

**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	% CHANGE
USD/INR	87.331	+0.25
BRENT OIL	74.70	+0.78
GOLD	2885.25	-0.26
India 10 YR	6.6562	-0.08
US 10 YR	4.428	+0.34
NIFTY 50	23603.35	-0.39
SENSEX	78058.16	-0.27

**G-SEC / BONDS YIELDS**

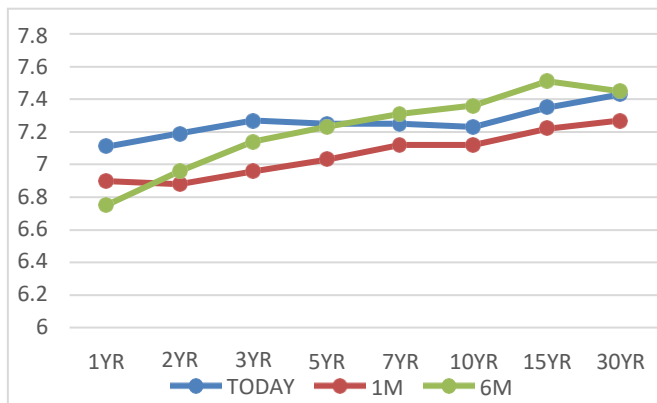
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5100	6.5125
G-SEC 2028	6.5920	6.5895
G-SEC 2033	6.7346	6.7346
G-SEC 2037	6.8296	6.8256
G-SEC 2053	6.9948	7.0026
SDL 2027	6.8337	6.8504
SDL 2033	7.0485	-

**ACTIVELY TRADED CORPORATE BONDS**

SECURITY	YTM (%)	LTP
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR III 7.34 BD 26FB29 FVRS1LAC	7.3302	100.0051
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED	9.1401	101.8060
CAN FIN HOMES LIMITED 7.8 LOA 24NV25 FVRS10LAC	7.7950	99.9941
ADANI AIRPORT HOLDINGS LIMITED 9.95 NCD 12JU28 FVRS1LAC	9.7680	99.5000

**OVERNIGHT INDEXED SWAP**

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.3000	6.3200	6.0400	6.0625	6.0600	6.0650

**INDIA YIELD CURVE**

**BOND MARKET**

The 10-year benchmark recorded a close of 6.6562%, ending at 0.54 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.6502 to 6.6561 during the day.

**DOMESTIC BROADCAST**

The RBI is expected to continue "easing by stealth" through unconventional liquidity measures, including additional OMOs (~₹900 billion in FY25E), potential CRR adjustments, and relaxation in LCR norms, while inflation is projected to ease to 4.4% in Q4FY25 and 4.5% in FY26, supporting a gradual policy easing stance beyond rate cuts.

Money market operations on February 05, 2025: Overnight segment totaled ₹553069.97 crores at a 6.28% weighted average rate. The segment's significant operations included triparty repo at ₹2605.50 crore and 6.38%. RBI's net liquidity absorption stood at ₹255641.71 crore.

**GLOBAL BROADCAST**

The UK Debt Management Office (DMO) is expected to reduce long-dated gilt issuance in favor of shorter maturities for FY25/26, responding to declining pension fund demand and market preference for short-dated bonds, which are less risky and align better with falling Bank of England rates.

German industrial orders surged 6.9% in December, far exceeding the 1.9% forecast, driven by large-scale orders for aircraft, ships, and military vehicles, signaling strong capital goods demand and potential manufacturing recovery.

The Trump administration's aggressive government downsizing has led to buyout offers for federal workers, with over 40,000 accepting so far, while others face potential layoffs or legal battles; the effort, led by Elon Musk, aims to cut up to 70% of staff, sparking protests, lawsuits, and political tensions.

The Bank of England cut interest rates by 25bps to 4.5% to support the sluggish UK economy, despite inflationary pressures remaining above the 2% target; with wage growth expected to slow, investors anticipate at least three more rate cuts by the end of 2025.

**SPREAD ANALYSIS**

The India 10 Years vs the United States 10 Years Government Bond spread value is 222.82 bps, 7.56 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.

2 Years vs 1 Years bond spread is 1.41 bp  
 5 Years vs 2 Years bond spread is 3.13 bp.  
 10 Years vs 2Years bond spread is 9.33 bp.

**MARKET OUTLOOK**

Today, the 10-year benchmark yields ended higher compared to the previous day. The yield is projected to fluctuate between 6.60% and 6.65%.