016
Rs/ Dollar	67.03
Rs/ Euro	74.27
Rs/ Pound	88.30

Source: CCIL

Money Market Rates

Type	Current (%)	Change Over (bps)		
		1 Week	1 Month	3 Month
CBLO	6.28	66.09	6.17	1.63
Repo	6.48	-2.01	18.73	-
Call	6.46	5.12	20.92	43.52

Source: CCIL

Money Market Trade Volumes

Type	Current (Rs In Cr)	Change Over (Rs. Crs)		
		1 Week	1 Month	3 Month
CBLO	81970	46135	84522	7397
Repo	39276	94745	40850	-
Call	16443	31500	14108	1630

Source: CCIL

Highlights of the week

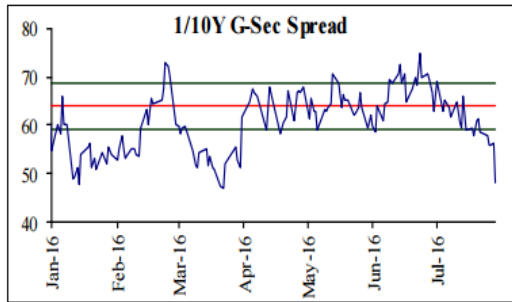
- Fitch Ratings affirmed India's 'BBB-' rating citing strong medium-term growth outlook and favourable external balances. It has a stable outlook on India's rating that is constrained by a weak fiscal position and still-difficult business environment.
- Fitch anticipates India's real GDP growth to slightly accelerate to 7.70% in FY17 and 7.90% in FY18 due to an expected pick-up in consumption from pay commission increase in salaries and better monsoon.
- India, with \$474 billion in external debt as of 2015, experienced the second-largest rise in borrowings among emerging economies since 2010, Moody's said.
- RBI Governor Raghuram Rajan said devaluing the rupee will not only make the imports costlier, but will also have a lot of side effects including rising inflationary impacts, offsetting export gains.
- India received FDI amounting to \$10.55 billion during the first quarter of FY2016-17 7% higher than the corresponding quarter previous year.
- The Government of India, in consultation with RBI, has extended the non-competitive bidding facility in Treasury Bills to individuals.
- RBI will allow Demat account holders of NSDL and CDSL to put through trades in Government Securities on the NDS-OM platform through their respective Depository Participant (DP) bank which is an SGL Account Holder and a direct member of NDS-OM and CCIL from August 16, 2016.
- The limit of the loans extended by NBFC-MFIs for which the tenure of the loan shall not be less than 24 months, has been raised to 30,000/- from the earlier limit of 15,000/-.
- The Federal Reserve left the interest rate unchanged but said that near-term risks to the US economic outlook had diminished, opening the door to a resumption of monetary policy tightening.
- Japan will fail to meet its goal of achieving in fiscal 2020 nominal GDP of USD 5.70 trillion even in fiscal 2024 if growth remains sluggish, the government's latest projections showed.

MACRO ECONOMIC INDICATORS

Indicators	Curr. Period	Value	Prev. Period	Value
GVA (%)	Q4 2015-16	7.40%	Q4 2014-15	6.20%
IIP (%)	May 2016	1.20%	May 2015	2.50%
Fiscal Deficit (₹ Cr.)	June 2016	97,337	June 2015	78,071
Inflation (CPI %)	June 2016	5.77%	June 2015	5.40%

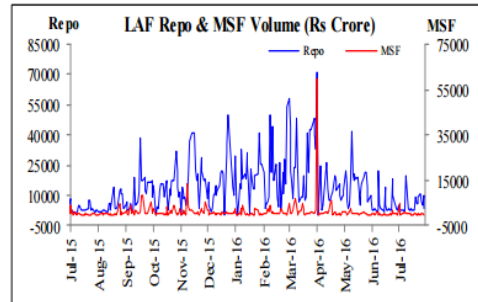
Source: CCIL

G-Sec Markets



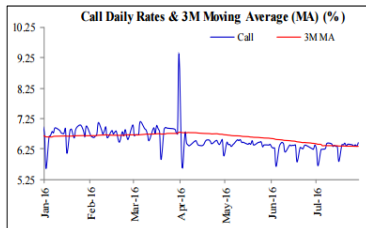
Source: CCIL

Liquidity

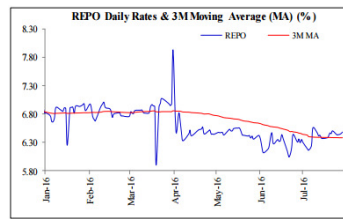


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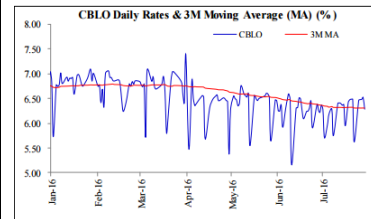
Money Market



Source: CCIL

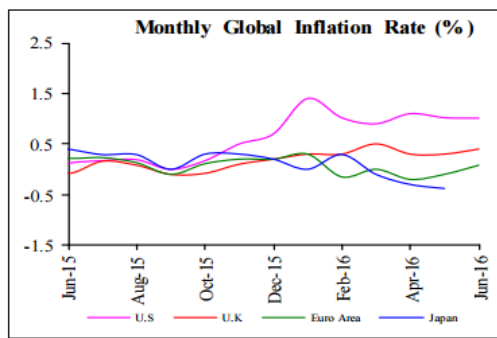


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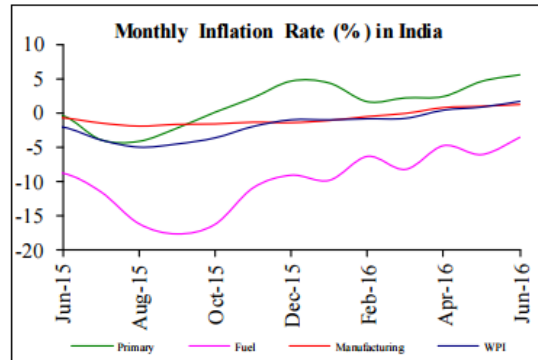


Source: CCIL

Macro-Economic Indicators



Source: CCIL



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