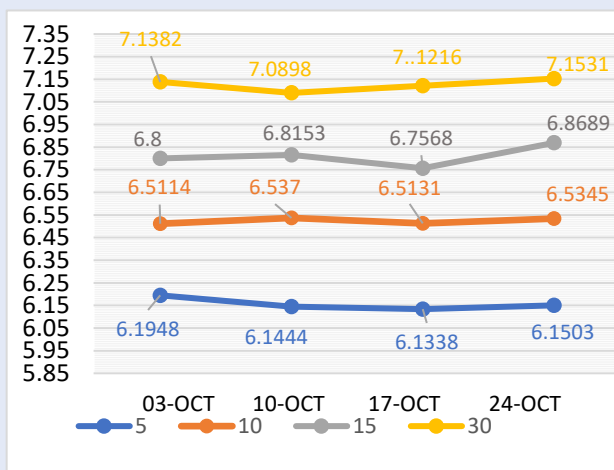
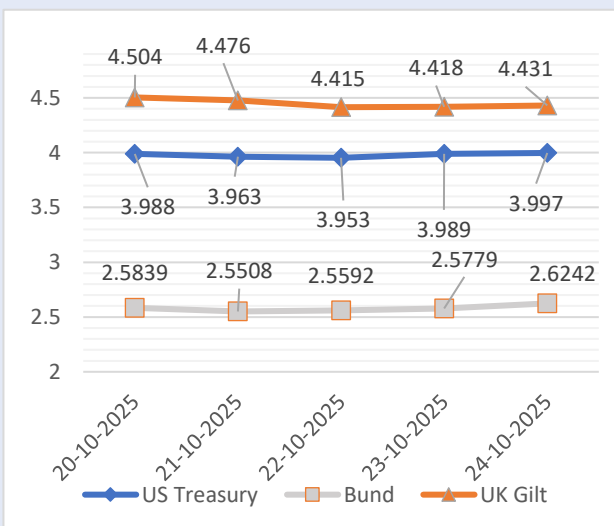


26TH OCTOBER 2025
MARKET OVERVIEW

	20 OCT	21 OCT	22 OCT	23 OCT	24 OCT
USD/INR	87.875	88.021	87.740	87.779	87.836
OIL	61.01	61.32	62.59	65.99	65.94
GOLD	4359	4109	4065	4136	4117
India 10 Y	6.5040	-	-	6.5357	6.5345
US 10 Y	3.988	3.963	3.953	3.989	3.997
NIFTY 50	25850	-	-	25869	25797
SENSEX	84369	-	-	84484	84236

INDIA BOND YIELD (%)

KEY 10-YR YIELDS (%)

Key headlines from the week:

The 10-year benchmark (6.33% GS 2035) yield concluded the week at 6.5345 at **2.14 bps** above the previous week's closing figure.

The weekly movement in spreads include 10Y Indian Treasuries (2.14 bps above), 10Y UST (1 bps below), 10Y Bund (4 bps below), and 10Y UKT (10 bps below).

The HCOB Germany Manufacturing PMI ticked up to 49.6 in October 2025, compared to market expectations and September's 49.5, signaling a continued mild contraction in the sector. Output expanded for the eighth consecutive month, though at a slower pace, with the output index easing to a three-month low.

Core consumer prices in the US, which exclude food and energy, rose by 0.2% from the previous month in September of 2025, slowing from the 0.3% in the August and July, and slightly under market expectations of a 0.3% increase. The data was released with weeks of delay as the ongoing US government shutdown suspended activity in the Bureau of Labor Statistics.

The S&P Global US Composite PMI rose to 54.8 in October 2025 from 53.9 in September, marking the highest reading since July and signaling growth slightly above the Q3 average. Business activity expanded for the 33rd consecutive month, with overall growth in both manufacturing (PMI 52.2) and services (PMI 54.2). October saw the strongest increase in new business so far in 2025, though exports continued to decline.

The HCOB Eurozone Manufacturing PMI rose to 50 in October 2025 from 49.8 in September, surpassing expectations of 49.5 and signaling stabilization in the sector.

Liquidity Operation by RBI

Date	VRR	MSF	SDF
OCT 13	-	14585	154542
OCT 14	-	3164	140996
OCT 15	-	2357	126237
OCT 16	-	3956	139276
OCT 17	2750	7783	120474
OCT 18	-	5530	61374

AVERAGE DAILY TURNOVER

Item	Week Ended		
	OCT 18. 2024	OCT 10. 2025	OCT 17. 2025
	1	2	3
Call Money	15675	27723	29553
Notice Money	6206	3013	7344
Triparty Repo	761709	683446	855476
Market Repo	589584	742310	814505
Repo in Corporate Bond	3982	17407	13715

Most Actively Traded Debt.

Paper	Yield (%)	LTP
POWER FINANCE CORPORATION LIMITED SR 252 7.43 PP BD FVRS1CR	7.4485	99.8057
BAJAJ HOUSING FINANCE LIMITED 7.08 NCD 12JU30 FVRS1LAC	7.1621	99.6201
MUTHOOT FINANCE LIMITED 8.05 NCD 25NV27 FVRS1LAC	7.7991	100.4691
HDB FINANCIAL SERVICES LIMITED SR A 1 FX 183 7.65 NCD 10SP27 FVRS10LAC	7.1700	100.7865

Indian Market update:

Foreign investors ramped up purchases of Indian government bonds by 46 times last week, an indication that aggressive currency intervention by the central bank is building market confidence.

The HSBC India Composite PMI fell to 59.9 in October 2025 from a final 61.0 in the previous month, flash data showed. It marked the lowest reading since May, with growth in new orders easing to a five-month low while foreign demand rose at the slowest pace since March. Employment also increased at a milder rate, with its rate of expansion hitting its lowest level in 1-1/2 years

The value of loans in India increased 11.40 percent in the week ending October 3 2025 over the same month in the previous year. Loan Growth in India averaged 11.75 percent from 2012 until 2025, reaching an all time high of 20.80 percent in December of 2023 and a record low of 4.10 percent in March of 2017.

Indian government bonds are poised for a slight increase, mirroring a rally in U.S. Treasuries amid a lack of new domestic debt issuance. Traders anticipate the benchmark 10-year yield to trade between 6.48% and 6.52%. Meanwhile, global economic flux presents challenges, though India's economy shows resilience, with the RBI raising its growth forecast.

UPCOMING AUCTIONS

28TH October – RBI announced the SDL auction, in which 9 states will be raising aggregating to 17,800 crores.

29TH October – RBI announced the auction of T bills for 91 days, 182 days, and 364 days for 7,000, 6000, & 6000 crores respectively.

INR – DOLLAR EXCHANGE

	20 OCT	21 OCT	22 OCT	23 OCT	24 OCT
OPEN	87.9	87.8	88.0	87.7	87.7
HIGH	88.0	88.0	88.0	87.9	87.8
LOW	87.7	87.8	87.6	87.7	87.6
CLOSE	87.8	88.0	87.7	87.7	88.8

INTEREST RATES

COUNTRY	CURRENT	PREVIOUS
INDIA	5.50	5.50
USA	4.25	4.50
UK	4.00	4.25
CHINA	3.00	3.10
EURO AREA	2.15	2.40
JAPAN	0.50	0.50

Key Events

DATE	EVENTS
27-OCT	CHINA INDUSTRIAL PROFIT, DALLAS FED MANUFACTURING INDEX, US GOODS ORDER
28-OCT	KOREA GDP, INDIA INDUSTRIAL PRODUCTION, INDIA MANUFACTURING PRODUCTION
29-OCT	API CRUDE OIL STOCK EXCHANGE, INDIA M3 MONEY SUPPLY, FED INTEREST RATE DECISION
30-OCT	JAPAN FOREIGN BOND INVESTMENT, BOJ INTEREST RATE DECISION, GERMANY GDP GROWTH RATE, EUROZONE UNEMPLOYMENT RATE
31-OCT	AUSTRALIA PPI, CHINA PMI, INDIAN GOVERNMENT BUDGET VALUE, CANADA GDP, USA PCE INDEX, INDIA FOREX RESERVES

Currency Movement:

Foreign Exchange Reserves in India increased to 702280 USD Million in October 17 from 697780 USD Million in the previous week. Foreign Exchange Reserves in India averaged 309120 USD Million from 1998 until 2025, reaching an all time high of 704890 USD Million in September of 2024 and a record low of 29048 USD Million in September of 1998.

Gross foreign direct investment (FDI) into India fell to \$6.0 billion in August after surging to over a four-year high of \$11.11 billion in July. This, along with a 30% month-on-month rise in repatriation by foreign companies to \$4.9 billion, led to the net FDI number for August turning negative for the first time in the current fiscal year.

The Indian rupee rose to a two-month high near 87.63 per dollar, supported by likely foreign inflows, optimism over a possible US-India trade deal, and the RBI's sustained defence near 88, which has anchored sentiment and curbed volatility. While state-run banks sold dollars, traders said flows were market-driven, not RBI-related. Importers are hedging at current levels, while exporters prefer to wait, as foreign investors turned net buyers of Indian equities in October.

Key updates and week ahead:

Diplomatic and Trade Talks: The U.S. and China are holding trade talks in Kuala Lumpur, while India and the EU will discuss a Free Trade Agreement in Brussels on October 27–28, 2025.

Key Economic Reports: The IMF has published its *World Economic Outlook*, and the WTO has released its global trade forecast for 2025. Important U.S. data, such as Durable Goods reports, are also forthcoming, along with central bank rate decisions and inflation updates from various countries.

Sector-Specific Events: The India Maritime Week will be held in Mumbai from October 27–31, 2025, to discuss industry developments. Japan's Tokyo inflation report is also anticipated.