DAILY REPORT
INDIAN DEBT MARKET
24TH March 2025

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.597	-0.46
BRENT OIL	71.74	+0.75
GOLD	3052.60	-0.74
India 10Y	6.6291	-0.06
US 10 YR	4.276	+0.44
NIFTY 50	23658.35	+1.32
SENSEX	77984.38	+1.40

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5500	6.5400
G-SEC 2028	6.5239	6.5224
G-SEC 2033	6.6544	6.6656
G-SEC 2037	6.7709	6.7734
G-SEC 2053	6.9649	6.9641
SDL 2027	6.9163	-
SDL 2033	7.0299	-

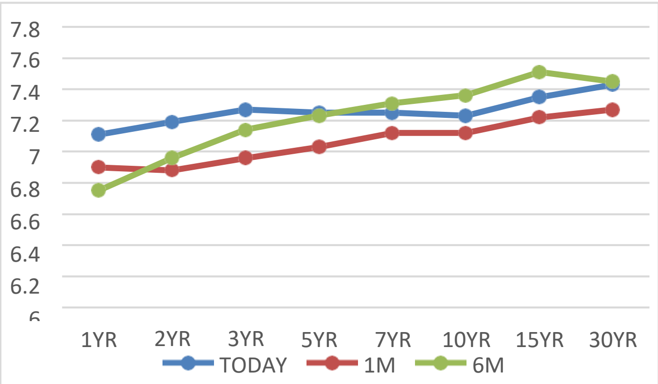
ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	7.4883	100.000
NTPC LIMITED SR 82 7.26 NCD 20MR40 FVRS1LAC	7.2508	100.000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25D 7.40 BD 29AP30 FVRS1LAC	7.4067	100.1566

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.1000	6.1000	5.8400	5.8800	5.8800	5.9000

INDIA YIELD CURVE



BOND MARKET

The 10-year benchmark recorded a close of 6.6291%, ending 0.42 bps lower than the close of the previous day's trading session. The yield was in the range of 6.6252 to 6.6419.

DOMESTIC BROADCAST

The Indian rupee's direction this week hinges on continued dollar inflows and RBI intervention, after posting its best weekly gain in two years at 85.9725/USD. Bond yields, which fell to 6.6249% on strong demand, RBI bond purchases, and easing inflation, are expected to trade between 6.60%-6.65%. Market sentiment remains bullish on further RBI rate cuts amid shifting growth-inflation dynamics.

On March 21, the RBI reported ₹ 571400.25 at 6.33% market activity in the overnight and term segments. Under RBI operations, MSF saw ₹9778 crore at 6.50%, and SDF saw ₹132199 crore at 6.00%. The net liquidity absorbed totaled ₹13790 crore.

GLOBAL BROADCAST

Germany's Q2 2025 issuance plan remains unchanged at €380 billion for the year, its lowest since 2019, despite expectations of increased public spending due to planned fiscal reforms and a special investment fund. Bond investors anticipate a future rise in German debt issuance, boosting the supply of safe-haven assets.

Euro zone business activity showed modest improvement in March, with the composite PMI rising to 50.4, its highest in seven months, driven by easing manufacturing contraction and optimism over planned infrastructure and defense spending, particularly in Germany. However, services growth slowed, and export orders remain under pressure due to global trade concerns.

Japan’s business activity contracted in March for the first time in five months, with the composite PMI falling to 48.5 from 52.0, driven by a persistent manufacturing slump and a sharp decline in services demand amid high inflation, rising interest rates, and uncertainty over U.S. trade policies.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 235.31 bps, 2.01 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 1.79 bps.
5 Years vs 2 Years bond spread is 3.85 bps.
10 Years vs 2Years bond spread is 15.82 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly lower than the previous. We expect the yield to fluctuate between 6.60% to 6.65%.