


**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	CHANGE
USD/INR	86.646	-0.10
BRENT OIL	80.92	-0.51
GOLD	2685.99	-0.01
India 10Y	6.8595	0.38
US 10YR	4.781	-0.32
NIFTY50	23207.60	0.53
SENSEX	76499.63	0.22

**G-SEC/BONDS YIELDS**

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.75	6.47
G-SEC2028	6.7789	6.7984
G-SEC2033	6.8695	6.9012
G-SEC2037	6.9655	6.9613
G-SEC2053	7.0080	7.010
SDL 2033	-	6.9540
SDL 2037	-	7.1205

**YIELD-BASED AUCTION OF STATE GOVERNMENT SECURITIES**

Sr. No	State	Amount to be raised (₹ Crore)	Amount Accepted (₹ Crore)	Cut off Yield (%)	Tenure (Year)
1	Bihar	1000	1000	7.22	10
		1000	1000	7.22	15
2	Gujrat	2000	2000	7.22	10
3	Haryana	1000	1000	7.22	13
4	J&K	300	300	7.20	22
5	Karnataka	2000	2000	7.22	11
6	Kerala	2500	2500	7.24	19
		2500	2500	7.23	16
7	Maharashtra	2500	2500	7.24	19
		2500	2500	7.23	16
8	Mizoram	119	119	7.23	15
9	Punjab	2000	2000	7.23	12
10	Tamil Nadu	1000	1000	7.22	10
	Total	17919	17919		

**BOND MARKET**

The 10-year benchmark recorded a close of 6.8595%, ending 2.64 bps lower compared to the previous day's trading session.

**DOMESTIC BROADCAST**

India's Wholesale Price Index (WPI) inflation for December 2024 stood at 2.37%, driven by higher prices in food articles, food product manufacturing, textiles, and non-food goods. However, the month-on-month change showed a 0.38% decline compared to November 2024. Prices of primary goods decreased by 2.07%, with food articles and crude oil prices dropping. The fuel and power index increased by 1.90%, led by higher electricity and coal prices. Manufactured products remained unchanged from November, with 11 groups seeing price increases, including textiles and chemicals, while 9 groups saw price declines. Food inflation slightly eased from 8.92% in November to 8.89% in December.

Money Market Operations on January 13, 2025: ₹575368.39 crore in the overnight segment at a weighted average rate of 6.59%. Net liquidity absorption: ₹ 250061.71 crore.

**GLOBAL BROADCAST**

China's economic growth is projected to slow to 4.5% in 2025 and 4.2% in 2026, following 4.9% growth in 2024, amid heightened U.S. trade tensions as President-elect Trump plans hefty tariffs on Chinese goods. Policymakers are expected to implement further stimulus measures, building on prior interest rate cuts, RRR reductions, and consumer trade-in schemes, to counter headwinds from weaker exports, property sector challenges, and soft domestic demand.

Emerging markets have issued over \$55 billion in bonds this year, the highest in a decade, driven by fears of volatility from Donald Trump's second term and potential U.S. Federal Reserve policy shifts.

**SPREAD ANALYSIS**

The India 10 Years/United States 10 Years Government Bond spread value is 207.85 bps, 4.64 bps lower than the closing of the previous day.

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

2 Years vs 1 Year bond spread is 3.95 bp.

5 Years vs 2 Years bond spread is 7.95 bp.

10 Years vs 2 Years bond spread is 11.69 bp.

**MARKET OUTLOOK**

The market observed strong demand in the SDL auction. The 10-year benchmark yields ended lower than previous day. We expect the yield to fluctuate within the range of 6.75 and 6.85.

**INDIA YIELD CURVE**
