SOVEREIGN global

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GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	90.125	+0.24
BRENT OIL	60.82	+0.39
GOLD	4381.40	+0.77
INDIA10YR	6.6331	+0.40
US10YR	4.187	-0.26
NIFTY50	26244.05	-0.30
SENSEX	85440.72	-0.38

G-SEC/BONDS YIELDS

SECURITY	LTY(%) TODAY	LTY(%) PREV DAY
364DTB	5.5100	5.4550
G-SEC2028	5.7781	5.8219
G-SEC2034	6.6703	6.6593
G-SEC2039	-	6.9301
G-SEC2054	7.3202	7.2657
SDL2027	5.8502	-
SDL2033	7.3239	7.3497

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 179 7.44 BD 13JU34 FVRS1LAC	7.1600	101.6653
KOTAK MAHINDRA INVESTMENTS LIMITED 7.3384 NCD 26NV27 FVRS1LAC	7.3457	100.000
IIFL FINANCE LIMITED SR PDI-2 OP B 9.90 NCD FVRS1CR	9.8644	100.2000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	6.9280	100.9514
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25B 7.64 BD 06DC29 FVRS1LAC	7.0500	101.9545
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 176 7.48 BD 16FB34 FVRS1LAC	7.1600	101.8769
STATE BANK OF INDIA SR I 7.72 BD PERPETUAL FVRS1CR	7.2582	100.2185
STATE BANK OF INDIA SR 1 AT1 7.98 BD PP FVRS1CR	7.4968	102.8712
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD SR IV STRPPS E 9.42 BD 30DC32 FVRS1LAC	9.6636	100.5560
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD SR IV STRPPS F 9.42 BD 30DC33 FVRS1LAC	9.6675	100.5832
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25E 7.53 BD 24MR28 FVRS1LAC	6.9292	101.1329

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4875	5.4850	5.6000	5.5850	5.9825	5.9750

BOND MARKET

The 10-year benchmark recorded (6.33% GS 2035) a close of 6.6062%, 2.69 bps higher than the close of the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds experienced a decline on Monday. This pushed the benchmark 10-year yield towards a two-week high. Traders are factoring in significant state borrowing. Demand is weak, and liquidity is tight. States plan to raise a record 5 trillion rupees between January and March. The Reserve Bank of India will purchase bonds to inject cash. U.S.

Foreign Money market operations on JANUARY 02, 2025: Overnight segment totaled ₹10501.19 crores at a 5.27% weighted average rate. The segment's significant operations included triparty repo at ₹6228.50 crore and 5.25%. RBI's net liquidity absorption stood at ₹325160 crore

GLOBAL BROADCAST

Money Supply M4 in the United Kingdom decreased 0.2% month-over-month to 3174188 GBP Million in October 2025. Money Supply M4 in the United Kingdom averaged 1389333.06 GBP Million from 1982 until 2025, reaching an all time high of 3181240.00 GBP Million in September of 2025 and a record low of 145348.00 GBP Million in June of 1982.

The S&P Global Japan Manufacturing PMI was revised higher to 50.0 in December 2025 from a preliminary estimate of 49.7 and a final reading of 48.7 in November, indicating stable business conditions and ending five months of deterioration. The latest reading also marked its highest level since June, as output was broadly stable while new orders fell at the softest rate since May 2024. New export orders shrank at a slightly slower and modest pace.

The yield on Germany 3 Month Bond Yield eased to 1.95% on January 5, 2026, marking a 0.05 percentage points decrease from the previous session. Over the past month, the yield has remained flat, and it is 0.57 points lower than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

On a monthly basis, producer prices in Turkey increased by 0.75% in December 2025, following a 0.84% rise in November. This marked the lowest level in a year. Producer Price Inflation MoM in Turkey averaged 2.34 percent from 1994 until 2025, reaching an all time high of 32.98 percent in April of 1994 and a record low of -3.55 percent in December of 2008.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 242.42 bps, 3 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.
2 Years vs 1 Year bond spread is 15 bp.
5 Years vs 2 Years bond spread is 74 bp.
10 Years vs 2Years bond spread is 91 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly higher compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 6.60 and 6.65%.

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