



GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.280	-0.03
BRENT OIL	72.55	-0.67
GOLD	2608.66	0.39
INDIA10YR	6.8203	-0.02
US10YR	4.556	-0.11
NIFTY50	23587.50	-1.52
SENSEX	80684.45	-1.30

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV DAY
364DTB	6.50	6.55
G-SEC2028	6.7412	6.7080
G-SEC2033	6.8517	6.8362
G-SEC2037	6.8907	6.8866
G-SEC2053	7.0262	7.0144
SDL2027	6.91	-
SDL2033	7.0951	7.08

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NUCLEAR POWER CORPORATION OF INDIA LIMITED SR XXXIX 7.14 BD 17DC39 FVRS1LAC	7.1291	100.00
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR IX 7.59 BD 10FB26 FVRS1LAC	7.8229	99.7450
POWER FINANCE CORPORATION LIMITED SR 243A 7.11 BD 16JN40 FVRS1LAC	6.8535	103.80
HINDUJA LEYLAND FINANCE LIMITED 8.80 NCD 17DC29 FVRS1LAC	8.7941	99.8800

AUCTION RESULT OF GOI DATED SECURITIES

SECURITY	MATURITY	CUTOFF	AMOUNT
New GS 2029	2029	6.75	14,000
7.34% GS 2064	2064	106.62/7.0653	15,000
TOTAL	29,000		

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.55	6.5475	6.28	6.29	6.20	6.2275

BOND MARKET

The 10-year benchmark recorded a close of 6.8203 %, 0.13 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.8185 to 6.8301 during the day.

DOMESTIC BROADCAST

In 2024, DPIIT achieved significant milestones, including Rs 1.46 lakh crore in investments under the PLI scheme, generating 9.5 lakh jobs and Rs 4 lakh crore in exports. The National Industrial Corridor Development Project unlocked Rs 1.5 lakh crore investment potential and 9.4 lakh jobs. FDI equity inflows in manufacturing rose 69%, startups created 16 lakh jobs, and 48% of startups now have women directors.

On DECEMBER 19, 2024, money market operations recorded ₹585390.11 crore at a WAR of 6.57%. RBI operations resulted in a net liquidity absorption of ₹104225 crore.

GLOBAL BROADCAST

The dollar eased 0.20% on Friday but remained near a two-year high, set for a third consecutive week of gains amid global central bank actions and a looming U.S. government shutdown. While other currencies briefly stabilized after a greenback rally, the euro hit a one-month low before recovering to \$1.038. The yen dipped to a five-month low, pressured by the Bank of Japan's steady policy stance but regained some ground after officials signaled potential intervention. Sterling touched a one-month low before stabilizing after a divided Bank of England vote to hold rates.

Japan's core inflation rose to 2.7% in November, driven by higher food and fuel costs, while service-sector inflation remained steady at 1.5%. Despite rising price pressures, the Bank of Japan maintained its 0.25% interest rate, with Governor Ueda citing the need for more clarity on wage growth and economic trends. The yen weakened as the dovish stance fueled speculation of delayed rate hikes, with markets eyeing a possible increase in March.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 226.43 bp, 4.13 bps lower than the closing of the previous day.

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

5 Years vs 2 Years bond spread is 0.37 bp.

10 Years vs 2Years bond spread is 8.92 bp.

MARKET OUTLOOK

Today's G-sec auction experienced strong demand. However, the market cooled down and the yields increased with a decrease in liquidity. With continued inflows from bond index investors and a global tailwind, yields are expected to ease further. The yield is projected to fluctuate between 6.78% and 6.85%.

INDIA YIELD CURVE

