

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	86.559	-0.07
BRENT OIL	81.05	-0.35
GOLD	2736.30	0.39
India 10Y	6.8047	-0.05
US 10 YR	4.625	0.24
NIFTY 50	23344.75	0.61
SENSEX	77073.44	0.59

G-SEC / BONDS YIELDS

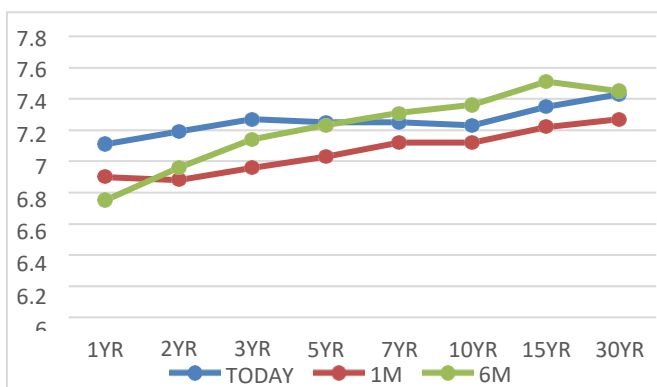
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.43	6.64
G-SEC 2028	6.7153	6.6904
G-SEC 2033	6.8207	6.8002
G-SEC 2037	6.8863	6.8810
G-SEC 2053	7.0577	7.0502
SDL 2027	6.9815	6.9784
SDL 2033	7.0603	7.1322

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VI 7.48 BD 24MY29 FVRS1LAC	7.4500	100.1358
HINDUJA LEYLAND FINANCE LIMITED 8.80 NCD 17DC29 FVRS1LAC	8.6080	100.291
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 C 9.35 NCD 31DC29 FVRS1LAC	9.2004	101.64
SBI CARDS AND PAYMENT SERVICES LIMITED SR 36 8.25 NCD 08AG34 FVRS1CR	8.1958	100.27

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.465	6.445	6.2400	6.2250	6.2500	6.2300

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.8047%, ending 0.39 bps lower than the close of the previous day's trading session. The yield was in the range of 6.7949 to 6.8168.

DOMESTIC BROADCAST

India, recognized as a global leader in startups and digital innovation, has advanced transformative technologies through the Centre for the Fourth Industrial Revolution (C4IR) India, launched in 2018 by PM Narendra Modi in collaboration with the World Economic Forum. The centre has impacted 1.25 million citizens across sectors like agriculture, health, and aviation and aims to expand its reach to 10 million with initiatives like "AI for India 2030," the "Space Economy," and climate technology programs to drive societal and economic progress.

On January 17, the RBI reported ₹ 4432.75 at 6.49 market activity in the overnight and term segments. Under RBI operations, MSF saw ₹4096 crore at 6.75%, and SDF saw ₹72907 crore at 6.25%. The net liquidity absorbed totaled ₹195867.49 crore.

GLOBAL BROADCAST

UK retail sales fell by 0.3% in December, contrary to expectations of 0.4% growth, reflecting ongoing consumer spending challenges amid weak economic conditions. Annual sales growth also underperformed at 3.6%, while GDP data indicated a slowdown in Q4 2024. The Bank of England, facing pressure to address persistent inflation, has cut rates twice since August and may consider further easing in its February meeting, following a recent reduction to 4.75%.

EU finance ministers are set to approve French Prime Minister François Bayrou's deficit-cutting plan, which complies with EU recommendations to reduce France's budget deficit to below 3% of GDP by 2029, focusing on gradual reductions from 6.2% in 2024 to 5.4% in 2025, replacing a more aggressive but previously rejected proposal by his predecessor.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 217.97 bps, 1.89 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities

3 Years vs 1 Years bond spread is 5.94 bps.
5 Years vs 2 Years bond spread is 7.4 bps.
10 Years vs 2Years bond spread is 14.14 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher than the previous, tracking upcoming outcomes associated with Indian food inflation data. We expect the yield to fluctuate between 6.75% to 6.90%.