

Debt Report (As on October 29, 2018)

Interest Rates

- **Indian Ten Year GOI Yields (7.81%)**: Medium-term trend of the yields is up, however, they have been in a corrective process since the high of 8.23% (September 2018). The yields sustaining above 7.80% on a Daily Close basis is key. A decisive Daily Close below the same would extend the ongoing correction in the yields wherein the yields could test their key support placed around their August 2018 Low of 7.67%. Sustaining above 7.67% on a Weekly Close basis would be important for the medium-term up-move of the yields to remain intact. Immediate resistance is placed at 7.81% (4-Week EMA) on a Weekly Close basis. A Weekly Close above the same would indicate strength in the yields wherein the yields would initially revisit 8.23% - 8.33% resistance zone. A Weekly Close above 8.33% would lead to the test of the target placed at 8.75%.
- **US Ten Year Treasury Yields (3.08%)**: The Yields have registered a marginal close above the critical resistance zone placed between 2.77% and 3.01% on a Quarterly Close basis. This suggests potential reversal of the long term down-move in the Yields. A decisive move past the May 2018 high of 3.12% is needed to further confirm the medium term strength in the Yields. The Yields could then initially test 4.69%. Immediate support zone is placed between 3.07% and 3.04% on a Weekly Close basis. Sustaining above the same would keep the upside momentum intact. Key near term support placed at 2.84% (Weekly Close basis).

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