

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.845	-0.21
BRENT OIL	69.07	-0.13
GOLD	3359.67	+0.02
India 10Y	6.3090	-0.12
US 10 YR	4.4050	-0.54
NIFTY 50	25195.80	+0.45
SENSEX	8257091	+0.39

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.3000	5.2800
G-SEC 2028	5.8596	5.7963
G-SEC 2034	6.3750	6.3791
G-SEC 2039	6.6461	6.6488
G-SEC 2054	6.9842	6.9804
SDL 2027	6.0213	-
SDL 2033	6.8388	-

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED SR G 7.19 NCD 27MR35 FVRS1LAC	7.0488	100.8789
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 191A 6.47 BD 30MY28 FVRS1LAC	6.5100	99.8995
BAJAJ HOUSING FINANCE LIMITED 7.02 NCD 26MY28 FVRS1LAC	6.9650	100.0939
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 173 7.68 BD 24NV26 FVRS1LAC	6.4231	101.5676
THE TATA POWER COMPANY LIMITED 7.7150 NCD 28SP32 FVRS1LAC	7.3800	101.1056
JSW STEEL LIMITED TR 1 8.35 NCD 30AG29 FVRS1LAC	7.7000	102.0264
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 G 9.35 NCD 30DC33 FVRS1LAC	9.0781	103.1130
HDB FINANCIAL SERVICES LIMITED SR 225 7.65 NCD 05MY28 FVRS1LAC	7.1696	101.1459
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP A 9.30 BD 07MY27 FVRS1LAC	9.0875	100.9873

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.5375	5.5300	5.5150	5.5000	5.7400	5.7300

BOND MARKET

The 10-year benchmark (6.33% GS 2035) recorded a close of 6.3090%, ending 0.73 bps lower than the close of the previous day's trading session.

DOMESTIC BROADCAST

India's retail inflation has dropped to a six-year low, with July inflation likely to hit a record low, prompting expectations of further rate cuts by the Reserve Bank of India (RBI). Analysts cite weakening demand, low core inflation, and softening high-frequency indicators like auto sales, credit growth, and real estate activity as reasons for more monetary easing. Despite the RBI's neutral stance after a 50-bps cut in June, markets are pricing in at least one more rate cut, likely in September or October.

Urban consumption remains weak due to tepid wage growth and declining household savings, while private investment lags amid global uncertainties. Although government capital spending has increased, fiscal room is constrained following earlier tax cuts. Economists argue that with limited fiscal support available, monetary policy will need to shoulder more responsibility to sustain growth momentum.

On July 014, 2025, the overnight money market volume was ₹584270.50 crore at a 5.22% average rate. Net liquidity absorption was ₹260951.22crore.

GLOBAL BROADCAST

Eurozone industrial production rose by 1.7% month-on-month in May, surpassing expectations and showing resilience despite U.S. tariff threats. The increase was led by strong gains in Ireland (12.4%) and Germany (2.2%), largely driven by pharmaceutical sector activity ahead of possible tariffs. While production rose in Spain and the Netherlands, it declined in France and Italy. Though the impact of tariffs has been limited so far, risks remain. Future challenges include potential payback from front-loaded output, weak demand from Europe and China, and increased Chinese competition, alongside uncertainty over future U.S. tariff actions.

China's GDP grew 5.2% year-on-year in Q2 2025, slightly above expectations but down from 5.4% in Q1. Quarter-on-quarter growth stood at 1.1%, beating forecasts, bringing H1 growth to 5.3%, above the government's 5% target.

SPREAD ANALYSIS

The India 10 Years vs the United States 10Years Government Bond spread value is 190.40 bps, 2.76 bps higher than the closing of the previous day.

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

2 Years vs 1 Years bond spread is 27.22 bp.
 5 Years vs 2 Years bond spread is 33.68 bp.
 10 Years vs 2 Years bond spread is 53.17 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day, the market experienced good liquidity and negative yield movement. The yield is projected to fluctuate between 6.27% and 6.33%.