


GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.863	-0.06
BRENT OIL	101.07	-2.26
GOLD	4397.75	-0.31
INDIA10YR	7.0497	-0.26
US10YR	4.954	-0.54
NIFTY50	23414.30	+0.29
SENSEX	74858.99	+0.76

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.0250	5.7300
G-SEC2031	6.7307	6.7708
G-SEC2035	7.0170	7.0363
G-SEC2041	7.2006	7.2243
G-SEC2055	7.5744	7.5975
SDL2029	-	7.1997
SDL2036	-	7.7271

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 260 (B) 7.67 BD 30SP31 FVRS1LAC	7.6579	100.000
TATA CAPITAL LIMITED SR D STRPP II 8.0980 NCD 23SP27 FVRS1LAC	7.7843	100.2920
PNB HOUSING FINANCE LIMITED SR LXXVIII 8.135 NCD 17SP31 FVRS1LAC	8.1566	99.4811
POONAWALLA FINCORP LIMITED SR F1 8.3082 NCD 17SP29 FVRS1LAC	8.2979	100.0000
TATA CAPITAL HOUSING FINANCE LIMITED SR C 7.86 NCD 21SP29 FVRS1LAC	8.000	9.11000
POWER FINANCE CORPORATION LIMITED SR 251B 6.59 BD 15OT30 FVRS1LAC	7.7900	95.9254
BAJAJ FINANCE LIMITED 7.93 NCD 12JU29 FVRS1LAC	8.1200	99.4701
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR VII 7.42 BD 12MR29 FVRS1LAC	7.7700	99.1514

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.0700	6.0700	6.2800	6.2850	6.5700	6.5425

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 7.0497%, 1.89 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds held their ground on Monday, buoyed by a decline in oil prices that helped mitigate domestic supply issues arising from the RBI's bond sales. The Reserve Bank of India is actively draining liquidity through open market operations. As global central banks indicate further tightening to tackle inflation, traders are forecasting a possible repo rate increase from the RBI in October.

NaBFID is set to initiate the raising of \$500 million via a 10-year overseas bond, while simultaneously negotiating a \$1 billion MIGA-backed bond with a longer 15-year maturity. This financial strategy aims to secure essential long-term funding for infrastructure developments.

Indian companies are actively raising funds through the bond market. This activity occurs despite anticipated interest rate increases and tighter liquidity. Large issuers are securing financing before borrowing costs potentially rise further. Surplus banking system liquidity is driving demand for corporate bond issuances. Companies are expected to raise over one thousand crore rupees this week.

Current trends indicate that investors are leaning towards local emerging market debt rather than dollar-denominated bonds. The allure of attractive valuations combined with ongoing carry trades fuels this shift in strategy. Fund inflows and performance metrics distinctly reflect this investor inclination. Nonetheless, potential rate hikes by the Federal Reserve could pose challenges to this emerging market approach, while a stronger dollar may discourage investments in local currency debt.

GLOBAL BROADCAST

The CPI in the Euro Area increased 0.4% month-over-month in August 2026, following a 0.2% rise in July, according to preliminary estimates. Inflation Rate MoM in Euro Area averaged 0.19 percent from 1990 until 2026, reaching an all time high of 2.40 percent in March of 2022 and a record low of -1.50 percent in January of 2015.

The Bank of England is expected to keep Bank Rate unchanged at 3.75%, although policymakers are likely to retain a hawkish bias because inflation risks have increased amid higher energy prices. August CPI rose to 3.1% year-on-year, while producer-price inflation also accelerated, highlighting persistent pipeline pressures.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 206.74 bps, 0.97 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 41.41 bp.
5 Years vs 2 Years bond spread is 34.63 bp.
10 Years vs 2Years bond spread is 8.66 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly lower compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 7.01% and 7.10%.