

## Equity Market

- Indian stock markets fell after the chairman of Satyam Computer resigned and said that its earnings had been inflated over the past few years. The Sensex fell by 7.25% to close at 9586.88 while the Nifty lost 6.18% to close at 2920.40. Satyam Computer was one of the top losers, falling by 77.69%.
- The BSE Bankex lost 8.06% today to close at 5,489.24. SBI lost 6.46% while ICICI Bank fell 10.53% to close at 468.05.
- Asian markets ended mixed. The MSCI Asia Pacific Index rose 1.5% to close at 92.15 while the Nikkei 225 Stock Average gained 1.7% to 9,239.24. Honda Motor jumped 11%.

## Debt Market

- India's 10-year bonds weakened after the Government announced a heavy Rs.500 bn borrowing plan in the remaining part of the fiscal year. The yield on the benchmark 8.24% note due April 2018 rose 57 bps, closing at 5.87%.
- India's call rate ended at 4.25% today. RBI conducted two LAFs today. It absorbed INR 26.80 bn in the 1st one while in the 2nd it absorbed INR 406.50 bn, thereby absorbing INR 433.30 bn from the banking system today.
- US 10-year Treasuries weakened before the auction, but trimmed some of its losses as employment levels fell more than expected in December. The yield on the benchmark 10-year security was at 2.46%.

## Forex Market

- The Rupee weakened on sharply negative equity market cues. The USD/INR pair ended at 48.80 from 48.66 yesterday.
- The 6-month and 1-year forward premium was at 2.29% and 1.79% as compared at 2.26% and 1.74% yesterday.
- The Dollar fell after the ADP employment report depicted further steep job losses in the US economy in December. EUR/USD was at 1.3653 from 1.3340 yesterday and GBP/USD was at 1.5101 from 1.4593 yesterday. USD/JPY was at 93 versus 94.14 yesterday. \*

\*These levels are taken at 17:30 IST.

## Commodities Market

- Crude oil prices fell on expectation that crude oil inventories will rise. Crude oil for February delivery was at USD 48.68 a barrel. (17:30 IST)
- Gold prices rose on short covering. Gold for immediate delivery was trading at 863 USD/oz on the COMEX. (17:30 IST)

**Fixed Income Market**

**GOI Sec Market**

Security	Closing Yield	Previous Yield
7.55% GOI 2010	4.99%	4.77%
7.40% GOI 2012	5.86%	5.22%
7.38% GOI 2015	6.35%	5.69%
8.24% GOI 2018	5.87%	5.30%
8.35% GOI 2022	7.93%	7.93%
8.33% GOI 2030	8.10%	8.10%

**Overnight Indexed Swap**

Tenor	January 7	January 6
1 Year	4.29	4.12
2 Year	4.38	4.22
5 Year	4.97	4.79

**MIFOR**

Tenor	January 7	January 6
1 Year	3.55	3.75
3 Year	3.90	3.78
5 Year	4.95	4.78

**Money Market**

	January 7	January 6
Call Money Range	4.25	4.25
MIBOR	4.28	4.29
Reverse Repo Amt	433.30	593.60
Repo Amt	432.60	407.10

**Global Treasury Yields**

	January 7	January 6
US 10 Year	2.49	2.45
EURO 10 Year	3.17	3.15
GBP 10 Year	3.27	3.26
JPY 10 Year	1.26	1.26

**Swap Rate**

Currency	1-year	2-year	5-year	10-year
USD	1.2265	1.4605	2.196	2.738
EUR	2.5265	2.6110	3.2600	3.8540
GBP	1.935	2.5132	3.1600	3.5695
JPY	0.785	0.7463	0.9620	1.3330
CHF	0.7615	1.0815	2.0437	2.7940

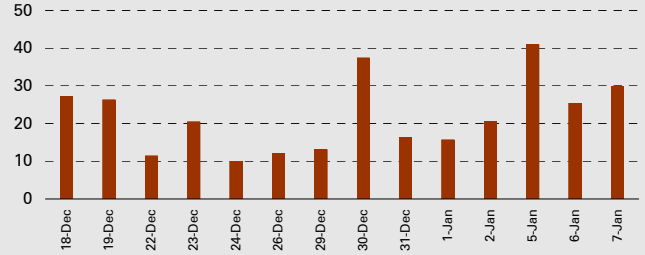
**Forex Market**

Currency	USD	EUR	GBP	JPY	CHF
USD	-	0.7303	0.6629	92.82	1.0929
EUR	1.3695	-	0.9080	127.12	1.4969
GBP	1.5084	1.1013	-	140.01	1.6486
JPY	1.0774	0.7867	0.7142	-	1.1774
CHF	0.9148	0.6681	0.6066	84.92	-

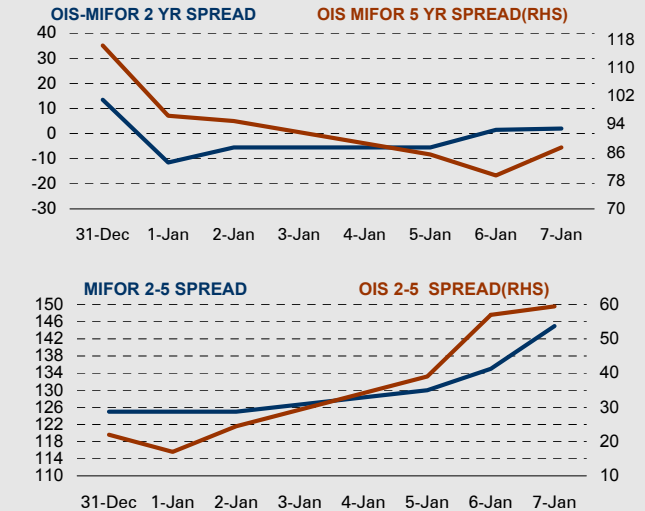
**USD INR Forwards**

	Annualised	Paise
April	2.94	75.75
July	2.29	9.75
October	1.98	41.25
January	1.79	59.25

**NSE WDM Volumes (INR bn)**



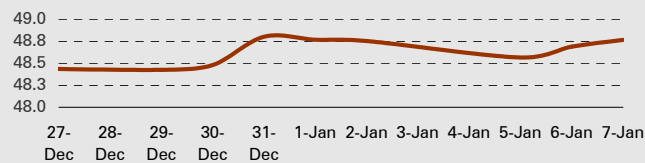
**OIS-MIFOR Spreads**



**LIBOR**

	3 month	6 month
EURO LIBOR	2.76	2.85
USD LIBOR	1.40	1.75
GBP LIBOR	2.57	2.77
JPY LIBOR	0.79	0.92
CHF LIBOR	0.76	0.76

**USD/INR Movement**



**Asia Pacific Currencies**

	January 7	January 6
USD/INR	48.80	48.66
USD/SGD	1.4700	1.4703
AUD/USD	0.7239	0.7233
USD/THB	34.83	35.03
USD/KRW	1292.60	1312.25

**Vols (1 month)**

Currency	January 7	January 6
INR	16.88	17.98
EUR	23.54	24.30
JPY	18.28	18.41
GBP	22.45	23.12
CHF	24.67	24.55

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