SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
9TH JULY 2026

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GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.651	+0.45
BRENT OIL	78.78	+0.79
GOLD	4112	+0.87
INDIA10YR	6.7517	-0.17
US10YR	4.587	+0.07
NIFTY50	23982.05	+0.34
SENSEX	76825.23	+0.31

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	5.6300	5.6600
G-SEC2031	6.4343	6.4444
G-SEC2035	6.7601	6.7757
G-SEC2040	6.9727	6.9923
G-SEC2055	7.3479	7.3606
SDL2029	7.0156	-
SDL2036	-	7.4003

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 27A 7.16 BD 14DC29 FVRS1LAC	7.1732	100.000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	7.3526	100.1958
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	7.3700	100.1705
BAJAJ FINANCE LIMITED 7.70 NCD 20SP29 FVRS1LAC	7.6678	100.000
TATA CAPITAL LIMITED SR D 7.88 NCD 07JL31 FVRS1LAC	7.8614	100.0200
HDB FINANCIAL SERVICES LIMITED SR 247 7.8998 NCD 04JU29 FVRS1LAC	7.7814	100.3115
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED SR SD80 8.88 NCD 25JU33 FVRS1LAC	8.8896	99.9000
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 181 7.37 BD 31JL29 FVRS1LAC	7.1300	100.6181
NATIONAL HOUSING BANK 7.22 BD 23JL26 FVRS1LAC	6.5000	100.0282
REC LIMITED SR 248A 6.52 BD 31JN28 FVRS1LAC	7.5300	100.2373

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.8300	5.8125	5.9500	5.9600	6.2100	6.2075

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.7517%,1.19 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds traded narrowly on Thursday after a sharp selloff. Surging oil prices and higher U.S. Treasury yields pressured local debt markets. The U.S. military launched fresh strikes on Iran, impacting peace hopes. Minutes from the U.S. Federal Reserve also reflected inflation concerns. Foreign participation continued to support Indian government bonds.

India's benchmark bond faced a dramatic decline, its most significant drop in over three months, primarily driven by a surge in oil prices linked to geopolitical tensions. This alarming rise in crude prices threatens India's economic growth and inflation forecast, leading to a substantial uptick in bond yields and swap rates. Despite these challenges, foreign investors remain consistently interested in India's debt markets.

GLOBAL BROADCAST

Japanese investors sold a net of ¥218.1 billion of foreign bonds in the week ending July 4, 2026, after a downwardly revised net sale of ¥277.5 billion in the previous week. This marked a second consecutive net sale in four weeks and the smallest in five weeks.

The Consumer Price Index in China decreased 0.30 percent in June of 2026 over the previous month, after edging down 0.1% in May, compared with market forecasts of a 0.2% decline. Inflation Rate MoM in China averaged 0.14 percent from 1996 until 2026, reaching an all time high of 2.60 percent in February of 2008 and a record low of -1.80 percent in June of 1998.

The yield on Japan 5 Year Bond Yield rose to 2.00% on July 9, 2026, marking a 0.01 percentage points increase from the previous session. Over the past month, the yield has edged up by 0.07 points and is 0.97 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

Germany's trade surplus widened to €19.1 billion in May 2026 from an upwardly revised €14.7 billion in April, surpassing expectations of €14.8 billion, marking the largest trade surplus since February. Exports unexpectedly increased by 0.9% mom to an over 3½-year high of €137.9 billion in May 2026, accelerating from a downwardly revised 0.8% rise in April and beating expectations of a 0.3% decline.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 221.0 bps, 33 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 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 6.65% and 6.75%.

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