

**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	% CHANGE
USD/INR	86.216	0.04
BRENT OIL	77.03	-0.86
GOLD	2800.66	0.03
India 10Y	6.7253	-0.57
US 10 YR	4.590	-1.70
NIFTY 50	22829.15	-1.14
SENSEX	75366.17	-1.08

**G-SEC / BONDS YIELDS**

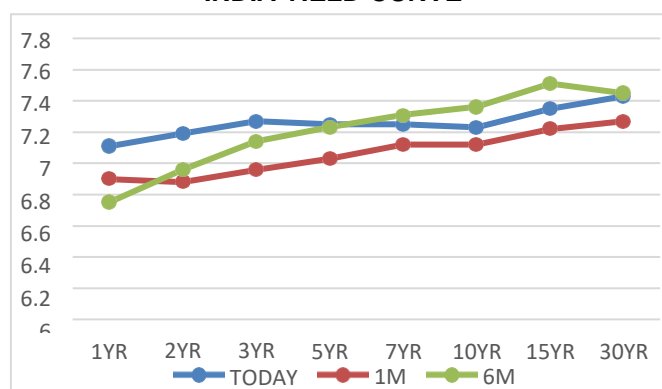
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.40	6.50
G-SEC 2028	6.6085	6.6331
G-SEC 2033	6.7397	6.7724
G-SEC 2037	6.8203	6.8440
G-SEC 2053	6.9816	7.0054
SDL 2027	-	6.8698
SDL 2033	7.0506	7.0801

**ACTIVELY TRADED CORPORATE BONDS**

SECURITY	YTM (%)	LTP
LARSEN AND TOUBRO LIMITED 7.20 NCD 22JN35 FVRS1LAC	7.2383	100.00
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED	9.2423	102.8317
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD SR IV STRPPS C 9.42 BD 30DC30 FVRS1LAC	9.8264	99.2800
ADANI AIRPORT HOLDINGS LIMITED 9.35 NCD 08SP28 FVRS93800	9.3000	100.99

**OVERNIGHT INDEXED SWAP**

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.3300	6.3350	6.0650	6.0850	6.0700	6.06750

**INDIA YIELD CURVE**

**BOND MARKET**

The 10-year benchmark recorded a close of 6.7253%, ending 3.86 bps lower than the close of the previous day's trading session. The yield was in the range of 6.6926 to 6.7253.

**DOMESTIC BROADCAST**

The 2025-26 Budget is expected to include mild personal income tax cuts to boost consumption, a concessional corporate tax scheme for manufacturing and FDI to promote 'Make in India,' higher tariffs on China-sensitive imports, and increased rural and welfare spending, while maintaining fiscal discipline with a targeted deficit of 4.5% of GDP and focus on infrastructure, defense, and human capital.

On January 24, the RBI reported ₹ 548443.86 at 6.59 market activity in the overnight and term segments. Under RBI operations, MSF saw ₹3149 crore at 6.75%, and SDF saw ₹85117 crore at 6.25%. The net liquidity absorbed totaled ₹282021.48 crore.

**GLOBAL BROADCAST**

Morgan Stanley predicts the UK's GDP growth to slow to 0.9% in 2025, down from its earlier estimate of 1.3%, citing economic and labor market weaknesses, while expecting the Bank of England to cut interest rates gradually throughout the year, bringing the policy rate down to 3.5% by year-end.

Morgan Stanley expects the Federal Reserve to continue its rate-cutting cycle, with one or two cuts likely in the first half of the year, as disinflation persists. While a rate hike is possible, it is deemed unlikely without months of data showing persistently rising inflation, as the Fed views current rates as sufficiently restrictive to curb inflation.

The Bank of Canada is expected to cut its benchmark rate by 25 basis points to 3.0% this week, marking its sixth consecutive cut amid uncertainty over potential U.S. tariffs. Economists anticipate the BoC will analyze the economic impact of a 25% tariff threatened by President Trump, with projections on inflation, jobs, and possible Canadian retaliation to be released in its monetary policy report.

**SPREAD ANALYSIS**

The India 10 Years vs the United States 10 Years Government Bond spread value is 213.53 bps, 0.14 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities

2 Years vs 1 Years bond spread is 1.74 bps.  
 5 Years vs 2 Years bond spread is 6.05 bps.  
 10 Years vs 2Years bond spread is 12.9 bps.

**MARKET OUTLOOK**

Today, the 10-year benchmark yields ended lower than the previous, tracking upcoming outcomes associated with OMO data. We expect the yield to fluctuate between 6.70% to 6.75%.