



SOVEREIGN GLOBAL MARKET PRIVATE LIMITED

Indian Debt Market - Weekly Report - 29th , March, 2026

MARKET OVERVIEW

MARKETS	23 MAR	24 MAR	25 MAR	26 MAR	27 MAR
USD/INR	93.2	94.0	93.9	94.2	94.7
OIL	95.92	100.23	97.26	101.89	105.32
GOLD	4439	4434	4585	4409	4524
India 10yr	6.8379	6.8681	6.8750	-	6.9419
US 10yr	4.336	4.392	4.328	4.416	4.440
NIFTY 50	22493	22957	22305	-	22836
SENSEX	72624	74216	75284	-	73661

Key Headlines from the week:

The 10-year benchmark (6.48% GS 2035) yield concluded the week at 6.9419 at 20.5 bps above the previous week's closing figure.

The weekly movement in spreads include 10Y Indian Treasuries (20.50 bps above), 10Y UST (5 bps above), 10Y Bund (6 bps above), and 10Y UKT (1 bps above).

China's industrial profits jumped 15.2% yoy in the first two months of 2026, rebounding sharply from 0.6% growth in 2025. It marked the strongest start since 2018, excluding the pandemic spike in 2021, underscoring China's recovery momentum before Middle East conflict-driven oil shocks lifted raw material costs.

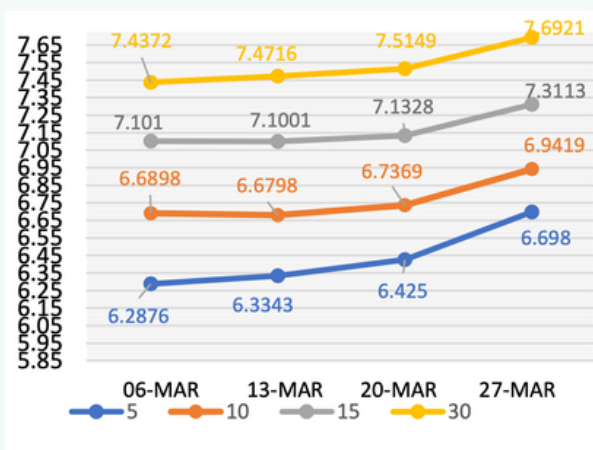
Singapore's Domestic Supply Price Index fell by 2.9% year-on-year in February 2026, easing from an upwardly revised 6.1% decline in the previous month.

Spain's annual inflation rate jumped to 3.3% in March 2026, its highest since June 2024, compared to 2.3% in February and expectations of 3.7%, according to preliminary data. The increase was largely driven by higher prices for fuels and lubricants for personal vehicles, reflecting the impact of the war with Iran.

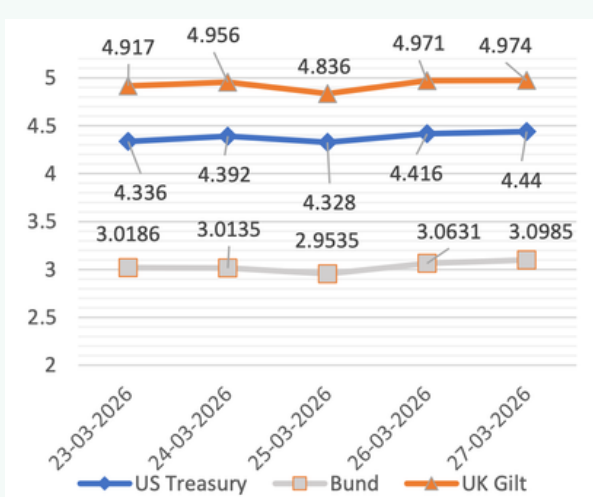
China's current account surplus surged to an unprecedented \$243.8 billion in Q4 2025, up from \$173.1 billion a year earlier and above the preliminary estimate of \$242.1 billion.

The number of people registered as unemployed in France rose by 17.7 thousand over a month to 3.108 million in February 2026. This marked the first increase in unemployment after three consecutive months of decline.

INDIA BOND YEILD (%)



KEY 10-YR YEILDS (%)





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Liquidity Operation by RBI

DATE	VRRR	MSF	SDF
MAR 16	-	1286	199408
MAR 17	48014	146	255412
MAR 18	-	2176	203442
MAR 19	-	1706	188245
MAR 20	25101	2137	194881
MAR 21	-	5761	132293

AVERAGE DAILY TURNOVER

ITEM	WEEK ENDED		
	MAR 21. 2025	MAR 13. 2026	MAR 20. 2026
	1	2	3
Call Money	30499	28857	44238
Notice Money	1713	2382	2580
Triparty Repo	644998	788423	976796
Market Repo	579795	645369	754918
Corporate Bond Repo	8851	21524	226113

MOST ACTIVELY TRADED DEBT.

Paper	Yield (%)	LTP
TATA CAPITAL LIMITED SR P STRPP II 8.30 NCD 16MR27 FVRS1LAC	7.6750	100.000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26E 7.10 BD 29MR29 FVRS1LAC	7.3500	99.3304
NIIF INFRASTRUCTURE FINANCE LIMITED SR PP9 7.75 NCD 17FB33 FVRS1LAC	7.7452	100.000
ADITYA BIRLA CAPITAL LIMITED SR SB1 8.03 NCD 04MY35 FVRS1LAC	8.1124	99.5900

INDIAN MARKET UPDATE

The yield on India's 10-year government bond rose sharply Friday. This increase follows a cut in fuel excise duty which impacted the fiscal outlook. High state bond sales and rising oil prices also contributed to the jump. The benchmark yield has seen its biggest weekly rise since May 2022.

The HSBC India Composite PMI fell to 56.5 in March 2026 from 58.9 in February, below market expectations of 58.7, flash estimates showed. This was the weakest expansion in Indian private sector activity since October 2022, as growth moderated across both manufacturing and services amid the ongoing Middle East conflict. Companies cited the war, volatile market conditions, and persistent inflationary pressures as key factors dampening growth.

Indian benchmark bond yield rose to a 14-month high on Monday, possibly due to surge in Brent crude oil prices amid escalating conflict in the Middle east.

Indian government bond yields are expected to face pressure due to a record weekly supply of state debt, with auctions likely to exceed notified amounts. This significant issuance could lead to a crowding-out effect, pushing the 10-year benchmark yield towards 6.90%-6.95%.

The Centre is planning to mobilize Rs 8 lakh crore through dated securities during the April-September period of 2026-27 to fund the revenue gap, the finance ministry said on Friday.





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INR DOLLAR EXCHANGE

	23 MAR	24 MAR	25 MAR	26 MAR	27 MAR
OPEN	93.7	93.5	93.9	93.8	94.2
HIGH	94.1	94.1	94.2	94.3	94.9
LOW	92.9	93.5	93.7	93.8	94.1
CLOSE	93.2	94.0	93.9	94.2	94.7

CURRENCY MOVEMENT

Foreign Exchange Reserves in India decreased to 698350 USD Million in March 20 from 709760 USD Million in the previous week. Foreign Exchange Reserves in India averaged 315144.33 USD Million from 1998 until 2026, reaching an all time high of 728490 USD Million in February of 2026 and a record low of 29048 USD Million in September of 1998.

Deposit Growth in India decreased to 10.80 percent in the week ending March 6 from 11.90 percent two weeks before. Deposit Growth in India averaged 14.72 percent from 1998 until 2026, reaching an all time high of 29.30 percent in January of 2008 and a record low of 2.70 percent in December of 2017.

Money Supply M3 in India increased to 322144.23 INR Billion in the week ending December 31 from 246833.33 INR Billion two weeks before. Money Supply M3 in India averaged 56948.34 INR Billion from 1951 until 2026, reaching an all time high of 299035.39 INR Billion in January of 2026 and a record low of 20.57 INR Billion in October of 1952.

KEY UPDATES AND WEEK AHEAD:

This week, global markets were defined by a massive energy shock as the U.S.-Iran conflict pushed Brent crude toward \$120 per barrel. This spike has reignited stagflation fears, causing manufacturing activity in the Eurozone and Germany to slide into contraction, even while the U.S. showed some relative resilience.

On the policy front, sticky inflation reports from the UK (3%) and Australia (3.4%) forced central banks to remain cautious. The Bank of England notably halted its planned interest rate cuts, keeping rates steady at 3.75% to offset rising energy costs. Meanwhile, emerging markets felt the squeeze acutely, with the Indian Rupee hitting record lows near 94.05 as surging oil prices widened trade deficits. Overall, the week concluded with a shift toward defensive positioning as investors braced for higher-for-longer inflation and slower global growth.

INTEREST RATES

COUNTRY	CURRENT	PREVIOUS
INDIA	5.25	5.25
USA	3.75	4.00
UK	3.75	3.75
CHINA	3.00	3.10
EURO AREA	2.15	2.40
JAPAN	0.75	0.50

KEY EVENTS

DATE	EVENTS
30- MAR	INDIA INDUSTRIAL PRODUCTION, GERMANY INFLATION RATE, US POWELL SPEECH, INDIA MANUFACTURING PRODUCTION
31- MAR	KOREA INDUSTRIAL PRODUCTION, JAPAN INFLATION RATE, JAPAN INDUSTRIAL PRODUCTION, INDIA EXTERNAL DEBT, US JOB OPENING, INDIA BUDGET VALUE
01- APR	US ADP EMPLOYMENT CHANGE, US RETAIL SALES, US ISM MANUFACTURING INDEX
02- APR	US INITIAL JOBLESS CLAIM, US BALANCE OF TRADES, HSBC MANUFACTURING INDEX, US CHALLENGER JOB CUTS
03- APR	US NONFARM PAYROLL, INDIA FOEX RESERVE, US UNEMPLOYMENT RATE, FRANCE INDUSTRIAL PRODUCTION

