SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
30TH JULY 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.692	+0.04
BRENT OIL	87.36	-0.83
GOLD	4078.40	-0.53
INDIA10YR	6.8132	-0.64
US10YR	4.673	+1.10
NIFTY50	24296.50	+0.28
SENSEX	77835.43	+0.35

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	5.7000	5.7150
G-SEC2031	6.4361	6.4284
G-SEC2035	6.7982	6.7926
G-SEC2040	7.0072	7.0052
G-SEC2055	7.4649	7.4553
SDL2029	6.8850	-
SDL2036	7.4347	7.4149

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 27A 7.16 BD 14DC29 FVRS1LAC	7.4100	99.1469
HDFC BANK LIMITED SR AB002 7.97 NCD 17FB33 FVRS1LAC	7.6624	101.4471
JIO CREDIT LIMITED SR VI 8.15 NCD 16JU31 FVRS1LAC	8.0500	100.3370
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	7.4689	99.9518
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.8984	57.6562
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	7.4494	99.9462
BAJAJ FINANCE LIMITED 7.70 NCD 20SP29 FVRS1LAC	7.8500	99.4907
BAJAJ FINANCE LIMITED 7.40 NCD 12MR29 FVRS1LAC	7.8300	98.9140
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24E 7.80 BD 15MR27 FVRS1LAC	7.2700	100.1848
HDFC BANK LIMITED SR US006 7.75 NCD 13JU33 FVRS1LAC	7.6650	100.3755

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.9300	5.9200	6.1250	6.1200	6.4100	6.4200

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.8132%,4.38 bps higher than the previous day's trading session.

DOMESTIC BROADCAST

On Thursday, Indian government bonds faced a decline for the third consecutive day. The rise in U.S. Treasury yields dampened enthusiasm for Indian debt instruments, while escalating geopolitical tensions from the Gulf region further affected market dynamics. Additionally, concerns about the Federal Reserve's ambiguous interest rate plans placed additional strain on bond prices. Nevertheless, measures from the Reserve Bank of India, which facilitated dollar inflows, offered some respite.

GLOBAL BROADCAST

The Federal Reserve left the federal funds rate unchanged at 3.50%–3.75% for a fifth consecutive meeting in July 2026, in line with expectations, despite markets assigning roughly a one-in-three probability to a rate hike. Notably, three FOMC members dissented, preferring to raise the policy rate by 25 basis points, which leaves the door open to a rate increase in September.

Japanese investors sold a net of 811.4 billion yen of foreign bonds for the week ending on July 25, after selling a slightly upwardly revised net of 723.7 billion yen in the previous week.

The yield on Japan 2 Year Bond Yield held steady at 1.48% on July 30, 2026. Over the past month, the yield has edged up by 0.09 points and is 0.65 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

As oil prices surged, treasury yields took notice, raising inflation worries in the market. Traders are keeping a watchful eye on the Federal Reserve's expected decision to maintain interest rates today. Nonetheless, traders are fully anticipating a hike in September, with a solid possibility of another increase before the year's end.

Initial Jobless Claims in the United States increased to 197 thousand in the week ending July 25 of 2026 from 188 thousand in the previous week.

The Gross Domestic Product (GDP) in the United States expanded 1.50 percent in the second quarter of 2026 over the previous quarter. GDP Growth Rate in the United States averaged 3.18 percent from 1947 until 2026, reaching an all time high of 34.90 percent in the third quarter of 2020 and a record low of -28 percent in the second quarter of 2020.

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 lower compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 6.78% and 6.88%.

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