

Yubi Daily Wrap

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Japanese investors turned net buyers of foreign bonds in the final quarter of the fiscal as higher yields abroad vis-à-vis lower Japanese bond yields led to higher demand. Net purchases clocked \$75.3 billion during January–March 2023, largest since 2016.

Singapore authorities are working with lenders in the city –state to set uniform standards on screening potential customers from the crypto and digital assets sectors. This includes fine-tuning of vetting approach when opening accounts for users of any kind of digital asset.

In a surprise move, RBI paused the rate hikes with a terminal rate of 6.5% while holding on to the stance of withdrawal of accommodation – while pledging to act if needed. It also raised the growth forecast for FY24 to 6.5% from 6.4%, while lowering the inflation forecast to 5.2% from 5.3%. Bonds rallied, stocks gained, and rupee edged up.

India and Japan have agreed to diversify cooperation in new and emerging domains like space and cyber in line with the expanding defence ties, during the 7th defence policy dialogue.

RBI will develop an onshore non-deliverable forwards derivative market. Banks in India with an IFSC banking unit will be allowed to offer an NDF derivative contract to resident users in the onshore market. The move will deepen the forex market and provide flexibility to residents in meeting hedging requirements.

India might intervene by importing dairy products after a hiatus of a decade if needed, as market suffers a supply constraint amidst a 8–10% demand rise. Milk production has remained stagnant in the last fiscal year and its prices have increased 12–15% in the last 15 months.

Major events: RBI to hold reverse repo and government bond auction, release weekly foreign exchange data, Federal cabinet meeting.

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Equity indices	Current level	Previous close	Change %	One month ago
S&P500	4090.38	4050.83	0.98	3982.24
Dow Jones	33482.72	32859.03	1.90	32889.09
FTSE 100	7662.94	7620.43	0.56	7935.11
Nikkei 225	27474.34	28041.48	-2.02	27423.96
Hang Seng	20189.87	20400.11	-1.03	19943.51
Shanghai Composite	3307.06	3272.86	1.05	3258.03
Kospi 50	2461.22	2476.86	-0.63	2402.64
Sensex	59896.02	58991.52	1.53	60224.46
Nifty50	17613.10	17557.05	0.32	17711.45

Govt yields	Current level	Previous close	Change %	One month ago
US 10-yr	3.29	3.31	-0.56	3.95
UK 10-yr	3.42	3.43	-0.21	3.85
Japan 10-yr	0.47	0.47	-0.64	0.50
Germany 10-yr	2.18	2.25	-2.98	2.71
India Govt 30-yr	7.41	7.37	0.58	7.45
India Govt 10-yr	7.20	7.27	-0.92	7.41
India Govt 5-yr	7.03	7.14	-1.55	7.39



Corp yields: India	Current level	Previous close	Change %	One month ago
AAA 10-yr	7.73	7.77	-0.53	7.82
AAA 5-yr	7.74	7.78	-0.53	7.83
AAA 3-yr	7.70	7.74	-0.53	7.90
AAA 1-yr	7.78	7.80	-0.27	7.97

	Current level	Previous close	Change %	One month ago
DXY	101.99	101.85	0.13	104.52
EUR/USD	1.09	1.09	-0.04	1.06
GBP/USD	1.25	1.25	-0.07	1.20
AUD/USD	0.67	0.67	-0.34	0.67
USD/JPY	131.32	131.32	0.00	135.87
USD/CNY	6.88	6.88	0.02	6.93
USD/INR	81.97	82.00	-0.04	81.97
Gold (USD/oz)	2015.66	2020.73	-0.25	1846.86
Brent (USD/bbl)	84.90	85.43	-0.62	85.82



Money market India	Current level	Previous close
Call money rate	6.26	6.31
CBLO rate	6.23	6.26
Call traded volume (INR bn)	5000.72	5146.51
Net banking system liquidity injection (+)/absorption(-) (INR bn)	-2719.63	-1041.21
	T-bills	
91-days	6.92	6.83
182-days	7.18	7.13
364-days	6.99	7.11



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