GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.484	+0.24
BRENT OIL	70.41	-1.65
GOLD	4144.05	+1.51
INDIA10YR	6.7180	-0.57
US10YR	4.4970	+0.40
NIFTY50	24166.90	+0.71
SENSEX	77452.61	+0.75

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	5.6400	5.6900
G-SEC2031	6.4033	6.6610
G-SEC2035	6.7463	7.0367
G-SEC2040	6.9483	7.3356
G-SEC2055	7.2948	7.6385
SDL2029	6.8109	6.8217
SDL2036	7.4101	7.7372

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 255 7.17 BD 01JL31 FVRS1LAC	7.1465	100.2685
HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED SR A 7.23 BD 18JL29 FVRS1LAC	7.2269	100.000
REC LIMITED SR 223B 7.46 BD 30JU28 FVRS1LAC	7.0995	100.6300
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	7.1300	100.4078
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23H 7.58 LOA 31JL26 FVRS1LAC	6.2743	100.0700
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.7731	58.3344
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26B 6.85 BD 19JN29 FVRS1LAC	7.1800	99.1799
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	7.1780	100.6803
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR III 7.40 BD 18JU31 FVRS1LAC	7.1541	100.9861
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED SR 647 8.40 NCD 18SP27 FVRS1LAC	7.7500	100.6826

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.7700	5.7850	5.9225	5.9300	6.2000	6.1975

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.7180%,3.83 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds surged Thursday, fueled by strong foreign investment and easing inflation worries stemming from lower oil prices. Hopes of inclusion in a major global index are attracting significant foreign capital, pushing down borrowing costs for the government. While oil price drops have eased inflation concerns, a potentially poor monsoon and rising global yields present ongoing risks to the rally.

Shapoorji Pallonji Group is launching a ₹25,500-crore bond issue, leveraging its 18.37% stake in Tata Sons. The bond's repayment hinges on either Tata Sons going public via an IPO or a settlement with SP Group within 18 months. Recent central bank regulations classifying large entities like Tata Sons as upper-layer NBFCs significantly increase the likelihood of a listing, potentially aiding SP Group's asset monetization.

GLOBAL BROADCAST

The US economy added 57K jobs in June 2026, well below a downwardly revised 129K in May and forecasts of 110K. It is the lowest job gain in four months, following three consecutive months of stronger-than-expected gains. However, it was roughly in line with the average monthly change over the prior 12 months (+36K).

The US unemployment rate dropped to 4.2% in June 2026, down from 4.3% in May and below expectations, as many people left the workforce. The number of unemployed fell by 213,000 to 7.09 million, while total employment declined by 507,000 to 162.26 million. The labor force contracted by 720,000 to 169.36 million, with the participation rate falling to 61.5%, its lowest since March 2021.

Japanese investors sold a net of ¥280.1 billion of foreign bonds in the week ending July 2, 2026, after a slightly downwardly revised net purchase of ¥202.1 billion in the previous week. This marked the first net sale in four weeks and the biggest in nine weeks.

Japan's 10-year government bond yield climbed above 2.7%, reaching its highest level in three weeks as the sharp depreciation of the yen strengthened expectations of further monetary policy tightening by the Bank of Japan. The yen slid to a four-decade low amid wide interest rate differentials, persistent carry trades and broad US dollar strength.

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%.