SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
23RD JULY 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	96.779	+0.22
BRENT OIL	98.50	+4.71
GOLD	4090.47	-1.51
INDIA10YR	6.8413	+0.58
US10YR	4.672	+0.32
NIFTY50	23871.85	-0.53
SENSEX	76839.63	-0.47

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	5.7101	5.7425
G-SEC2031	6.5012	6.4714
G-SEC2035	6.8458	6.8006
G-SEC2040	7.0480	7.0132
G-SEC2055	7.4560	7.4336
SDL2029	6.9003	6.8300
SDL2036	7.4109	7.3936

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 256 7.30 BD 01JL31 FVRS1LAC	7.2991	99.7863
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	7.4864	99.9288
INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED 7.25 NCD 09JU31 FVRS1LAC	7.2231	100.2000
LIC HOUSING FINANCE LTD TR 438 7.8350 NCD 11MY27 FVRS1LAC	7.5000	100.1624
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25B 7.64 BD 06DC29 FVRS1LAC	7.4600	100.4373
RURAL ELECTRIFICATION CORPORATION LIMITED SERIES 168 8.56 NCD 29NV28 FVRS10LAC	7.3900	102.7329
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR F24 7.68 BD 30AP29 FVRS1LAC	7.4300	100.5378
MANAPPURAM FINANCE LIMITED 8.60 NCD 24MR28 FVRS1LAC	8.6996	99.7840
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VIII 7.68 BD 09JL27 FVRS1LAC	7.4500	100.1993
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED SR XVI-D 7.36 BD 09SP39 FVRS1LAC	7.5250	98.9897

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.0300	6.0350	6.2000	6.2300	6.5100	6.5250

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.8413%,4.01 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds declined early Thursday as Middle East tensions escalated. Crude oil prices neared $100 a barrel, and U.S. Treasury yields also rose. Higher oil prices threaten to revive inflation pressures and weaken the Indian rupee. This situation could significantly impact energy-intensive industries and economies. India imports nearly ninety percent of its crude oil requirements.

Foreign inflows into Indian government securities have begun to slow down. This moderation follows a strong surge in June driven by index inclusion expectations. Narrowing yield spreads between India and the US are now a key factor. Concerns over rupee weakness and delayed index decisions also contribute. Investors are reassessing the attractiveness of rupee-denominated assets.

GLOBAL BROADCAST

Foreign direct investment into China fell by 5% annually in the first half of 2026, easing from the 8.6% decline in the first five months of the year. Despite extending three-year streak of year-to-date declines in FDI, it was the smallest since little after the streak began in July of 2026.

Australia's seasonally adjusted unemployment rate stood at 4.4% in June, in line with both market expectations and May's figure. The number of unemployed rose by 12,700 to 686,800 from 674,100 in May, with the number of full-time job seekers increasing by 13,300 to 457,300, while the number of part-time job seekers fell by 600 to 229,500.

The European Central Bank left its key interest rates unchanged at its July meeting, following a 25-basis-point increase in June, the first rate hike in three years, driven by rising energy prices and persistent inflationary pressures.

Danantara, Indonesia's sovereign wealth fund, plans to issue dollar bonds worth $500 million. These long-dated bonds will extend the fund's offshore funding into longer maturities. The issuance aims to match overseas equity investments with long-term USD funding. This move will also reduce pressure on the Indonesian rupiah currency. The fund has hired several banks to manage the potential bond deal.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 217.68 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 higher compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 6.78% and 6.88%.