

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	87.726	+0.25
BRENT OIL	66.99	+1.13
GOLD	3408.70	-2.37
India 10Y	6.4398	+0.43
US 10 YR	4.265	-0.26
NIFTY 50	24585.05	+0.91
SENSEX	80604.08	+0.93

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.4000	5.5100
G-SEC 2028	5.9475	5.9559
G-SEC 2034	6.5367	6.4922
G-SEC 2039	6.8353	6.7971
G-SEC 2054	7.1714	7.1309
SDL 2027	-	6.1493
SDL 2033	6.9741	6.9412

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
JSW ENERGY LIMITED TR I 8.75 NCD 03MR28 FVRS1LAC	8.1344	101.2800
ADITYA BIRLA CAPITAL LIMITED SR SB1 8.03 NCD 04MY35 FVRS1LAC	7.9813	100.3044
TATA CAPITAL LIMITED SR A 8.22 NCD 13SP34 FVRS1CR	7.7850	102.7368
INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED 6.99 NCD 31JL30 FVRS1LAC	6.9844	100.000
TATA CAPITAL LIMITED SR A 7.97 NCD 19JL28 FVRS10LAC	7.1550	102.1768
REC LIMITED SR 245B 7.32 BD 28FB35 FVRS1LAC	7.0534	101.7557
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	6.7300	101.5456
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP G 9.30 BD 09MY33 FVRS1LAC	9.2600	101.8200
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 G 9.35 NCD 30DC33 FVRS1LAC	9.0950	103.0700
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP I 9.30 BD 08MY35 FVRS1LAC	9.2750	102.0700
MANAPPURAM FINANCE LIMITED SR B 8.80 NCD 29SP25 FVRS1LAC	6.9500	100.1734

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.5000	5.5075	5.4500	5.4415	5.6700	5.6800

BOND MARKET

The 10-year benchmark recorded a close of 6.4398%, ending at 2.77 bps higher than the close of the previous day's trading session.

DOMESTIC BROADCAST

The Indian government said about 55% of its merchandise exports to the U.S. will face the new 50% tariff imposed by President Trump's administration, following an additional 25% duty last week in response to Delhi's Russian oil purchases. Junior Finance Minister Pankaj Chaudhary said the estimate accounts for the initial 25% tariff already in place, adding that the Commerce Department is engaging with exporters and industry to assess the impact. Goods trade between the two nations — the world's largest and fifth-largest economies — totalled about \$87 billion last fiscal year, government data shows.

On AUGUST 01, the RBI reported ₹ 10166.05, at 5.29% of market activity in the overnight and term segments. Under RBI operations, MSF saw ₹171795 crore at 5.49%, and SDF saw ₹186433 crore at 5.25%. The net liquidity absorbed totaled ₹375501 crore.

GLOBAL BROADCAST

The U.S. dollar was little changed Monday ahead of Tuesday's U.S. inflation data and the deadline for a U.S.-China tariff deal. The dollar index edged down 0.1% to 98.164, pressured by softer U.S. jobs and manufacturing data that boosted Fed rate-cut bets. Markets price a 90% chance of a September cut, with two cuts expected by

Morgan Stanley expects U.S. inflation to trend higher in the coming months as Trump's elevated tariffs gradually feed through to prices, with a typical three- to five-month lag due to factors like shipping delays, trade diversion, and inventory management. The bank noted early signs of tariff-driven inflation in June's CPI, particularly in goods like autos, and projects July's CPI to rise 2.8% year-on-year, with core inflation accelerating.

UBS expects the effective U.S. tariff rate to rise from about 9% to nearly 15% by mid-2026, potentially adding around 1 percentage point to both inflation and reducing GDP growth by the same amount. The increase stems from Trump's aggressive tariff strategy, targeting multiple countries and sectors, with more duties possible. While imports surged early in 2025 ahead of the levies, recent data shows cooling momentum and signs of higher prices in tariff-hit goods.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 215.61 bps, 1.87 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities

2 Years vs 1 Years bond spread is 14.01 bps.
 5 Years vs 2 Years bond spread is 39.58 bps.
 10 Years vs 2Years bond spread is 59.75 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower than the previous. We expect the yield to fluctuate between 6.40% to 6.44%.