

**GLOBAL MARKET SNAPSHOT**

MARKETS	PRICE	% CHANGE
USD/INR	84.028	-0.05
BRENT OIL	77.49	-3.03
GOLD	2669.45	0.26
India 10Y	6.8507	0.245
US 10 YR	4.009	0.66
NIFTY 50	24795.75	-0.87
SENSEX	81688.45	-0.98

**G-SEC / BONDS YIELDS**

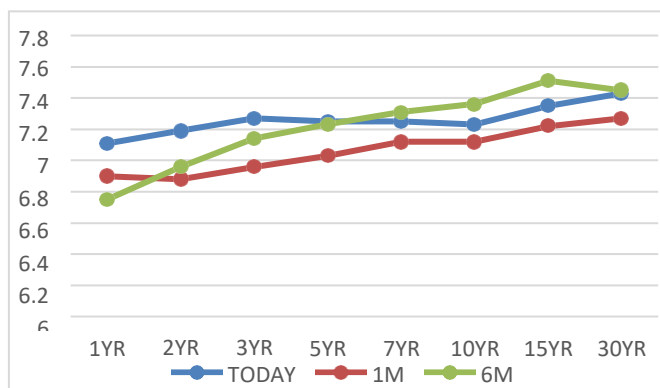
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.40	6.545
G-SEC 2028	6.7509	6.7123
G-SEC 2033	6.8621	6.8457
G-SEC 2037	6.9005	6.8871
G-SEC 2053	6.9721	6.9705
SDL 2027	6.8768	6.9108
SDL 2033	7.1157	7.12

**ACTIVELY TRADED CORPORATE BONDS**

SECURITY	YTM (%)	LTP
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.2308	54.2992
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25A 7.70 BD 30SP27 FVRS1LAC	7.5495	100.3554
REC LIMITED SR 232 A 7.59 BD 31MY27 FVRS1LAC	7.5083	100.0765
HDFC BANK LIMITED SR W006 7.50 NCD 08JN25 FVRS10LAC	99.8516	7.5746

**OVERNIGHT INDEXED SWAP**

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.45	6.5025	6.19	6.22	6.1975	6.1775

**INDIA YIELD CURVE**

**BOND MARKET**

The 10-year benchmark recorded a close of 6.8507%, ending 1.68 bps Lower than the close of the previous day's trading session. The paper traded in the range of 6.8124 and 6.8521.

**DOMESTIC BROADCAST**

The RBI's Monetary Policy Committee (MPC) is unlikely to cut interest rates in its October 7-9 meeting, with experts expecting the central bank to maintain the status quo. Ajit Banerjee, CIO of Shriram Life Insurance, suggests that the RBI will wait for durable control of CPI inflation before starting rate cuts, despite the recent U.S. Fed rate cut. India's GDP growth, at 6.7% in Q1, was impacted by election-driven spending slowdowns but is expected to align with RBI projections in Q2. A shift to a neutral stance and a dovish tone from the RBI governor remains possible.

On October 4, the RBI reported ₹ 8155.65 at 6.13 market activity in the overnight and term segments. Under RBI operations, MSF saw ₹2756 crore at 6.75%, and SDF saw ₹223217 crore at 6.25%. The net liquidity absorbed totaled ₹281,101.26 crore.

**GLOBAL BROADCAST**

Investor morale in the eurozone rose unexpectedly in October after three months of decline, with the Sen tix index increasing to -13.8 from -15.4 in September, beating expectations of a further drop. The rise was driven by improving expectations, which climbed to -3.8 from -8.0, supported by the European Central Bank's rate cuts and stimulus in China. However, the current situation score worsened, falling to -23.3, its lowest in 2023.

China's foreign exchange reserves grew by \$28.2 billion in September to \$3.316 trillion, surpassing the \$3.304 trillion estimate. This increase followed a 1.1% strengthening of the yuan and a 1% weakening of the dollar against other major currencies.

Oil prices continued rising on Monday, with Brent nearing \$80 a barrel, driven by fears of a broader Middle East conflict. Brent crude increased by 1.4% to \$79.16, and WTI rose by 1.7% to \$75.66. Last week, Brent jumped over 8% and WTI surged 9.1%, amid concerns Israel may target Iranian oil infrastructure following an October 1 missile attack.

**SPREAD ANALYSIS**

The India 10 Years vs the United States 10 Years Government Bond spread value is 284.17 bps, 13.02 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.

5 Years vs 2 Years bond spread is 7.52 bp.

10 Years vs 2Years bond spread is 16.85 bp.

**MARKET OUTLOOK**

Today, the 10-year benchmark yields ended slightly lower than the previous, tracking upcoming outcomes associated with the RBI rate cut decision. We expect the yield to fluctuate between 6.83% to 6.87%.