

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	87.554	+0.14
BRENT OIL	65.89	+0.40
GOLD	3405.27	-0.09
India 10 YR	6.4003	+1.25
US 10 YR	4.208	-0.71
NIFTY 50	24631.30	+0.05
SENSEX	80597.66	+0.07

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.5300	5.5225
G-SEC 2028	5.9576	5.9627
G-SEC 2034	6.4759	6.5720
G-SEC 2039	6.7912	6.8850
G-SEC 2054	7.1472	7.2265
SDL 2027	6.1204	-
SDL 2033	6.9770	6.9598

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NHPC LIMITED SR AG 6.40 BD 12AG27 FVRS1LAC	6.4022	100.000
LARSEN AND TOUBRO LIMITED 7.66 NCD 09NV25 FVRS1LAC	6.1000	100.2829
ONGC PETRO ADDITIONS LIMITED SR XI 8.37 NCD 16JU26 FVRS1LAC	7.1000	100.9123
POWER GRID CORPORATION OF INDIA LIMITED SR LXXXII 6.98 BD 12AG35 FVRS1LAC	6.9749	100.000
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED SR 652 8.19 NCD 26MR27 FVRS1LAC	7.3000	102.2330
HDFC BANK LIMITED SR X006 7.25 NCD 17JU30 FVRS10LAC	7.1100	100.5045
HDFC BANK LIMITED SR AA012 7.70 NCD 18NV25 FVRS10LAC	6.2500	100.2834
HERO FINCORP LIMITED SR 052 7.60 NCD 04MY27 FVRS10LAC	8.4534	99.0893
HDB FINANCIAL SERVICES LIMITED SR 218 7.9611 NCD 05JN28 FVRS1LAC	7.1700	101.6134
REC LIMITED SR 245A 7.44 BD 29FB28 FVRS1LAC	6.7000	101.6091
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP F 9.30 BD 07MY32 FVRS1LAC	9.2501	101.6733
HDB FINANCIAL SERVICES LIMITED SR A 1 FX 183 7.65 NCD 10SP27 FVRS10LAC	7.1700	100.8754

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4950	5.5100	5.4300	5.4500	5.6250	5.6650

BOND MARKET

The 10-year benchmark (6.33% GSEC 2035) recorded a close of 6.4003%, ending at 8 bps lower than the day's trading session.

DOMESTIC BROADCAST

India's retail inflation saw a significant drop in July. It reached a low of 1.55%, the lowest in over eight years. This decline was mainly due to lower food prices. The Reserve Bank of India had earlier cautioned about possible inflation increases. Experts believe inflation will remain within the RBI's target range. This provides room for economic growth.

Money market operations on August 136, 2025: Overnight segment totaled 624770.93 crores at a 5.35% weighted average rate. The segment's significant operations included triparty repo at ₹413441.25 crore and 5.36%. RBI's net liquidity absorption stood at ₹290261.23 crores.

GLOBAL BROADCAST

U.S. producer prices rose 0.9% in July, well above expectations, driven by a 1.1% surge in services and a 0.7% jump in goods, signalling potential inflation pickup. Annual PPI climbed to 3.3% from 2.4% in June. The BLS cut about 350 indexes due to funding constraints, raising concerns over data quality. While markets expect a Fed rate cut next month, rising services inflation and potential tariff impacts have some economists questioning further easing without labor market weakness.

The U.S. dollar stayed near multi-week lows as markets priced a September Fed rate cut as near certain, with some odds on a 50-bps move. The yen strengthened to a three-week high after Treasury Secretary Bessent urged the BoJ to hike while calling for aggressive Fed cuts. Euro and pound eased, while UK GDP data showed a smaller slowdown than expected but stagflation concerns persist. Bitcoin briefly hit a record \$124,480 before retreating, supported by strong institutional inflows and pro-crypto policies from President Trump.

U.S. stock futures fell after July PPI rose 3.3% YoY (vs. 2.5% expected) and 0.9% MoM, with core PPI up 3.7% YoY, exceeding forecasts and tempering Fed rate cut hopes. Weekly jobless claims came in at 224,000, slightly below expectations. Dow, S&P 500, and Nasdaq futures dropped 0.38%, 0.42%, and 0.47%, respectively.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 215.11 bps, 3.31 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 14.55 bp
 5 Years vs 2 Years bond spread is 29.52 bp.
 10 Years vs 2 Years bond spread is 62.01 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher compared to the previous day. The yield is projected to fluctuate between 6.35 and 6.45%.