

Debt Report (As on July 09, 2018)

Interest Rates

- **Indian Ten Year GOI Yields (7.89%)**: The behavior on Monthly / Quarterly charts and technical parameters have been indicative of medium-term up-move in the yields. The yields are currently bouncing from their key support zone placed between 7.81% and 7.73%. Sustaining above 7.73% on a Weekly Close basis would allow for the upside momentum in the yields to remain intact. Next key reaction zone is placed between 8.19% & 8.33%. However, the up-move of the yields could extend to test 8.75%. A decisive Weekly Close above 7.94% would accelerate the up-move of the yields. Key development that has occurred in June 2018 is that the yields have registered a Quarterly Close above the Quarterly Middle Bollinger Band (current value: 7.60%). This opens up the possibility of an eventual test of 9.11%.
- **US Ten Year Treasury Yields (2.83%)**: The Yields are testing the critical resistance zone placed between 2.76% and 3.01% (Quarterly Close basis). A decisive Quarterly Close above 3.04% is needed to suggest medium term strength in the Yields. The Yields could then initially test 4.69%. Sustaining above its Key near term support placed at 2.70% (Weekly Close basis) would keep the near term up-side momentum intact.

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Darashaw & Co Pvt. Ltd.
CIN-U67120MH1994PTC076656
1205, Regent Chambers,
Nariman Point,
Mumbai-400 021.
Tel- 91-22-6630 66 12
Web- www.darashaw.com