DAILY REPORT
INDIAN DEBT MARKET
11TH JUNE 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.646	+0.39
BRENT OIL	92.20	-0.97
GOLD	4110.45	+1.01
INDIA10YR	6.9174	-0.26
US10YR	4.525	-0.33
NIFTY50	23185.90	-0.23
SENSEX	73903.69	-0.20

G-SEC/BONDS YIELDS

SECURITY	LTY(%) TODAY	LTY (%) PREV
364DTB	5.8526	5.8700
G-SEC2030	6.4120	6.4970
G-SEC2034	6.9079	6.9240
G-SEC2040	7.2248	7.2366
G-SEC2055	7.5677	7.5865
SDL2027	6.4175	6.8073
SDL2033	-	-

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	7.4304	100.0460
POWER FINANCE CORPORATION LIMITED SR BS227A 7.70 BD 15SP26 FVRS1LAC	7.3500	100.0615
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR IX 7.68 BD 10AG27 FVRS1LAC	7.6092	100.0998
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24E 7.80 BD 15MR27 FVRS1LAC	7.5138	100.0925
FOOD CORPORATION OF INDIA IX 6.65 BD 23OT30 FVRS10LAC LOAUPTO20OT20	7.4000	97.2142
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VIII 7.49 BD 11JU29 FVRS1LAC	7.4850	99.7500
PNB HOUSING FINANCE LIMITED SR LXXVI 8.35 NCD 09JU31 FVRS1LAC	8.2167	100.5723
REC LIMITED SR 247 A 6.87 BD 31MY30 FVRS1LAC	7.3000	98.5832

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.0300	6.0250	6.2200	6.1950	6.4750	6.4250

BOND MARKET

The 10-year benchmark recorded (6.48% GS 2035) a close of 6.9174%, 1.79 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds saw reduced demand on Thursday. Renewed U.S.-Iran strikes pushed oil prices higher. This development raises concerns about India's economy, the world's third-largest oil importer. Foreign banks sold Indian bonds, marking a significant outflow. Economists predict mounting costs if the conflict persists. Inflation is expected to average 5.1% with growth slipping to 6.6%.

Pacific Investment Management Co. warns the credit loss cycle is imminent, driven by heavy AI spending that could widen economic disparities and impact lower-quality borrowers. The firm anticipates a resurgence in defaults and significantly higher losses in leveraged and private direct lending, citing borrower strategies like maturity extensions and payment-in-kind structures.

Bond traders maintain expectations for a Federal Reserve interest rate hike by year-end, despite a softer US core inflation reading. This eased immediate pressure on the Fed to act sooner, allowing for a "wait and see" approach. The core CPI's 0.2% rise from April fell short of the 0.3% consensus forecast.

Short-term Indian government bond yields have dropped to their lowest in three months. This move steepens the yield curve significantly. Expectations are high that banks will invest funds from the RBI's dollar inflow measures into this segment. The Reserve Bank of India's steps to attract foreign currency deposits are expected to lower funding costs for banks.

GLOBAL BROADCAST

The yield on UK 3 Year Bond Yield eased to 4.41% on June 11, 2026, marking a 0.02 percentage points decrease from the previous session. Over the past month, the yield has fallen by 0.17 points, though it remains 0.56 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

Japanese investors bought a net of ¥197.5 billion of foreign bonds in the week ending June 6, 2026, after selling a downwardly revised net of ¥184.4 billion in the previous week. Foreign Bond Investment in Japan averaged 163.93 JPY Billion from 2005 until 2026, reaching an all-time high of 6790.00 JPY Billion in September of 2021 and a record low of -7827.00 JPY Billion in July of 2021

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 239.24 bps, 0.12 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.
2 Years vs 1 Year bond spread is 31.15 bp.
5 Years vs 2 Years bond spread is 25.28 bp.
10 Years vs 2Years bond spread is 66.52 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 6.95% and 7.05%.

INFO@SOVEREIGNGLOBAL.IN