

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.764	+0.31
BRENT OIL	63.81	+0.93
GOLD	3049.14	+1.12
India 10Y	6.4836	-0.32
US 10 YR	3.918	+1.08
NIFTY 50	22161.60	-3.24
SENSEX	77137.90	-2.95

G-SEC / BONDS YIELDS

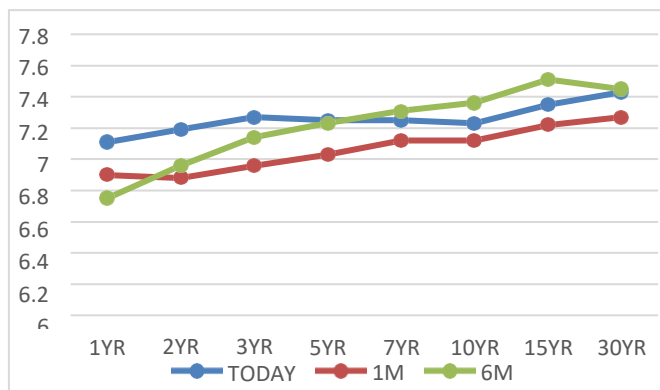
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.1710	6.2000
G-SEC 2028	6.2931	6.2590
G-SEC 2033	6.5229	6.4860
G-SEC 2037	6.6022	6.5790
G-SEC 2053	6.8671	6.8478
SDL 2027	-	6.5487
SDL 2033	6.8107	6.7902

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NTPC LIMITED SR 82 7.26 NCD 20MR40 FVRS1LAC	6.9742	102.5831
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VIII 7.49 BD 11JU29 FVRS1LAC	7.1031	101.3585
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25F 7.37 BD 28MY35 FVRS1LAC	7.0497	102.2567

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.8850	5.8950	5.6900	5.7000	5.7300	5.7650

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.4836%, ending 2.06 bps lower than the close of the previous day's trading session. The yield was in the range of 6.4551 to 6.4917.

DOMESTIC BROADCAST

The RBI may allow further rupee depreciation if China weakens the yuan to offset U.S. tariffs, as a weaker yuan threatens India's export competitiveness and widens the trade deficit; with growing focus on yuan movements, the RBI is likely to maintain a hands-off approach while monitoring spillover risks.

On April 04, the RBI reported ₹ 4933.25, at 5.96% market activity in the overnight and term segments. Under RBI operations, MSF saw ₹1876 crore at 6.50%, and SDF saw ₹225219 crore at 6.00%. The net liquidity absorbed totaled ₹179484.01 crore.

GLOBAL BROADCAST

Euro-zone retail sales rose 0.3% in February 2025—marking the first gain since September—slightly above Capital Economics' forecast but below consensus; while lower interest rates may support future spending, higher U.S. tariffs and slowing income growth could limit the recovery.

Goldman Sachs raised its U.S. recession risk to 45% amid escalating trade tensions and now expects earlier Fed rate cuts starting in June; growth forecasts for 2025 have been lowered, with several major banks also increasing recession odds and anticipating multiple rates cuts this year.

Germany's industrial production fell 1.3% in February, driven by declines in construction, energy, and manufacturing, with concerns mounting over U.S. tariffs' potential impact on key export sectors like autos and machinery, while near-term recovery remains unlikely due to delayed fiscal support.

Greek central bank chief Yannis Stournaras warned that U.S. President Trump's sweeping tariffs could cut eurozone growth by 0.5–1 percentage point, with the European Central Bank seeing deflation risks and heightened global uncertainty; EU countermeasures and a possible ECB rate cut are likely as inflation dipped to 2.2% in March.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 256.36 bps, 10.16 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 0.07 bps.
 5 Years vs 2 Years bond spread is 12.3 bps.
 10 Years vs 2Years bond spread is 22.23 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly higher than the previous. We expect the yield to fluctuate between 6.47% to 6.52%.