

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	86.867	+0.25
BRENT OIL	69.470	+0.61
GOLD	2927.30	-0.45
India 10 YR	6.6806	-0.42
US 10 YR	4.240	+0.06
NIFTY 50	22544.70	+0.93
SENSEX	74340.09	+0.83

G-SEC / BONDS YIELDS

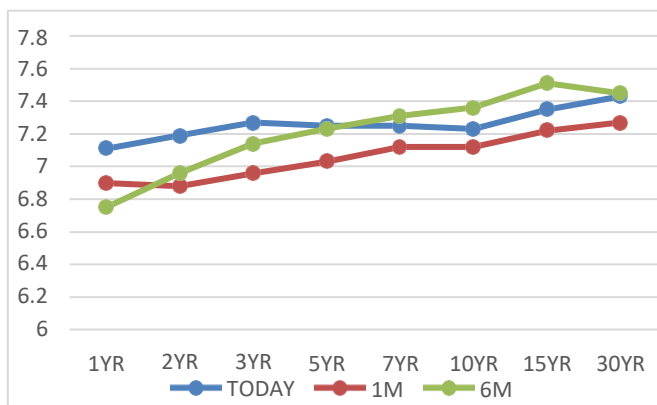
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.3500	6.5700
G-SEC 2028	6.5565	6.5757
G-SEC 2033	6.7570	6.7850
G-SEC 2037	6.8755	6.9054
G-SEC 2053	7.0790	7.1008
SDL 2027	6.7757	6.8282
SDL 2033	7.1485	7.2204

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 B 9.35 NCD 29DC28	9.0459	101.5818
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR	7.3633	100.0833
POWER FINANCE CORPORATION LIMITED SR 247A 7.44 BD 15JN30 FVRS1LAC	7.4347	100.000
SAMMAAN CAPITAL LIMITED 9.75 NCD 12AP28 FVRS1LAC	9.9578	99.3400

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.1750	6.2025	5.9400	5.9600	5.9200	5.9600

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.6806%, ending at 2.81 bps above the close of the previous day's trading session. Yields traded in the range of 6.6781 to 6.6941 during the day.

DOMESTIC BROADCAST

In February 2025, India's bond market remained stable despite global uncertainties, with the 10-year yield ranging between 6.47-7.13%, supported by RBI's liquidity management and easing inflation. Bank of Baroda projects a 6.65-6.75% range in March, though liquidity tightening from tax outflows poses upside risks.

India's engineering goods exports grew 7.44% YoY in January 2025 to \$9.42 billion, with the U.S. leading at \$1.62 billion (18% growth), marking the ninth consecutive month of positive growth despite global trade uncertainties.

Money market operations on February 25, 2025: Overnight segment totaled ₹594039.41 crores at a 6.24% weighted average rate. The segment's significant operations included triparty repo at ₹419180.40 crore and 6.23%. RBI's net liquidity absorption stood at ₹196171.71 crore.

GLOBAL BROADCAST

Global financial markets are undergoing a radical adjustment following U.S. President Trump's transatlantic policy shift, triggering a historic surge in German bond yields amid a €500 billion defence and infrastructure spending plan. The ECB is set to cut rates, but bond market volatility remains high, with Bund and U.S. Treasury yields rising. Meanwhile, global equities rallied, driven by trade war exemptions for Mexico and Canada, while the euro surged 4% ahead of the ECB decision. Markets are closely watching how policymakers respond to Europe's fiscal shift and tightening global financial conditions.

Chinese officials signalled readiness for further monetary easing and stimulus if economic growth falters, with the PBOC planning interest rate and reserve requirement cuts "at an appropriate time" while balancing yuan stability. Amid trade tensions with the U.S. and weak domestic demand, China aims to sustain 5% growth through expanded financing for tech innovation, increased infrastructure investments, and potential additional fiscal measures if needed.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 244.06 bps, 2.81 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 5.25 bp
5 Years vs 2 Years bond spread is 12.96 bp.
10 Years vs 2Years bond spread is 14.88 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day. The yield is projected to fluctuate between 6.64% and 6.68%. Liquidity will be influenced by the OMO Purchase of the securities.