SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
15TH SEPTEMBER 2025

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	88.147	-0.14
BRENT OIL	67.22	+0.34
GOLD	3678.45	+0.17
India 10Y	6.4963	+0.15
US 10 YR	4.071	+0.30
NIFTY 50	25069.20	-0.18
SENSEX	81785.74	-0.15

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.6360	5.6350
G-SEC 2028	5.9227	6.0020
G-SEC 2034	6.5742	6.5621
G-SEC 2039	6.8462	6.8462
G-SEC 2054	7.2343	7.2217
SDL 2027	-	6.3367
SDL 2033	-	7.2702

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 E 9.35 NCD 31DC31 FVRS1LAC	9.2261	102.2500
REC LIMITED SR 229-A 7.79 BD 29NV25 FVRS1LAC	6.0500	100.2375
LIC HOUSING FINANCE LTD TR 434 OP II 7.67 NCD 15AP33 FVRS10LAC	7.4174	101.3419
REC LIMITED SR 232 A 7.59 BD 31MY27 FVRS1LAC	6.7100	101.3253
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 G 9.35 NCD 30DC33 FVRS1LAC	9.2472	101.8749
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	6.8391	101.2585
AXIS BANK LIMITED SR 7 7.64 NCD 07MR34 FVRS1LAC	7.3200	101.8704
TATA POWER RENEWABLE ENERGY LIMITED 7.55 NCD 25AP40 FVRS1LAC	7.5082	100.2500
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 161 6.92 BD 31AG31 FVRS10LAC	6.8594	100.2521
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP G 9.30 BD 09MY33 FVRS1LAC	9.1366	102.5948
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR I 6.66 BD 25OT28 FVRS1LAC	6.8900	99.3662
TATA CAPITAL LIMITED SR C 8.07 NCD 20OT28 FVRS1LAC	7.1850	102.1620

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4625	5.4750	5.4450	5.4550	5.7000	5.7100

BOND MARKET

The 10-year benchmark recorded a close of 6.4963%, ending at 0.96 bps higher than the close of the previous day's trading session.

DOMESTIC BROADCAST

India’s wholesale prices increased by 0.52% yoy in August 2025, surpassing market forecasts of a 0.30% rise and recovering from a 0.58% decline in July, which was the sharpest drop since July 2023. This marked the highest wholesale inflation since April, primarily driven by a rebound in food prices and faster growth in manufacturing costs. Food prices rose 0.21% in August, sharply rebounding from their steepest drop since August 2015, when they fell 2.15%. The increase was led by higher prices for wheat (4.75%), milk (2.58%), and cereals (1.03%). Meanwhile, manufacturing inflation accelerated to 2.55% in August, up from 2.05% in July, marking the fastest growth in four months. Notable accelerations were observed in food products (7.15% vs. 6.74%), other non-metallic mineral products (3.00% vs. 2.69%), and tobacco products (2.22% vs. 1.81%).

On AUGUST 29, the RBI reported ₹ 14546.80, at 5.32% of market activity in the overnight and term segments. Under RBI operations, MSF saw ₹850 crore at 5.75%, and SDF saw ₹116974 crore at 5.25%. The net liquidity absorbed totaled ₹243080.42 crore.

GLOBAL BROADCAST

China's surveyed unemployment rate edged higher to 5.3% in August 2025, compared to market expectations and the prior month's 5.2%. The latest figure marked the highest level since February. The jobless rate among locally registered labor forces reached 5.4%, while the rate for the migrant labor force was 5%. Within the migrant workforce, those holding agricultural household registration recorded an unemployment rate of 4.7%. Across 31 major cities, the urban surveyed unemployment rate was 5.3%, up 0.1 percentage point from the previous month and down 0.1 percentage point from the same month last year. Meanwhile, the average weekly working hours for enterprise employees nationwide remained steady at 48.5 hours.

Wholesale Prices MoM in Germany decreased to -0.60 percent in August from -0.10 percent in July of 2025, marking the steepest pace in a year. Wholesale Prices MoM in Germany averaged 0.18 percent from 1968 until 2025, reaching an all-time high of 5.60 percent in March of 2022 and a record low of -3.40 percent in November of 2008.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 242.53 bps, 1.2 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 14.01 bps.
5 Years vs 2 Years bond spread is 39.58 bps.
10 Years vs 2Years bond spread is 59.75 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower than the previous. We expect the yield to fluctuate between 6.55% to 6.65%.