

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	87.084	-0.04
BRENT OIL	70.96	-0.21
GOLD	2945.40	+0.19
India 10 YR	6.6967	+0.22
US 10 YR	4.296	+0.57
NIFTY 50	22397.20	-0.33
SENSEX	73828.91	-0.27

G-SEC / BONDS YIELDS

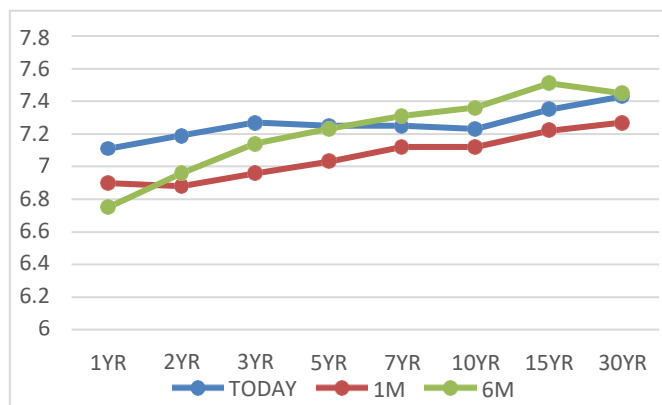
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5000	6.5000
G-SEC 2028	6.5883	6.5808
G-SEC 2033	6.7494	6.7499
G-SEC 2037	6.8498	6.8453
G-SEC 2053	7.0228	7.0332
SDL 2027	6.8895	6.8151
SDL 2033	7.1665	7.1441

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR	7.5029	99.5830
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED	9.1575	103.0483
LARSEN AND TOUBRO LIMITED 7.20 NCD 22JN35 FVRS1LAC	7.2367	100.0529
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VIII 7.49 BD 11JU29 FVRS1LAC	7.4923	100.0249

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.1100	6.1250	5.9000	5.9175	5.9700	5.9675

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.6967%, ending at 1.46 bps above the close of the previous day's trading session. Yields traded in the range of 6.6889 to 6.6982 during the day.

DOMESTIC BROADCAST

Moody's projects India's GDP growth to exceed 6.5% in 2025-26, driven by higher government capital expenditure, tax cuts boosting consumption, and RBI's rate cuts, while inflation is expected to ease to 4.5%; the banking sector outlook remains stable despite potential stress in unsecured loans, with loan growth moderating to 11-13%.

Money market operations on March 12, 2025: Overnight segment totaled ₹592585.83 crores at a 6.18% weighted average rate. The segment's significant operations included triparty repo at ₹521.60 crore and 6.22%. RBI's net liquidity absorption stood at ₹138152.89 crore.

GLOBAL BROADCAST

UBS expects the Swiss National Bank to cut its policy rate by 25 basis points to 0.25% in March, likely marking the final rate cut in the cycle, while further reductions to 0% or negative rates remain unlikely; potential adjustments to the tiered remuneration system and SARON trading may follow.

Euro zone industrial production grew 0.8% in January, exceeding forecasts, driven by a 2.3% expansion in Germany despite declines in Italy and Spain, though output remains 3% below 2021 levels; while German industry shows signs of bottoming out, weak manufacturing orders and U.S. tariffs pose risks to recovery.

The U.S. budget deficit for the first five months of fiscal 2025 reached a record \$1.147 trillion, driven by rising interest costs, Social Security, and healthcare spending, while revenues grew modestly; February's deficit hit \$307 billion, and new tariffs and spending cuts under Trump's administration, including reductions in education and foreign aid, have yet to significantly impact overall outlays.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 240.07 bps, 14.93 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 0.64 bp
5 Years vs 2 Years bond spread is 2.56 bp.
10 Years vs 2Years bond spread is 9.88 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher compared to the previous day. The yield is projected to fluctuate between 6.64% and 6.70%.