

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	86.654	-0.07
BRENT OIL	70.91	+1.25
GOLD	3008.92	+0.88
India 10Y	6.6714	-0.27
US 10 YR	4.286	+0.48
NIFTY 50	22834.30	+1.45
SENSEX	75301.26	+1.53

G-SEC / BONDS YIELDS

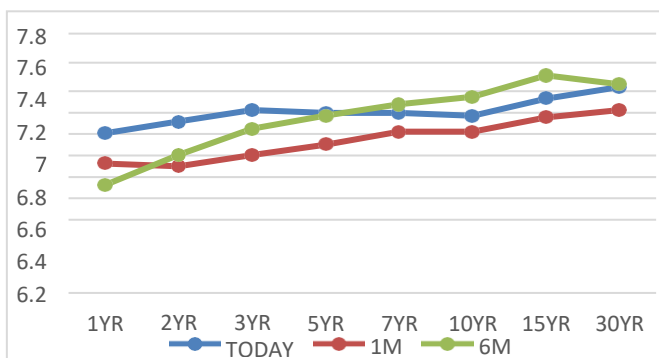
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5000	6.4500
G-SEC 2028	6.5762	6.5819
G-SEC 2033	6.7305	6.7415
G-SEC 2037	6.8211	6.8397
G-SEC 2053	6.9886	7.0045
SDL 2027	-	6.8847
SDL 2033	7.1021	7.1552

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.4808	55.0484
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25D 7.40 BD 29AP30 FVRS1LAC	7.4915	99.5830
TRUST INVESTMENT ADVISORS PRIVATE LIMITED SR VIII 8.90 NCD 07AP28 FVRS1LAC	8.5340	100.9113
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 H 9.35 NCD 24NV34 FVRS1LAC	9.1531	103.1244

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.1200	6.1050	5.9100	5.9000	5.9600	5.9625

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.6714%, ending 1.82 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.6679 to 6.6946 during the day.

DOMESTIC BROADCAST

Morgan Stanley expects India's CPI inflation to average 4% in FY26, prompting it to revise its RBI rate cut forecast to 75bps from 50bps. The downward revision follows lower-than-expected inflation prints in January and February, driven by easing food prices. February CPI fell to 3.61%, marking a six-month low. Improved food supply from higher crop production is expected to keep inflation stable, while core inflation remains contained around 4%. Despite rising growth, soft credit expansion at 11% suggests room for further regulatory easing. The RBI's comfort with headline inflation could enable a deeper rate cut cycle.

On March 17, 2025, the overnight money market volume was ₹612611.33 crore at a 6.26% average rate. Net liquidity absorption was ₹242911.52 crore.

GLOBAL BROADCAST

Switzerland lowered its 2025 growth forecast to 1.4% from 1.5%, citing global trade war uncertainties, while the 2026 outlook was trimmed to 1.6% from 1.7%. SECO warned that uncertainty is affecting investments but assumes no major escalation in trade tensions.

The euro hit a five-month high against the dollar as Germany prepared to vote on increased borrowing, while the dollar strengthened against the yen ahead of Fed and BoJ meetings. Market focus remains on U.S. economic projections, potential trade war risks, and a possible Russia-Ukraine peace deal. Meanwhile, the Australian dollar held steady, and Bitcoin dipped 0.8% to \$83,272.

UBS raised its EUR/USD short-term fair value estimate to 1.08 from 1.06, citing lower U.S. yields, though the pair currently trades above fair value at 1.09. The bank expects potential capital outflows from the U.S. to Europe but sees a short-term corrective pullback. Meanwhile, AUD weakness is attributed to concerns over China's economy rather than Superannuation outflows, with UBS expecting an improved outlook in H2 2025 amid potential Fed rate cuts.

SPREAD ANALYSIS

The India 10 Years vs the United States 10Years Government Bond spread value is 238.54 bps, 0.48 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 2.54 bp.
 5 Years vs 2 Years bond spread is 11.22 bp.
 10 Years vs 2 Years bond spread is 13.66 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day, the market experienced higher liquidity and positive movement. The yield is projected to fluctuate between 6.64% and 6.69%.