



SOVEREIGN GLOBAL MARKET PRIVATE LIMITED

Indian Debt Market - Weekly Report - 7th, March, 2026

MARKET OVERVIEW

MARKETS	02 MAR	03 MAR	04 MAR	05 MAR	06 MAR
USD/INR	91.585	92.050	92.123	91.787	91.933
OIL	77.74	81.40	81.40	85.41	93.04
GOLD	5311	5123	5134	5078	5158
India 10yr	6.6970	-	6.7122	6.6406	6.6898
US 10yr	4.052	4.057	4.082	4.146	4.132
NIFTY 50	24850	-	24476	24737	24469
SENSEX	80193	-	79108	79927	78998

Key Headlines from the week:

The 10-year benchmark (6.48% GS 2035) yield concluded the week at 6.6898 at 2.97 bps above the previous week's closing figure.

The weekly movement in spreads include 10Y Indian Treasuries (2.97 bps above), 10Y UST (17 bps above), 10Y Bund (21.16 bps above), and 10Y UKT (34 bps above).

Initial jobless claims in the US were unchanged from the previous week at 213,000 on the last week of February, slightly under market expectations of 215,000 to remain firmly below averages from the last two years.

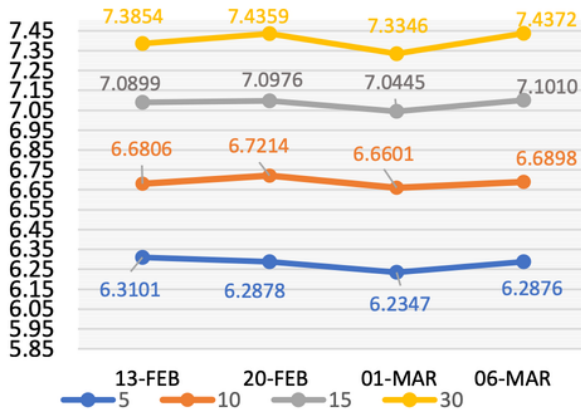
Japan's foreign reserves climbed \$15.95 billion to \$1.41 trillion in February 2026, marking the highest level since December 2021.

The Euro Area economy grew by 0.2% in Q4 2025, below earlier estimates of 0.3% and down from 0.3% in Q3, highlighting modest momentum despite easing inflation, lower interest rates, and resilience amid headwinds from US trade tariffs on EU imports.

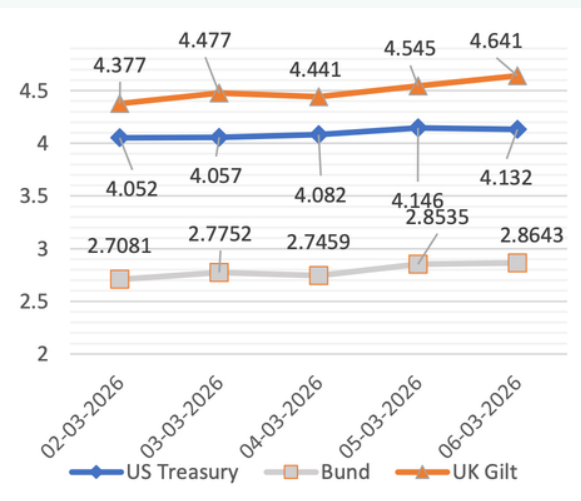
US-based employers announced 48,307 job cuts in February 2026, less than 108,435 in January and well below 172,017 a year earlier. Tech announced the most cuts (11,039), as "tech is responding to a number of pressures right now."

The yield on Japan 30 Year Bond Yield rose to 3.38% on March 5, 2026, marking a 0.02 percentage points increase from the previous session. Over the past month, the yield has fallen by 0.18 points, though it remains 0.89 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

INDIA BOND YEILD (%)



KEY 10-YR YEILDS (%)





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Liquidity Operation by RBI

DATE	VRRR	MSF	SDF
FEB 23	-	984	326598
FEB 24	-	842	368828
FEB 25	-	868	360176
FEB 26	-	762	345621
FEB 27	-	944	425596
FEB 28	-	358	373419

AVERAGE DAILY TURNOVER

ITEM	WEEK ENDED		
	FEB 28. 2025	FEB 20. 2026	FEB 27. 2026
	1	2	3
Call Money	25239	21864	23035
Notice Money	10311	9257	2075
Triparty Repo	802167	985652	798950
Market Repo	627685	685917	619354
Corporate Bond Repo	7237	20938	21222

MOST ACTIVELY TRADED DEBT.

Paper	Yield (%)	LTP
REC LIMITED 7.71% UNSECURED RATED LISTED REDEEMABLE NCB. SERIES 230-A, 26/02/2027.	7.0500	100.5870
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT 7.62% NCB 31/01/2028	7.0673	100.9378
TATA CAPITAL LIMITED 7.99% SECURED RATED LISTED REDEEMABLE NONCONVERTIBLE DEBENTURE SERIES A FY 2023-24 VIS M DATE OF MATURITY 08/02/2034	7.6573	101.9134

INDIAN MARKET UPDATE

The Reserve Bank of India has increased its intervention in the government securities market, purchasing bonds to counteract liquidity drained by foreign exchange market actions. This move aims to maintain transmission momentum and stabilize yields amidst geopolitical concerns. Bond buying, particularly in the 10-year benchmark, suggests the central bank may be capping upward yield movements.

The HSBC India Composite PMI rose to 58.9 in February 2026 from 58.4 in the previous month, though it remained slightly below the flash estimate of 59.3.

The HSBC India Services PMI was revised slightly down to 58.1 in February 2026 from an initial estimate of 58.4. This was below January's reading of 58.5 and forecasts of 58.6, yet still signaled another month of robust expansion in the sector.

Industrial production in India rose by 4.8% from the previous year in January of 2026, slowing from the upwardly revised, two-year high 8% increase in the previous month and contrasting with expectations of a sharper increase of 6.5%.

The Reserve Bank has decided to conduct OMO purchase auctions of Government of India securities for an aggregate amount of ₹1,00,000 crore in two tranches of ₹50,000 crore each, to be held on March 09, 2026, and March 13, 2026.

Manufacturing production in India increased 4.8% year-on-year in January 2026, following an upwardly revised 8.4% rise in December.

UPCOMING AUCTIONS

10TH MARCH - RBI announced the SDL auction, in which 17 states will be raising aggregating to 45,960 crores.

11TH MARCH - RBI announced the auction of T bills for 91 days, 182 days, and 364 days for 14,000, 12,000, & 8,000 crores respectively.





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INR DOLLAR EXCHANGE

	02 MAR	03 MAR	04 MAR	05 MAR	06 MAR
OPEN	91.2	91.5	92.0	92.1	91.6
HIGH	91.7	92.2	92.3	92.1	92.0
LOW	91.5	91.5	91.8	91.3	91.5
CLOSE	91.5	92.0	92.1	91.7	91.9

INTEREST RATES

COUNTRY	CURRENT	PREVIOUS
INDIA	5.25	5.25
USA	4.00	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
9- MAR	US Consumer Inflation Expectations, Germany Industrial Production, China (Mainland) CPI, PPI
10- MAR	US ADP Weekly Employment Change, Japan GDP, Australia NAB Business Confidence, China (Mainland) Balance of Trade
11- MAR	Japan PP, US CPI, Japan Machine Tool Orders, Germany Inflation, Global Supply Chain Volatility Index
12- MAR	India Inflation, UK RICS House Price Balance, US Balance of Trade, US Building Permits
13- MAR	US Core PCE Price Index, US GDP, US JOLTs Job Openings, Eurozone Industrial Production, UK monthly GDP, incl. Manufacturing, Services and Construction Output

CURRENCY MOVEMENT

Foreign Exchange Reserves in India increased to 728490 USD Million in February 27 from 723610 USD Million in the previous week. Foreign Exchange Reserves in India averaged 314319.51 USD Million from 1998 until 2026, reaching an all time high of 728490 USD Million in February of 2026.

The Indian rupee strengthened significantly, closing at 91.60/\$1, up from 92.15/\$1, due to substantial interventions by the Reserve Bank of India. Despite higher oil prices and a risk-off sentiment, the RBI's actions prevented the rupee from weakening further, though concerns remain about the impact on domestic liquidity.

The Indian rupee fell to its all-time low on Wednesday, as mounting concerns of a prolonged conflict along a major oil-and-gas corridor in the Middle East heightened the risk of a deeper energy shock and unsettled markets.

KEY UPDATES AND WEEK AHEAD:

Middle East Conflict & Market Risk: Markets will closely watch developments in the Middle East, particularly whether the conflict becomes prolonged. While a short-term spike in energy prices may be manageable, sustained higher oil and gas prices could significantly impact global growth and inflation outlooks.

US Inflation & Growth Signals: Key US releases include CPI, PCE inflation, the second estimate of Q4 GDP, and the University of Michigan sentiment survey. These data will provide updated signals on inflation trends and household confidence amid recent geopolitical uncertainty.

Global Growth Indicators: UK monthly GDP, the REC/KPMG labour market survey, and eurozone industrial production (especially Germany) will indicate whether Europe's growth recovery is gaining traction. In Asia, attention will focus on China's inflation data during the National People's Congress and GDP releases from Japan and South Korea, alongside global sentiment indicators like the S&P Global Investment Manager Index.

