SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
25TH SEPTEMBER 2025

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	88.727	+0.02
BRENT OIL	69.06	-0.16
GOLD	3790	-0.14
India 10 YR	6.4972	+0.09
US 10 YR	4.144	+0.36
NIFTY 50	24890.85	-0.66
SENSEX	81159.68	-0.68

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.5500	5.4825
G-SEC 2028	5.8534	5.9230
G-SEC 2034	6.5638	6.5608
G-SEC 2039	6.8462	6.8517
G-SEC 2054	7.1906	7.2049
SDL 2027	6.2248	6.2314
SDL 2033	7.1000	7.1001

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 H 9.35 NCD 24NV34 FVRS1LAC	8.9830	103.0633
HDFC BANK LIMITED SR Y002 5.78 NCD 25NV25 FVRS10LAC	6.6567	99.7998
NATIONAL HOUSING BANK 7.22 BD 23JL26 FVRS1LAC	6.6500	100.4193
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP G 9.30 BD 09MY33 FVRS1LAC	9.1907	101.3329
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23H 7.58 LOA 31JL26 FVRS1LAC	6.7000	100.6395
LIC HOUSING FINANCE LTD TR 456 6.90 NCD 17SP27 FVRS1LAC	6.8700	100.0483
BAJAJ FINANCE LIMITED NCD 7.38 28JU30 FVRS1LAC	7.2679	100.3401
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP H 9.3 BD 09MY34 FVRS1LAC	9.2380	100.9200
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP I 9.30 BD 08MY35 FVRS1LAC	9.2566	102.1235
GMR AIRPORTS LIMITED 5 BD 13AG28 FVRS1LAC	10.2450	100.6540
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR I 7.43 BD 31AU26 FVRS1LAC	6.6700	100.6368

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4600	5.4560	5.4400	5.4300	5.7350	5.7250

BOND MARKET

The 10-year benchmark (6.33% GSEC 2035) recorded a close of 6.4972%, ending at 0.64 bps higher than the day's trading session.

DOMESTIC BROADCAST

Indian bond market awaits the government's borrowing calendar. Traders are cautious before the monetary policy review. They anticipate details on the Centre's H2 borrowing. The market expects changes in long-term bond issuance. RBI's reallocation strategy is also under scrutiny. Experts suggest measures to address yield curve distortions. The focus is on rebalancing the borrowing calendar.

Money market operations on September 24, 2025: Overnight segment totaled 664689.51 crores at a 5.47% weighted average rate. The segment's significant operations included triparty repo at ₹440642.70 crore and 5.45%. RBI's net liquidity absorption stood at ₹26318.83 crores.

GLOBAL BROADCAST

Euro zone government bond yields saw a slight increase on Thursday. This happened as rates volatility showed signs of easing. Markets anticipate the European Central Bank to maintain its current stance until late 2026. German consumer sentiment is expected to improve slightly in October. French unions are planning strikes to protest austerity measures.

The US economy expanded an annualized 3.8% in Q2 2025, much higher than 3.3% in the second estimate, and marking the strongest performance since Q3 2023. The stronger-than-anticipated figure primarily reflected an upward revision to consumer spending. PCE rose 2.5%, much higher than 1.6% seen in the second estimate, led by spending on both goods (2.2% vs) and services (2.6%).

Durable goods orders in the US rose by 2.9% month-over-month to $312.1 billion in August 2025, reversing a revised 2.7% slump in July and better than market estimates of a 0.5% fall. This marked the first increase in goods orders in three months, led by defense aircraft and parts (+50.1%) and transport equipment (+7.9%). New orders were up 0.4% when excluding transportation, and 1.9% when excluding defense.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 235.32 bps, 2.7 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 15.97 bp
5 Years vs 2 Years bond spread is 47.89 bp.
10 Years vs 2 Years bond spread is 118.83 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher compared to the previous day. The yield is projected to fluctuate between 6.45 and 6.55%.