

## In Focus: Yubi Daily Wrap

29 March, 2023

### News update

Japan has committed Rs 7,084.5 crore to India for 3 infrastructure projects, including Patna Metro Rail Construction Project and Rajasthan Water Sector Livelihood Improvement Project.

The government of India collected Rs 157.9 crore of direct taxes via TDS in period up to March 20, 2023 on payments made upon transfer of virtual digital assets (VDA).

The scrapping of tax incentives on debt MFs could benefit Indian banks of about \$36 billion in deposits, as recent times saw widening of the credit-offtake and deposit gap which elevated risks of an asset-liability mismatch. As of March, credit grew by 15%, while deposits remain stagnant at around 10%.

14 state governments and 1 UT raised Rs 41,200 crore in the last bond auction for FY23, which is 67% beyond the planned for the week. The weighted average tenure of the borrowings also rose to 16 years from 14, while the weighted average cut-off of the SGS rose by seven basis points (bps) to 7.81 per cent on Tuesday from 7.74 per cent in the last auction.

The EPFO raised the interest rate on the provident fund deposits marginally to 8.15% for FY23 from a four-decade low of 8.1% in FY22. The distribution to members this year is expected to be Rs 90,000 crore, on a total principal amount of Rs 11 trillion. The expected surplus is likely to be about Rs 660 crore.

**Major Events:** RBI to hold T-bill auctions, several companies including Power Finance Corporation and LIC Housing to raise funds via local bonds amid easing short-term borrowing costs.

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Equity indices	Current level	Previous close	Change %	One month ago
S&P500	3971.27	3977.53	-0.16	3982.24
Dow Jones	32394.25	32432.08	-0.12	32889.09
FTSE 100	7484.25	7471.77	0.17	7935.11
Nikkei 225	27625.99	27518.25	0.39	27423.96
Hang Seng	20224.58	19784.65	2.22	19943.51
Shanghai Composite	3240.32	3245.38	-0.16	3258.03
Kospi 50	2432.80	2434.94	-0.09	2402.64
<b>Sensex</b>	<b>57613.72</b>	<b>57653.86</b>	<b>-0.07</b>	<b>58962.12</b>
<b>Nifty50</b>	<b>16951.70</b>	<b>16985.70</b>	<b>-0.20</b>	<b>17392.70</b>

Govt yields	Current level	Previous close	Change %	One month ago
US 10-yr	3.57	3.53	1.12	3.91
UK 10-yr	3.45	3.36	2.69	3.80
Japan 10-yr	0.31	0.29	6.23	0.50
Germany 10-yr	2.29	2.22	2.74	2.58
<b>India Govt 30-yr</b>	<b>7.38</b>	<b>7.38</b>	<b>0.05</b>	<b>7.45</b>
<b>India Govt 10-yr</b>	<b>7.31</b>	<b>7.30</b>	<b>0.23</b>	<b>7.43</b>
<b>India Govt 5-yr</b>	<b>7.21</b>	<b>7.16</b>	<b>0.61</b>	<b>7.43</b>



<b>Corp yields: India</b>	<b>Current level</b>	<b>Previous close</b>	<b>Change %</b>	<b>One month ago</b>
AAA 10-yr	7.80	7.82	-0.27	7.86
AAA 5-yr	7.87	7.86	0.13	7.90
AAA 3-yr	7.77	7.78	-0.13	7.89
AAA 1-yr	7.79	7.76	0.40	7.31

	<b>Current level</b>	<b>Previous close</b>	<b>Change %</b>	<b>One month ago</b>
DXY	102.59	102.43	0.15	104.67
EUR/USD	1.08	1.08	-0.08	1.06
GBP/USD	1.23	1.23	-0.15	1.21
AUD/USD	0.67	0.67	0.00	0.72
USD/JPY	131.72	130.89	0.63	136.19
USD/CNY	6.82	6.85	-0.32	6.33
<b>USD/INR</b>	<b>82.19</b>	<b>82.37</b>	<b>-0.22</b>	<b>82.67</b>
Gold (USD/oz)	1968.06	1973.54	-0.28	1826.92
Brent (USD/bbl)	77.88	77.97	-0.12	82.46



<b>Money market India</b>	<b>Current level</b>	<b>Previous close</b>
Call money rate	6.63	6.54
CBLO rate	6.65	6.70
Call traded volume (INR bn)	5405.72	5113.62
Net banking system liquidity injection (+)/absorption(-) (INR bn)	-135.83	455.75
	<b>T-bills</b>	
91-days	6.75	6.78
182-days	7.20	7.18
364-days	7.19	7.17



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