

## Equity Market

- Indian stock markets fell taking cues from broad global sell off on fears of a deep global recession. Higher than expected inflation further added to the bearish sentiment. The Sensex fell by 3.81% to close at 9,734.22 while the Nifty slid 3.42% to close at 2,892.65. Tata Motors fell by 12.17% after the company announced that it was shutting down its commercial vehicle plant in eastern India for three days to avoid a build-up of inventory.
- The BSE Bankex lost 3.41% today to close at 5,441.76. SBI slid 4.58% while ICICI Bank fell by 3.87% to close at 434.15.
- Most Asian stocks fell. The MSCI Asia Pacific Index slid 5.8% to close at 88.87 while the Nikkei 225 Stock Average dropped 6.5% to 8,899.14. Cathay Pacific Airways plunged 14%.

## Debt Market

- India's 10-year bonds trimmed its initial gains due to higher than expected inflation at 10.72% for the week ending 25th October. The yield on the benchmark 8.24% note due April 2018 fell 5 bps to 7.71% from 7.76% yesterday.
- India's call rate ended at 6.40% today. RBI conducted two LAFs today. It absorbed INR 142.40 bn in the 1st one while in the 2nd it absorbed INR 163.90 bn (net), thereby absorbing INR 306.30 bn from the banking system today.
- US 10-year Treasuries rose, resulting in the lowest yield in two weeks due to expectations of weak employment data due to come out later today. The yield on the benchmark 10-year security was at 3.67%.

## Forex Market

- The Rupee trimmed its initial losses on heavy dollar selling by banks, though the loss in equity markets capped its recovery. The USD/INR pair ended at 47.725 from 47.45 yesterday.
- The 6-month and 1-year forward premium was at 2.96% and 2.1% as compared at 2.99% and 2.01% yesterday.
- The Sterling pared its losses as the aggressive 150 bps rate cut by BoE resulted in positive economic sentiment. EUR/USD was at 1.2868 from 1.2932 yesterday and GBP/USD was at 1.6009 from 1.5972 yesterday. USD/JPY was at 98.28 versus 99.078 yesterday. \*

\*These levels are taken at 18:00 IST.

## Commodities Market

- Crude oil prices fell below USD 65 on heightened fears of a global recession. Crude oil for December delivery was at USD 63.52 a barrel. (17:45 IST)
- Gold prices fell tracking stronger dollar. However, it jumped by more than USD 6 after the BOE opted to cut rates by a greater-than-expected 150 basis points. Gold for immediate delivery was trading at 743.6 USD/oz on the COMEX. (17:45 IST)

**Fixed Income Market**

**GOI Sec Market**

Security	Closing Yield	Previous Yield
7.55% GOI 2010	7.35%	7.37%
7.40% GOI 2012	7.49%	7.55%
7.38% GOI 2015	7.71%	7.76%
8.24% GOI 2018	8.98%	8.91%
8.35% GOI 2022	7.93%	7.93%
8.33% GOI 2030	8.10%	8.10%

**Overnight Indexed Swap**

Tenor	November 6	November 5
1 Year	6.40	6.45
2 Year	6.36	6.44
5 Year	6.77	6.82

**MIFOR**

Tenor	November 6	November 5
1 Year	4.26	4.27
3 Year	4.58	4.43
5 Year	5.95	5.88

**Money Market**

	November 6	November 5
Call Money Range	6.40	6.75
MIBOR	6.35	7.53
Reverse Repo Amt	318.30	298.70
Repo Amt	432.60	407.10

**Global Treasury Yields**

	November 6	November 5
US 10 Year	3.70	3.70
EURO 10 Year	3.68	3.77
GBP 10 Year	4.34	4.42
JPY 10 Year	1.50	1.54

**Swap Rate**

Currency	1-year	2-year	5-year	10-year
USD	2.118	2.384	3.4715	4.1045
EUR	3.864	3.5355	3.8475	4.2930
GBP	3.485	3.8170	4.2340	4.5265
JPY	0.8888	0.8813	1.1510	1.5470
CHF	2.309	2.2900	2.7225	3.2350

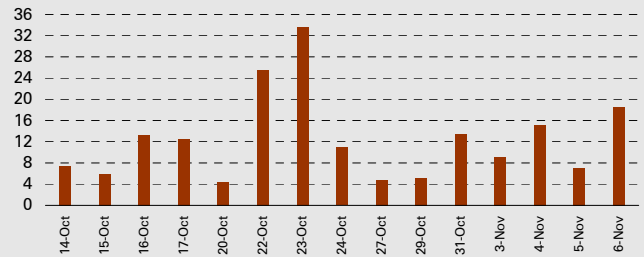
**Forex Market**

Currency	USD	EUR	GBP	JPY	CHF
USD	-	0.7814	0.6278	97.79	1.1717
EUR	1.2788	-	0.8033	125.09	1.4986
GBP	1.5921	1.2449	-	155.68	1.8655
JPY	1.0221	0.7994	0.6421	-	1.1977
CHF	0.8537	0.6671	0.5361	83.45	-

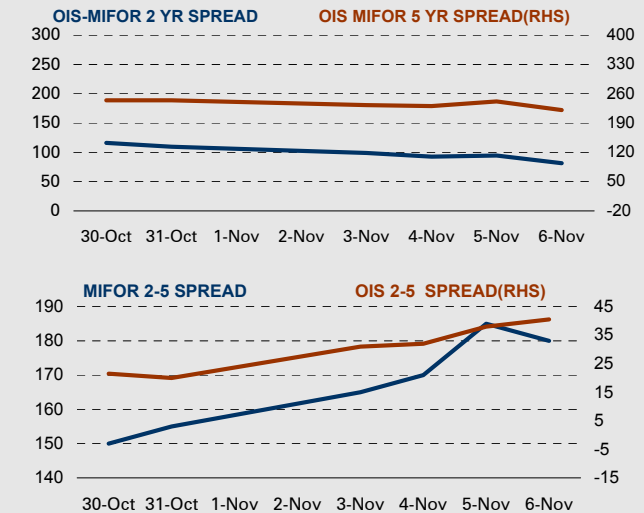
**USD INR Forwards**

	Annualised	Paise
October	4.58	98.63
January	2.96	53.63
April	2.38	68.63
July	2.10	83.63

**NSE WDM Volumes (INR bn)**



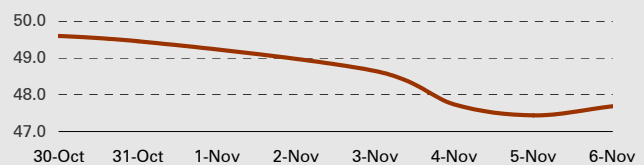
**OIS-MIFOR Spreads**



**LIBOR**

	3 month	6 month
EURO LIBOR	4.60	4.65
USD LIBOR	2.39	2.70
GBP LIBOR	5.56	5.67
JPY LIBOR	0.89	0.98
CHF LIBOR	2.74	2.74

**USD/INR Movement**



**Asia Pacific Currencies**

	November 6	November 5
USD/INR	47.73	47.45
USD/SGD	1.4833	1.4811
AUD/USD	0.6798	0.6814
USD/THB	35.02	35.00
USD/KRW	1330.70	1265.60

**Vols (1 month)**

Currency	November 6	November 5
INR	22.68	21.41
EUR	24.43	23.79
JPY	25.16	24.12
GBP	26.05	25.50
CHF	31.05	30.20

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Interest Rate Derivatives	(+91-22) 2653-1011-15	Commodities Desk	(+91-22) 2653-1037-42
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