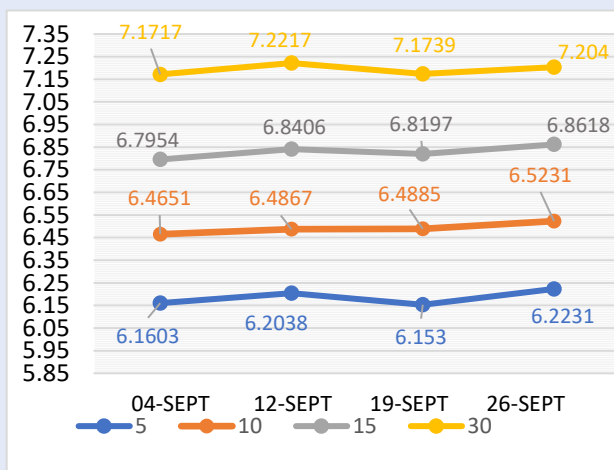


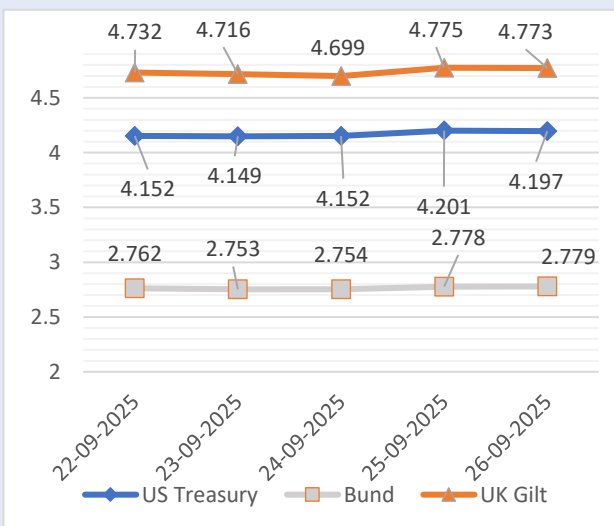
MARKET OVERVIEW

	22 SEPT	23 SEPT	24 SEPT	25 SEPT	26 SEPT
USD/INR	88.346	88.821	88.939	88.818	88.792
OIL	67.31	68.09	69.37	69.68	70.76
GOLD	3783.3	3824.6	3812.6	3792.3	3814.4
India 10 Y	6.4885	6.4729	6.4908	4.4972	6.5231
US 10 Y	4.152	4.149	4.152	4.201	4.197
NIFTY 50	25201	25185	25060	24904	24670
SENSEX	82190	82149	81756	81194	80493

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 6.5231 at **3.46 bps** above the previous week's closing figure.

The weekly movement in spreads include 10Y Indian Treasuries (3.46 bps above), 10Y UST (6 bps above), 10Y Bund (3 bps above), and 10Y UKT 7 bps above).

The People's Bank of China (PBOC) kept key lending rates at record lows for a fourth straight month in September, in line with market expectations. The move followed its decision last week to leave the seven-day reverse repo rate unchanged.

The HCOB Eurozone Manufacturing PMI fell to 49.5 in September 2025, down from August's 38-month high of 50.7 and missing market expectations of 50.7, a flash estimate showed. The reading signaled a renewed downturn in the sector, driven by the sharpest drop in new orders since February.

The S&P Global Japan Manufacturing PMI declined to 48.4 in September 2025 from a final reading of 49.7 in August, falling short of market forecasts of 50.2, according to preliminary estimates. The latest figure marked the 14th contraction in factory activity over the past 15 months and the steepest decline since March, driven by the fastest drop in new orders since April, while output fell at the sharpest rate in six months.

The yield on Germany 7 Year Bond Yield eased to 2.48% on September 24, 2025, marking a 0-percentage point decrease from the previous session. Over the past month, the yield has edged up by 0 points and is 0.44 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

Liquidity Operation by RBI

Date	VRR	MSF	SDF
SEPT 15	-	1282	199673
SEPT 16	585	18172	98460
SEPT 17	-	1507	74961
SEPT 18	25006	2849	111533
SEPT 19	60357	310	124189
SEPT 20	-	438	77708

AVERAGE DAILY TURNOVER

Item	Week Ended		
	SEPT 20. 2024	SEPT 12. 2025	SEPT 19. 2025
	1	2	3
Call Money	11343	31808	34205
Notice Money	6154	2775	8643
Triparty Repo	605817	681101	857666
Market Repo	486193	623329	811438
Repo in Corporate Bond	2839	11061	14021

Most Actively Traded Debt.

Paper	Yield (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26A 6.66 BD 12OT28 FVRS1LAC	6.8300	99.5399
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VIII 7.54 BD 12JN26 FVRS10LAC	6.2500	100.3458
ADITYA BIRLA CAPITAL LIMITED SR F4 7.52 NCD 24SP30 FVRS1LAC	7.5190	99.9800
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 F 9.35	9.0914	100.8356

Indian Market update:

The infrastructure output in India expanded by 6.3% from the previous year in August of 2025, accelerating from the upwardly revised 3.2% increase in the previous month, to mark the sharpest pace of growth in one year. Infrastructure output was supported by coal (11.4% vs -12.3% in July), steel (14.2% vs 16.6%) and cement (6.1% vs 11.6%), aligned with firms increasing capacity to front-load production before more aggressive tariffs by the US were passed in the end of the month. The period also saw cutbacks in material capacity in Chinese competitors due to Beijing's policy of having clear skies in their military parade. On the petroleum front, output rebounded for refinery products (3% vs -1.1%) and contracted for natural gas (-2.2% vs -3.2%) and crude oil (-1.2% vs -1.3%).

The HSBC India Manufacturing PMI fell to 58.5 in September 2025, from August's 17-and-a-half-year high of 59.3, preliminary data showed. Despite the moderation, the index remained comfortably above the neutral 50.0 threshold and its long-run average of 54.2, signaling a still-robust expansion in the sector.

The value of loans in India increased 10.30 percent in September of 2025 over the same month in the previous year. Loan Growth in India averaged 11.76 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.

UPCOMING AUCTIONS

- **30TH September** – RBI announced the SDL auction, in which 13 states will be raising aggregating to 34,100 crores.
- **1ST 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

	22 SEPT	23 SEPT	24 SEPT	25 SEPT	26 SEPT
OPEN	88.1	88.3	88.7	88.7	88.7
HIGH	88.3	88.8	88.9	88.8	88.7
LOW	88.1	88.2	88.6	88.5	88.6
CLOSE	88.3	88.8	88.7	88.7	88.6

INTEREST RATES

COUNTRY	CURRENT	PREVIOUS
INDIA	5.50	6.00
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
29-SEPT	US Dallas Fed Manufacturing Index, US Pending Home Sales, India Industrial Production, Eurozone Economic Sentiment
30-SEPT	US JOLTS Job Openings, UK Current Account, Germany Unemployment, Australia RBA Interest Rate Decision
1-OCT	US ADP Employment Change, US ISM Manufacturing PMI, Eurozone Inflation, India RBI Interest Rate Decision
2-OCT	US Initial Jobless Claims, US Factory Orders, Eurozone Unemployment Rate
3-OCT	US Non-Farm Payrolls, Unemployment Rate, Average Hourly Earnings, Worldwide Services, Composite PMIs, inc. global PMI, US ISM Services PMI

Currency Movement:

Foreign Exchange Reserves in India decreased to 702570 USD Million in September 19 from 702970 USD Million in the previous week. Foreign Exchange Reserves in India averaged 308008.57 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.

The RBI sold a net \$2.54 billion in the spot forex market in July, with no purchases, compared to \$3.6 billion sold in June. The Indian rupee fell 2% that month, its largest drop since September 2022. RBI's net outstanding forward sales stood at \$57.85 billion at July-end. The central bank intervenes to curb currency volatility.

The Indian rupee faced significant pressure, hitting a record low due to concerns over potential impacts from U.S. trade and immigration policies. Increased U.S. visa fees and tariffs on drugs sparked worries about trade, remittances, and foreign investment flows. The Reserve Bank of India intervened to curb volatility, while analysts believe a weaker rupee could improve competitiveness amidst these challenges.

Key updates and week ahead:

The September payrolls report will be crucial for gauging further Fed rate cuts, with only 39,000 jobs expected after August's weak gain. Powell has stressed cuts aren't assured, making labor market signals from payrolls, JOLTS, ADP, and jobless claims pivotal.

Worldwide PMI surveys will test the durability of August's 14-month high amid fading tariff-driven boosts. In the US, tariffs keep input costs elevated, but weaker selling prices show firms struggling to pass them on. Europe's PMIs and flash CPI should confirm inflation near the ECB's 2% target, alongside jobless and UK housing data.

India and Australia are expected to hold rates steady, with India buoyed by stronger growth and Australia balancing higher-than-expected inflation.