



**Key Policy Rates**

POLICY RATE	RATE
BANK RATE	6.0%
REPO RATE	5.50%
REVERSE REPO RATE	4.00%
RESERVE RATE	RATE
CRR	6.0%
SLR	25.0%
LENDING/ DEPOSITE RATE	RATE
BASE RATE	7.50-8.00%
BANK SAVING RATE	3.5%
DEPOSITE RATE	6%-7.5%
CALL RATE	2.90% - 5.80%

**Treasury Bill Benchmark**

Tenor (Days)	Benchmark (%)
7	5.4964
30	5.5821
60	5.6406
90	5.6875
180	5.8506
364	5.9540

**Commercial Paper Benchmark**

Tenor (Days)	Benchmark (%)
7	-
30	6.6000
60	6.8438
90	7.0875
180	7.2750
364	7.6125

<b>NSE Mibor</b>	%
22-July-10	5.73
<b>Reuters CP ref (3M)</b>	
22-July-10	7.0875

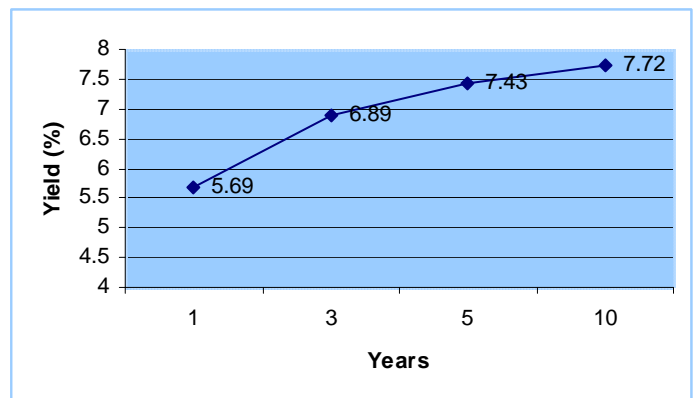
**RBI LAF**

Bids Recd	Rs'000Cr	Rate %
1 day R Repo	0.0	4.00
1 day Repo	35.655	5.50

**Inflation (WPI)**

<b>Year upto</b>	June '10	10.55%
<b>Year upto</b>	May '10	10.16%
<b>Year upto</b>	Apr '10	9.59%

**G-Sec Yield Curve**



**Annualised Spread**

PSU, banks, FIs (bps)	1 Yr	3 Yrs	5 Yrs	10 Yrs
AAA	63	73	70	85
AA+	77	88	85	100
AA	93	106	105	120
CORPORATE	1 Yr	3 Yrs	5 Yrs	10 Yrs
AAA	68	98	94	92
AA+	83	117	119	120
AA	105	147	149	150

**Secondary Deals**

Paper	Avg. Yield (%)	Maturity	LTP
640NHB11	6.47	27/03/2011	99.78
760REC13	7.67	22/01/2013	99.76
890PFC14	7.95	16/02/2014	102.76
750PFC15	8.00	11/05/2015	98.35
920BOB19	9.33	9/10/2019	100.82
1075STFC20	11.01	28/05/2020	99.40

**Recent Issues**

Issuer	INR(Bn)	Coupon (%)	Maturity(Yrs)	Rating
<b>New Issuer</b>				
NCRPB	5	8.68	10	
<b>Issues Open</b>				
PFC	1.5	8.25	5	
<b>Issues Closed</b>				
Indian Bank	5	8.53	10	
HDFC	5	8.35	5	
HDFC	5	8.79	10	

- ✚ **Corporate bond yields edge down tracking G-sec yields:** Indian corporate bond yields edged down tracking federal bond yields on Thursday, traders said. Investors remained on the sidelines ahead of the central bank's policy review next week in which it is widely expected to raise rates by atleast 25 basis points. The yield on the Reuters benchmark five-year corporate bond ended at 8.29 percent, one basis point down from Wednesday. The spread between the five-year corporate bond and government bonds narrowed to 71.16 basis points, from Wednesday's 71.97 basis points. The benchmark 10-year bond yield ended down one basis point at 7.68 percent from its previous close.
- ✚ **Bond yields, OIS steady:** Indian federal bond yields and swap rates ended steady on Thursday after easing in early deals tracking U.S. treasuries while the central bank's policy review next week kept investor sentiment cautious. U.S. Treasury prices inched lower on Thursday and yields stabilized after falling on Federal Reserve Chairman Ben Bernanke's downbeat comments on the U.S. economy, as the market looked further ahead to European bank stress tests.
- ✚ **Cash pressure remains:** The Reserve Bank of India is widely expected to raise key interest rates by 25 basis points when it reviews policy on Tuesday. The weekly food and fuel inflation data due around noon may provide further cues, but traders said even a lower number is unlikely to have a major impact on yields as cash stays tight after payments for mobile spectrum purchases and taxes. India's inflation is no longer confined to food items, the finance minister said on Tuesday, adding that inflation was a matter of concern but food inflation was likely to moderate after the summer harvest.
- ✚ **State Bank of India plans 5-yr dlr bond issue:** State Bank of India plans to issue a five-year dollar bond after meeting with investors this week, a source close to the deal said on Wednesday. Bank of America Merrill Lynch, Citigroup Deutsche Bank, HSBC, Royal Bank of Scotland and UBS were hired to manage the deal. The issuer is on the last leg of a roadshow, which will end in New York later on Wednesday.

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