SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
12TH JUNE 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.042	-0.75
BRENT OIL	87.24	-3.73
GOLD	4.229.57	-0.30
India 10 YR	6.8906	-0.38
US 10 YR	4.454	-0.25
NIFTY 50	23631.45	+1.99
SENSEX	75526.50	+2.30

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.8525	5.8526
G-SEC 2030	6.3590	6.4120
G-SEC 2034	6.8758	6.9079
G-SEC 2040	7.2121	7.2248
G-SEC 2055	7.5502	7.5677
SDL 2027	-	6.4175
SDL 2036	-	-

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 253 7.38 BD 28FB29 FVRS1LAC	7.3819	100.4579
VEDANTA LIMITED 8.95 NCD 16MR29 FVRS1LAC	8.7625	100.3824
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26B 6.85 BD 19JN29 FVRS1LAC	7.3600	98.7572
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	7.3400	100.2590
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR II 7.44 BD 04SP26 FVRS1LAC	7.1050	99.9849
TOYOTA FINANCIAL SERVICES INDIA LIMITED SR S40 8.15 LOA 07SP26 FVRS1LAC	7.4500	100.0526
TOYOTA FINANCIAL SERVICES INDIA LIMITED SR S48 8.1841 NCD 29SP27 FVRS1LAC	7.8800	100.2955
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR V 7.22 BD 10AP29 FVRS1LAC	7.4288	99.6235
EXPORT IMPORT BANK OF INDIA SR AA01 7.14 BD 13DC29 FVRS1LAC	7.1050	100.0419
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR F24 7.68 BD 30AP29 FVRS1LAC	7.3467	100.8051

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.9800	5.9650	6.1700	6.1150	6.3800	6.3375

BOND MARKET

The 10-year benchmark (6.48% GS 2035) recorded a close of 6.8906%, ending at 2.68 bps lower than the close of the previous day's trading session.

DOMESTIC BROADCAST

The inflation rate in India rose to 3.9% in May of 2026 from 3.5% in the previous month, the highest since January of the previous year. Still, it was less than market expectations of 4%, remaining below the Reserve Bank of India's medium-point threshold of 4%. Food inflation, which is a major part of the Indian consumer basket, rose to 4.8% from 4.2% in April, also the highest in 16 months, as the war in the Middle East lifted energy and fertilizer prices that are essential in Indian food production. Meanwhile, price growth was high for personal care, social protection, and miscellaneous goods and services (18.5%) and restaurants and accommodation (5.75%). On the other hand, inflation was muted for transportation (1.75%) and housing and utilities (1.73%). From the previous month, consumer prices rose by 0.8%.

Foreign Exchange Reserves in India decreased to 681610 USD Million in June 5 from 682320 USD Million in the previous week. Foreign Exchange Reserves in India averaged 318013.60 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.

GLOBAL BROADCAST

The GDP in the UK contracted by 0.1% month-on-month in April 2026, in line with expectations and following a 0.3% expansion in March. This marked the first contraction since August last year, as the effects of the Middle East conflict began to ripple through the economy.

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China's money supply (M2) rose 9.0% year-on-year to a record CNY 347.19 trillion in January 2026, surpassing market expectations of 8.4% and rising from CNY 340.29 trillion in December 2025. Money Supply M2 in China averaged 101767.33 CNY Billion from 1996 until 2026, reaching an all-time high of 353863.65 CNY Billion in March of 2026 and a record low of 5840.10 CNY Billion in January of 1996.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 243.66 bps, 4.02 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.
2 Years vs 1 Years bond spread is 19.04 bp
5 Years vs 2 Years bond spread is 51.97 bp.
10 Years vs 2 Years bond spread is 68.31 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly Lower compared to the previous day. The yield is projected to fluctuate between 6.85% and 6.95%.

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