

Weekly Update

Debt Market

For the Week ended 02nd Sep 2016

G-Sec Yield

Type	Current (%)	Change Over (bps)		
		1 Week	1 Month	3 Month
1 Year	6.74	-0.3	-10.5	-27.4
2 Years	6.85	-2.7	-3.4	-29.3
5 Years	7.05	-1.4	-5.8	-44.4
10 Years	7.14	-4.5	-15.4	-45.7
15 Years	7.18	-5.4	-8.9	-56.8
20 Years	7.23	-2.9	-11.8	-60.5
30 Years	7.25	-2.6	-11.9	-61.1

Source: CCIL

MIBOR OIS

Type	Current (%)	Change Over (bps)		
		1 Week	1 Month	3 Month
1 Year	6.56	-1.20	5.68	-12.54
2 Years	6.38	-0.50	3.39	-22.11
3 Years	6.39	-0.25	0.25	-26.50
5 Years	6.49	-0.54	-1.55	-30.02

Source: CCIL

OIS/G Sec Spread

Type	Current (bps)	Change Over (bps)		
		1 Week	1 Month	3 Month
2 years	-47	-50	-54	-55
5 years	-55	-56	-60	-70

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 2 nd September 2016
Gold (\$/Ounce)	1311.88
Silver (\$/Ounce)	19.41
Crude (\$/bbl)	43.17

Source: CCIL

Highlights of the week

- The Government of India conducted the auction of "7.35% Government Stock 2024", "6.97% Government Stock 2026", "7.73% Government Stock 2034" and "8.13% Government Stock 2045" for the notified amounts of 2,000 crores, 8,000 crores, 2,000 crore and 2,000 crore respectively on September 2, 2016. The cut-off yields were set at 7.1187%, 6.9700%, 7.2158% and 7.2522% respectively.
- The Government of India announced the sale (New/re-issue) of "NI GS maturing on December 19, 2022", "7.61% Government Stock 2030", "7.50% Government Stock 2034" and "8.17% Government Stock 2044" for the notified amounts of 2,000 crores, 8,000 crores, 2,000 crores and 2,000 crores respectively on September 9, 2016.
- The Reserve Bank of India has announced the auction of 182-day Government of India Treasury Bills for notified amount of Rs 6,000 crore. The auction will be conducted on September 07, 2016 using "Multiple Price Auction" method.
- Global Crude oil price of Indian Basket was US\$ 43.17 per bbl on 02.09.2016 compared to US\$ 46.97 per bbl on 26.08.2016.

Currency Indicators

Particular	As on 2 nd September 2016
Rs/ Dollar	66.84
Rs/ Euro	74.80
Rs/ Pound	88.70

Source: CCIL

Money Market Rates

Type	Current (%)	Change Over (bps)		
		1 Week	1 Month	3 Month
CBLO	5.12	-132.1	-124.4	-112.16
Repo	6.41	-1.16	-3.52	20.77
Call	6.37	-0.87	-0.32	8.63

Source: CCIL

Money Market Trade Volumes

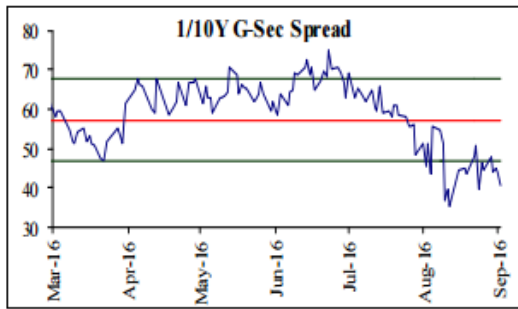
Type	Current (Rs In Cr)	Change Over (Rs. Crs)		
		1 Week	1 Month	3 Month
CBLO	50930	100625	82987	69923
Repo	79913	43182	40405	39508
Call	19204	13335	20586	11967

Source: CCIL

Highlights of the week

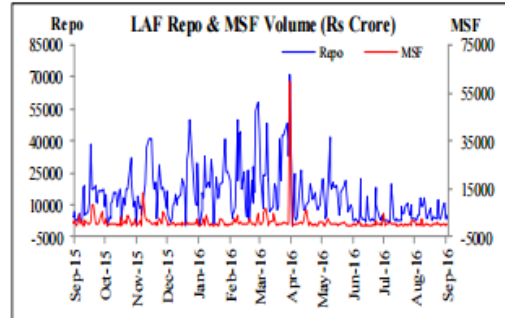
- GDP at constant (2011-12) prices in Q1 of FY17 is estimated at 29.17 lakh crore (27.24 lakh crore in Q1 of FY16), showing a growth rate of 7.10%. Quarterly GVA at Basic Price at constant (2011- 2012) prices for Q1 of FY17 is estimated at 27.38 lakh crore showing a growth rate of 7.30%, as against 25.51 lakh crore in Q1 of FY16.
- The eight core industries with a combined weight of 37.90% in the Index of Industrial Production (IIP) grew 3.20% in July 2016 as compared to growth of 1.30% in July 2015. Cumulative growth for April-July 2016 was 4.90%, as against 2.20% growth in April July 2015.
- India registered a fiscal deficit of 67,164 crores during July 2016, a decline of 31.75% over the fiscal deficit of 98,408 crores in July 2015. The fiscal deficit during April-July 2016 accounted for 73.70% of the budgeted estimates of 5,33,904 crores for 2016-17.
- As on August 19, 2016 all the Scheduled Banks' investments (at book value) in the central and state government securities stood at 28,994.60 billion as against 28,994.60 billion in the corresponding period of the previous year.
- RBI deputy governor NS Viswanathan cautioned state-run lenders against over exposure to the retail sector.
- Low inflation will positively impact India's credit rating by improving investment climate as per Fitch.
- RBI put in place an improved framework governing sale of stressed assets by banks to SCs/RCs/other banks/NBFCs/Financial Institutions etc.
- The issue price of the Sovereign Gold Bond 2016-17 Series II has been fixed at 3,150/- (Rupees Three Thousand One Hundred Fifty only) per gram of gold.
- The Sovereign Gold Bonds issued on August 05, 2016 shall be eligible for trading from Thursday, September 01, 2016 on the stock exchanges.
- RBI temporarily suspended receipt of fresh applications from banks and non-banks for grant of authorisation to operate a payment system for PPI under PSS Act till February 28, 2017.
- RBI notified that the applicable system wide average figure for computing achievement under priority sector lending for the FY 2016-17 is 11.70%.
- RBI Governor Dr. Raghuram G. Rajan said he used every room to cut rates and hoped that inflation would slip below 6% when data comes for August.
- IMF said the Indian economy is likely to continue to grow strongly crediting its latest assessment to support from private consumption and the GST will provide a further boost when it is rolled out.
- Bank of Japan Governor Haruhiko Kuroda said the central bank won't hesitate to boost monetary stimulus if needed achieve its price stability target, and there is ample space for additional easing.

G-Sec Markets



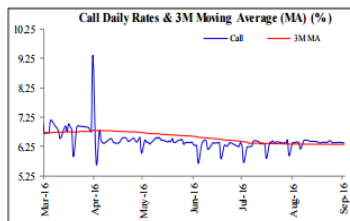
Source: CCIL

Liquidity

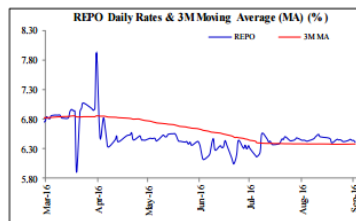


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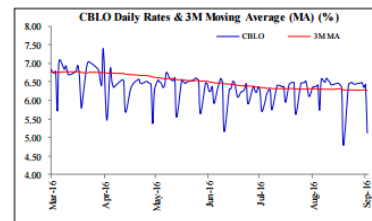
Money Market



Source: CCIL

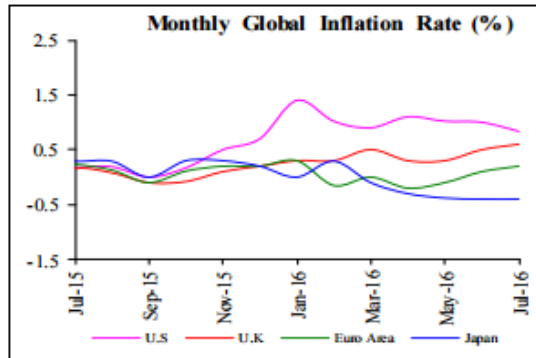


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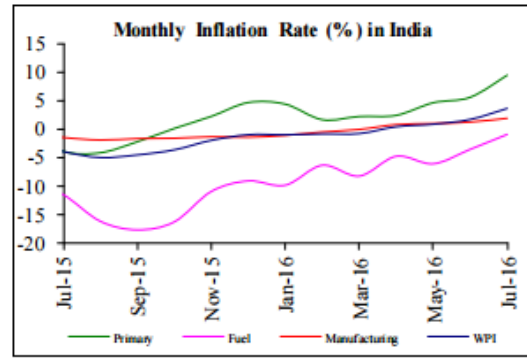


Source: CCIL

Macro-Economic Indicators



Source: CCIL



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