

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	96.507	+0.31
BRENT OIL	85.28	+0.65
GOLD	4035	-0.85
INDIA10YR	6.7738	-0.311
US10YR	4.607	+0.59
NIFTY50	24074.85	+0.11
SENSEX	77175.20	+0.17

G-SEC/BONDS YIELDS

SECURITY	LTY(%) TODAY	LTY (%) PREV
364DTB	5.6700	5.6176
G-SEC2031	6.4572	6.4821
G-SEC2035	6.7732	6.8075
G-SEC2040	6.9932	7.0108
G-SEC2055	7.3888	7.3911
SDL2029	6.9273	6.8730
SDL2036	7.4205	7.4150

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24B 7.49 LOA 15OT26 FVRS1LAC	6.9150	100.0366
ADANI POWER LIMITED SR IV 8.40 NCD 27JN31 FVRS1LAC	8.7600	99.6586
JIO CREDIT LIMITED SR VII 7.78 NCD 07JL29 FVRS1LAC	7.7699	100.0000
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR IV 7.29 BD 09NV29 FVRS1LAC	7.2969	100.0300
MAHINDRA AND MAHINDRA FINANCIAL SERVICES LIMITED SR AM2023 7.99 NCD 15SP26 FVRS1LAC	6.9000	100.1062
LIC HOUSING FINANCE LTD TR-309OPT2 7.83NCD25SP26FVRS10LACLOAUPTO2FB17	6.8700	100.1014
TATA CAPITAL LIMITED SR D 7.88 NCD 07JL31 FVRS1LAC	7.8675	99.9700
HDB FINANCIAL SERVICES LIMITED SR 234 7.3274 NCD 04AG28 FVRS1LAC	7.6904	99.3050

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.9000	5.9400	6.0700	6.1200	6.3600	6.3775

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.7738%, 2.11 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds saw gains as US inflation eased, reducing immediate rate hike fears. Treasury yields declined, prompting a similar trend in Indian overnight index swap rates. Markets largely overlooked rising oil prices and their impact on domestic inflation. Anticipation of a delayed Federal Reserve rate hike cycle supported bond sentiment. Foreign investor inflows and index inclusion bets also bolstered the Indian debt market.

Tata Capital is planning a new U.S. dollar bond issuance. The company seeks to raise between \$400 million and \$600 million. This debt offering will mature in three-and-a-half years. Proceeds will fund onward lending and other eligible activities. This marks Tata Capital's second dollar debt sale.

GLOBAL BROADCAST

Eurozone industrial production declined 0.2% month-over-month in May 2026, ending three consecutive months of growth and falling short of market expectations for a 0.2% rise.

China's economy expanded 4.3% year-on-year in Q2 2026, slowing from 5.0% in Q1 and missing market expectations of 4.5%. It marked the weakest annual growth since Q4 2022, as soft domestic demand, subdued private investment, and the prolonged property downturn outweighed continued support from resilient AI-related exports.

China's fixed-asset investment declined by 5.7% year-on-year in the first half of 2026, worse than market forecasts of a 4.9% drop and the 4.1% fall recorded in the January-May period.

Euro zone bond yields edged higher on Wednesday as oil prices climbed. Germany's 2-year bond yield rose, sensitive to central bank rate expectations. Oil prices increased as the U.S. and Iran continued trading strikes. Money markets are pricing in further ECB tightening this year. U.S. inflation data showed a slowdown in June.

Britain aims to become the first major economy to issue a digital sovereign bond. This initiative will test distributed-ledger technology for capital markets efficiency. The Bank of England will ensure the digital gilt can be used as collateral. HSBC was selected in February to manage the blockchain platform for this bond. Further issuances are planned after the initial digital gilt sale.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 218.36 bps, 2 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 15.96 bp.
5 Years vs 2 Years bond spread is 50.92 bp.
10 Years vs 2Years bond spread is 82.13 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 6.70% and 6.80%.