

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	84.881	-0.06
BRENT OIL	72.17	0.55
GOLD	2696.09	0.08
India 10Y	6.7614	0.26
US 10 YR	4.228	0.25
NIFTY 50	24641.80	0.13
SENSEX	81526.14	0.20

G-SEC / BONDS YIELDS

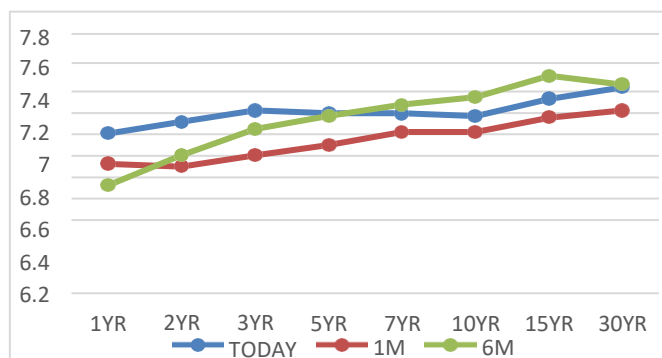
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.58	6.35
G-SEC 2028	6.6561	6.6436
G-SEC 2033	6.7875	6.7770
G-SEC 2037	6.8555	6.8415
G-SEC 2053	6.9811	6.9669
SDL 2027	7.0650	7.0905
SDL 2033	7.1196	7.0925

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 D 9.35 NCD 31DC30 FVRS1LAC	9.7650	100.0189
INDIA INFRADEBT LIMITED SR I TR VII 7.92 NCD 06JU30 FVRS1LAC	7.9258	100.1153
LIC HOUSING FINANCE LTD TR 426 7.7201 LOA 12FB26 FVRS10LAC	7.7250	99.9503
HDB FINANCIAL SERVICES LIMITED SR 189 7.99 NCD 16MR26 FVRS1LAC	7.80	100.1619
DLF HOME DEVELOPERS LIMITED RR NCD 30AP27 FVRS1LAC	8.26	100.42

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.38	6.395	6.080	6.080	6.0325	6.015

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.7614%, ending 1.75 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.7499 to 6.7643 during the day.

DOMESTIC BROADCAST

India's economic growth is projected to rebound to 7% in 2025-26, driven by domestic policies, political stability, and a cyclical recovery, according to an Axis Bank report. The slowdown in 2024-25 is attributed to fiscal and monetary tightening but increased fiscal spending and the RBI's CRR cut are expected to ease growth headwinds. Strong capital formation from a revived capex cycle and macro-prudential easing will support credit growth. Globally, growth is forecasted at 3.2% in 2025, with potential disruptions from U.S. policy shifts post-January, elevated global rates, and trade uncertainties. Despite USD-INR volatility, prolonged USD strength is unlikely.

On December 10, 2024, the overnight money market volume was ₹586544.31 crore at a 6.64% average rate. Net liquidity absorption was ₹188754 crore.

GLOBAL BROADCAST

The Bank of England is likely to hold rates at 4.75% next week, cautious about inflation from tight labour markets and government spending, while other central banks plan rate cuts. With only three cuts expected by 2025, compared to six by the ECB, the BoE signals a gradual approach but may adjust if labour market conditions deteriorate.

Japan's wholesale inflation rose for a third straight month in November, with the CGPI up 3.7% year-on-year, driven by higher costs for food, metals, and labour. This marks the fastest increase since July 2023 and extends a record high index level, adding pressure on the Bank of Japan (BOJ) to consider another rate hike at its December 19 meeting. Agricultural prices surged 31%, and the yen's limited rebound has not significantly reduced import costs. As inflationary pressures persist, analysts expect the BOJ to act, especially with signs of stable wages and inflation nearing its 2% target.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 247.34 bps, 8.19 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 1.24 bp.
 5 Years vs 2 Years bond spread is 2.87 bp.
 10 Years vs 2 Years bond spread is 12.77 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day, the market experienced higher liquidity and positive movement. The yield is projected to fluctuate between 6.73% and 6.79%.