

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	86.459	+0.20
BRENT OIL	76.68	+0.30
GOLD	3401.80	-0.13
India 10 YR	6.2615	-0.05
US 10 YR	4.375	-0.30
NIFTY 50	24812.05	-0.17
SENSEX	81444.66	-0.17

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.4500	5.5000
G-SEC 2028	5.8117	5.8465
G-SEC 2033	6.3500	6.3451
G-SEC 2037	6.5838	6.5733
G-SEC 2053	7.0369	7.0248
SDL 2027	-	6.0000
SDL 2033	6.6742	6.6501

ACTIVELY TRADED CORPORATE BONDS

SECURITY	LTP	YTM (%)
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	102.2922	6.6765
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24B 7.49 LOA 15OT26 FVRS1LAC	101.1160	6.5425
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR F24 7.68 BD 30AP29 FVRS1LAC	103.0721	6.7500
AXIS FINANCE LIMITED SR 09 6.10 NCD 29SP25 FVRS10LAC	99.7289	6.7900
TATA CAPITAL LIMITED SR D STRPP II 8.0980 NCD 23SP27 FVRS1LAC	101.8435	7.2000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25D 7.40 BD 29AP30 FVRS1LAC	102.4719	6.7713
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR II 7.44 BD 04SP26 FVRS1LAC	101.0169	6.5162
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23I 7.62 LOA 31JN28 FVRS1LAC	102.2424	6.6300
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	101.8829	6.6200
REC LIMITED SR 249A 6.37 BD 31MR27 FVRS1LAC	100.000	6.3868

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4800	5.4800	5.4800	5.4600	5.6800	5.6800

BOND MARKET

The 10-year benchmark (6.33% GS 2035) recorded a close of 6.2615%, ending at 0.31 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.2564 to 6.2766 during the day.

DOMESTIC BROADCAST

India's market borrowing remains stable and disciplined, with FY26 gross and net G-sec borrowings estimated at ₹14.8 lakh crore and ₹11.5 lakh crore, respectively. So far, ₹3.2 lakh crore has been raised gross and ₹2.4 lakh crore net. FY25 and FY24 saw net borrowings of ₹10.7 lakh crore each. Outstanding G-sec debt rose from ₹41.6 lakh crore in FY15 to ₹114.5 lakh crore in FY26, but the debt-to-GDP ratio is projected to fall from 57.1% in FY25 to 56.1% in FY26. The government uses debt switches (₹2.5 lakh crore budgeted) and buybacks (₹0.5 lakh crore done) to manage its profile. Despite rising public debt, prudent fiscal strategy and adherence to FRBM targets support long-term sustainability.

Money market operations on June 17, 2025: Overnight segment totaled ₹622236.08 crores at a 5.18% weighted average rate. The segment's significant operations included triparty repo at ₹4474 crore and 5.18%. RBI's net liquidity absorption stood at ₹298674.00 crore.

GLOBAL BROADCAST

U.K. inflation eased slightly in May, with annual CPI rising 3.4%, down from 3.5% in April but still above the Bank of England's 2% target. Monthly inflation rose 0.2%, matching expectations. Core CPI also rose 0.2% month-on-month, with the annual rate falling to 3.5% from 3.8%. Analysts expect inflationary pressures from higher employer costs to ease in coming months. Despite some relief, household budgets remain strained due to rising bills, groceries, and mortgage costs. Long-term inflation expectations held at 3.6%, the highest since 2019. The BoE is expected to hold rates steady at its Thursday meeting.

The Federal Reserve is expected to keep interest rates unchanged at 4.25%-4.50% on Wednesday amid growing economic uncertainty, rising geopolitical tensions, and potential inflation risks from U.S. import tariffs. Recent data shows slowing U.S. growth, with GDP expected to drop to 1.3% in 2025 and inflation rising to 3.1%, above the Fed's 2% target. Unemployment is projected to reach 4.7% by early 2026.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 188.65 bps, 3.19 bps above than the closing of the previous day.

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

2 Years vs 1 Years bond spread is 15.10 bp
 5 Years vs 2 Years bond spread is 39.52 bp.
 10 Years vs 2 Years bond spread is 53.66 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day. The yield is projected to fluctuate between 6.23% and 6.30%.