

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.545	+0.02
BRENT OIL	65.89	+0.78
GOLD	3314.04	+0.61
India 10 YR	6.2062	-0.27
US 10 YR	4.535	+1.16
NIFTY 50	24813.45	+0.52
SENSEX	81596.63	+0.51

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.7400	5.7400
G-SEC 2028	5.7599	5.8085
G-SEC 2033	6.2240	6.2469
G-SEC 2037	6.3718	6.3856
G-SEC 2053	6.7855	6.7855
SDL 2027	6.0625	-
SDL 2033	6.5830	6.6352

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
RELIANCE INDUSTRIES LIMITED SR P 7.79 NCD 10NV33 FVRS1LAC	6.8032	105.9129
L&T METRO RAIL (HYDERABAD) LIMITED 7.55 NCD 28AP35 FVRS1LAC	7.3722	101.3298
NATIONAL HOUSING BANK 6.80 BD 02AP32 FVRS1LAC	6.7000	100.5025
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 H 9.35 NCD 24NV34 FVRS1LAC	9.0481	103.7057
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24B 7.49 LOA 15OT26 FVRS1LAC	6.5850	101.01966
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 172A 7.41 BD 15OT26 FVRS1LAC	6.5200	101.1876
POWER GRID CORPORATION OF INDIA LIMITED SR LXXXI 6.94 BD 15AP35 FVRS1LAC	6.7500	101.2916
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR III 7.34 BD 26FB29 FVRS1LAC	6.6460	102.2435
HDFC BANK LIMITED SR Z001 6 NCD 29MY26 FVRS10LAC	6.8000	99.2430

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.6050	5.5600	5.4800	5.4500	5.6950	5.6275

BOND MARKET

The 10-year benchmark recorded a close of 6.2062%, ending at 1.66 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.1947 to 6.2367 during the day.

DOMESTIC BROADCAST

After a strong rally in Asian markets, particularly India, a breather is expected due to high valuations and downward revisions in earnings estimates for fiscal years 2026 and 2027. A shift in global equity flows is occurring, with money moving from developed markets, especially the US, into emerging markets like Asia-Pacific, driven by concerns over US growth and inflation.

Money market operations on May 20, 2025: Overnight segment totaled ₹574008.90 crores at a 5.67% weighted average rate. The segment's significant operations included triparty repo at ₹377859.80 crore and 5.66%. RBI's net liquidity absorption stood at ₹185111.44 crore.

GLOBAL BROADCAST

U.K. inflation surged in April, with annual CPI rising to 3.5%—its highest in over a year—well above the Bank of England's 2% target, likely delaying further rate cuts. Monthly CPI jumped 1.2%, driven by higher energy, water bills, taxes, and wage-related cost pressures. Core inflation also rose to 3.8% annually. Despite a recent 25 bps rate cut, BoE Chief Economist Huw Pill warned cuts may be too fast given inflation trends.

Japan's trade balance unexpectedly swung to a ¥115.8 billion (\$800 million) deficit in April, missing forecasts for a surplus due to weaker exports and resilient imports. Exports rose just 2% year-on-year, down from 4%, pressured by U.S. tariffs, a strong yen, and softer Chinese demand. Imports fell 2.2%, less than the expected 4.5% drop, as higher wages supported consumption. Ongoing U.S.-Japan trade talks aim to reverse new tariffs, with a third round of discussions set for this week.

The Reserve Bank of New Zealand (RBNZ) is expected to cut its cash rate by 25 basis points to 3.25% on May 28, as economic recovery weakens amid a soft labor market and falling inflation. This follows a similar cut in April and signals the start of an easing cycle. Despite global trade tensions and a downward revision in oil price forecasts, the impact on inflation is expected to be minimal.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 167.12 bps, 10.46 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 1.92 bp
 5 Years vs 2 Years bond spread is 15.57 bp.
 10 Years vs 2 Years bond spread is 45.47 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day. The yield is projected to fluctuate between 6.18% and 6.28%.