DAILY REPORT
INDIAN DEBT MARKET
21ST AUGUST 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.700	-0.02
BRENT OIL	93.40	-0.41
GOLD	4655.44	+0.44
INDIA10YR	6.8495	-0.31
US10YR	4.690	-0.17
NIFTY50	24231.85	+0.08
SENSEX	77540.83	+0.04

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	5.7300	5.7400
G-SEC2031	6.4768	6.5206
G-SEC2035	6.8147	6.8424
G-SEC2040	7.0277	7.0417
G-SEC2055	7.4671	7.4654
SDL2029	-	-
SDL2036	7.5209	7.5051

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	99.5788	7.6130
TATA CAPITAL HOUSING FINANCE LIMITED SR C 7.79 NCD 18JU30 FVRS1LAC	7.7704	100.000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	7.5298	99.7916
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26B 6.85 BD 19JN29 FVRS1LAC	7.6000	98.3271
HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED SR A 7.23 BD 18JL29 FVRS1LAC	7.2500	99.9085
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR III 7.55 BD 22SP26 FVRS1LAC	6.4500	100.0572
LIC HOUSING FINANCE LTD TR 458 7.57 NCD 23NV29 FVRS1LAC	7.7710	99.4265
REC LIMITED SR 253 7.38 BD 28FB29 FVRS1LAC	7.4765	99.7693
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 27A 7.16 BD 14DC29 FVRS1LAC	7.6100	98.7413
BAJAJ FINANCE LIMITED 7.07 NCD 21SP28 FVRS1LAC	7.9350	98.3296

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.9300	5.9115	6.1700	6.1250	6.4600	6.4250

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 6.8495%,2.41 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

India's HSBC Composite Flash PMI edged up to 54.6 in August 2026 from a final 54.3 in the previous month, which had marked the lowest reading since March 2022. Services growth strengthened, offsetting the weakest factory output in five years. New orders rose marginally, staying below recent trends, while export demand remained solid, with firms citing stronger orders from the US, Germany, China, Singapore, and Japan.

ICICI Bank has taken a significant step by doubling its overseas borrowing limit to five billion dollars. This strategic decision enhances the bank's ability to tap into international fundraising avenues. Following the closure of a previous swap facility, Indian banks are ramping up efforts, eyeing to collectively secure at least five billion dollars through loans and bonds. So far, ICICI has successfully raised over two billion dollars in dollar-denominated debt.

GLOBAL BROADCAST

Japan's core consumer price index, which excludes fresh food but includes energy, increased 1.8% year-on-year in July 2026, following a 1.6% rise in June. It was the highest core inflation rate since January, in line with market forecasts. Still, the latest reading remained below the Bank of Japan's 2% target for a seventh straight month, as government fuel subsidies helped offset price pressures from higher oil costs linked to the Middle East conflict.

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UK retail sales volumes rose 1.6% year-on-year in July 2026, below market expectations of a 2.2% increase and easing from a downwardly revised 3.8% gain in June. This marked the smallest growth since April.

The S&P Global Eurozone Manufacturing PMI rose to 52.8 in August from 51.9 in the previous month, surpassing market expectations of 51.8 to mark the fastest pace of expansion in manufacturing activity in four years.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 215.95 bps,4 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 36.06 bp.
5 Years vs 2 Years bond spread is 31.57 bp.
10 Years vs 2Years bond spread is 68.74 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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