DAILY REPORT
INDIAN DEBT MARKET
17TH AUGUST 2026

SOVEREIGN global

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.478	+0.23
BRENT OIL	88.69	+0.45
GOLD	4426.01	+0.74
INDIA10YR	6.8071	+0.72
US10YR	4.681	-0.04
NIFTY50	24287.65	-0.32
SENSEX	77728.16	-0.36

G-SEC/BONDS YIELDS

SECURITY	LTY(%) TODAY	LTY(%) PREV DAY
364DTB	5.6800	5.70000
G-SEC2031	6.4352	6.3560
G-SEC2035	6.8001	6.7324
G-SEC2041	6.9872	6.9494
G-SEC2055	7.3958	7.3506
SDL2029	-	-
SDL2036	7.4607	7.4100

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	7.4283	99.9858
REC LIMITED SR 248A 6.52 BD 31JN28 FVRS1LAC	7.2440	98.9819
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 189 6.78 BD 30AP30 FVRS1LAC	7.1500	98.7702
REC LIMITED SR 247 A 6.87 BD 31MY30 FVRS1LAC	7.2800	98.6260
REC LIMITED SR 251 6.95 BD 18FB28 FVRS1LAC	7.2493	99.5270
GMR HYDERABAD INTERNATIONAL AIRPORT LTD RR NCD 22JN41 FVRS1LAC	8.2400	98.5101
IKF FINANCE LIMITED 9 NCD 12SP28 FVRS1LAC	99.2229	9.7557
TATA POWER RENEWABLE ENERGY LIMITED 7.55 NCD 25AP40 FVRS1LAC	7.6500	99.0582
REC LIMITED SR 257 TR A 7.28 BD 31AG29 FVRS1LAC	7.2682	100.000
KOTAK MAHINDRA PRIME LIMITED 7.97 NCD 24AU29 FVRS1LAC	7.8300	100.3494

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.7975	5..7875	5.9900	5.9975	6.2800	6.3400

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.8071%, ending 4.93 bps higher than the close of the previous day's trading session.

DOMESTIC BROADCAST

Unemployment Rate in India decreased to 5.10 percent in July from 5.50 percent in June of 2026. Unemployment Rate in India averaged 7.50 percent from 2018 until 2026, reaching an all-time high of 20.80 percent in June of 2020 and a record low of 4.70 percent in November of 2025.

Early Monday saw a dip in demand for Indian government bonds following the RBI's closure of its swap window. This decision caused the benchmark bond yield to surge, hindering a crucial source of demand. Inflows exceeding $52 billion resulted in foreign exchange reserves hitting a four-month peak. Additionally, the surplus of banking system liquidity saw a threefold increase, while swap rates escalated.

GLOBAL BROADCAST

The yield on Germany 1 Year Bond Yield eased to 2.59% on August 17, 2026, marking a 0.02 percentage points decrease from the previous session. Over the past month, the yield has fallen by 0.05 points, though it remains 0.69 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

Japan’s industrial production rose 1.9% month-over-month in June 2026, exceeding flash data of 1.3% and picking up from a 0.1% increase in the previous month. It marked the third consecutive monthly expansion and the strongest growth since January, as manufacturing activity continued to recover amid easing supply chain disruptions and moderating energy cost pressures tied to prolonged Middle East tensions.

China’s surveyed urban unemployment rate rose to 5.2% in July 2026 from a one-year low of 5.0% in June, slightly above market expectations of 5.1%. Among the locally registered labor force, the jobless rate increased to 5.2% from 5.0% in the previous month, while the rate for the migrant labor force rose to 5.2% from 4.9%.

As central banks worldwide, notably in Japan, Canada, and the euro zone, signal plans for sharper interest rate increases than the US, global markets prepare for potential volatility. This transition puts traditional bond safety under strain while anticipating a ripple effect on stock valuations and currency fluctuations. Investors are left grappling with the challenges posed by rising inflation and growing geopolitical uncertainty, making this a precarious investment climate.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 212.61 bps,1.43 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 41.84 bp.
5 Years vs 2 Years bond spread is 19.08 bp.
10 Years vs 2Years bond spread is 56.27bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher as compared to the previous day and maintained low liquidity. The yield is projected to fluctuate between 6.77% and 6.86%.