SOVEREIGN GLOBAL MARKET PRIVATE LIMITED

Indian Debt Market - Daily Report - 1st January, 2026.

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	%CHANGE
USD/INR	89.950	+0.10
BRENT OIL	-	-
GOLD	-	-
India 10yr	6.5818	-0.09
US 10yr	-	-
NIFTY 50	26146.55	+0.06
SENSEX	85172.58	-0.03

G-SEC / BONDS YEILD

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.5100	5.5100
G-SEC 2028	5.8202	5.7567
G-SEC 2034	6.6310	-
G-SEC 2039	6.9244	6.9010
G-SEC 2054	7.2694	-
SDL 2027	6.1051	6.1074
SDL 2033	7.3399	7.3014

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 F 9.35 NCD 31DC32 FVRS1LAC	6.9972	103.4500
CREDILA FINANCIAL SERVICES LIMITED SR B 8.37 NCD 15MR28 FVRS1LAC	8.3500	100.0663
BHARTI TELECOM LIMITED SR XXVIII 7.40 NCD 01FB29 FVRS1LAC	7.5100	99.7060
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED SR 637 8.60 NCD 05MR29 FVRS1LAC	7.5200	102.8861
POONAWALLA FINCORP LIMITED SR G2 7.9 NCD 31OT30 FVRS1LAC	7.9350	99.8231
CANARA BANK SR 1 7.55 BD FVRS1CR	7.5250	100.0819
BANK OF INDIA SR IV 7.23 BD 26DC35 FVRS1LAC	7.2318	100.000
THE ANDHRA PRADESH MINERAL DEVELOPMENT CORPORATION LIMITED SR I STRPP C 9.30 BD 08MY29 FVRS1LAC	8.6955	101.4987
BAJAJ AUTO CREDIT LIMITED 7.25 NCD 27NV28 FVRS1LAC	7.1544	100.2100
STATE BANK OF INDIA SR I 7.75 BD PERPETUAL FVRS1CR	7.3948	100.5707
BHARTI TELECOM LIMITED SR XIX 8.65 NCD 05NV27 FVRS1LAC	7.4062	102.0325
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23H 7.58 LOA 31JL26 FVRS1LAC	6.6800	100.3795

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4700	5.4500	5.5600	5.5550	5.9325	5.9250

BOND MARKET

The 10-year benchmark (6.48% GS 2035) recorded a close of 6.5818%, ending at 0.63 bps lower than the close of the previous day's trading session.

DOMESTIC BROADCAST

Indian sovereign bonds face record foreign outflows in December as rupee weakness, fading rate-cut expectations, and global reallocations weigh on sentiment, pressuring bond prices and borrowing costs despite prospects of index inclusion boosting future inflows.

Indian sovereign bonds eligible for inclusion in global indexes are on track for a record monthly outflow, as a weaker rupee and signs the central bank is nearing the end of its interest-rate cut cycle weigh on sentiment. Global funds have sold 143 billion rupees ($1.6 billion) of bonds so far in December, according to Clearing Corporation of India data. That marks the biggest outflow since the so-called Fully Accessible Route — a framework under which select government bonds have no foreign investment restrictions - was created in 2020.

Money market operations on December 31, 2025: Overnight segment totaled ₹590001.24 crores at a 5.42% weighted average rate. The segment's significant operations included triparty repo at ₹394577.20 crore and 5.33%. RBI's net liquidity absorption stood at ₹325160 crore

GLOBAL BROADCAST

South Korea's exports reached a record USD 709.7 billion in 2025, surpassing USD 700 billion for the first time. Outbound shipments rose 3.8% from the previous year, driven by semiconductors, the country's top export item, which surged 22.2% to an all-time high of USD 173.4 billion amid growing demand fueled by artificial intelligence (AI). By destination, exports increased to ASEAN (7.4%) and the EU (3.0%), while declining to China (-1.7%) and the US (-3.8%) due to the impact of new tariffs.

Initial jobless claims in the US fell by 16,000 to 199,000 in the week ending December 27, a typically volatile period due to the holiday season, and well below market expectations of 220,000. The reading marked the lowest level since January, excluding the seasonally volatile Thanksgiving week, when claims briefly dipped to a three-year low of 192,000.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 245.51 bps (31-12-2025), 5 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 14.66 bp
5 Years vs 2 Years bond spread is 75.05 bp.
10 Years vs 2 Years bond spread is 90.58 bp

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly lower compared to the previous day. The yield is projected to fluctuate between 6.55% and 6.65%.

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