

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	96.032	+0.03
BRENT OIL	97.66	+1.47
GOLD	4210.8	+0.74
INDIA10YR	7.1879	+0.34
US10YR	5.234	-0.40
NIFTY50	22620.45	-0.42
SENSEX	72480.29	-0.06

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.1500	6.0650
G-SEC2031	6.8919	6.8537
G-SEC2035	7.1661	7.1506
G-SEC2041	7.3835	7.3526
G-SEC2055	7.6898	7.6663
SDL2029	-	7.3414
SDL2036	7.8940	7.869

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.6082	59.6611
TATA CAPITAL HOUSING FINANCE LIMITED SR E 8.2 NCD 25SP29 FVRS1LAC	8.1834	100.0200
AVAADA VENTURES PRIVATE LIMITED SR A 11.75 NCD 18SP29 FVRS1LAC	12.0785	100.000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 27A 7.16 BD 14DC29 FVRS1LAC	7.8676	98.0264
TATA CAPITAL HOUSING FINANCE LIMITED SR C 7.86 NCD 21SP29 FVRS1LAC	8.2000	99.1089
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR IV 7.44 BD 10AP28 FVRS1LAC	7.8475	99.4819
AVAADA VENTURES PRIVATE LIMITED SR B 11.75 NCD 17SP29 FVRS1LAC	12.0786	100.0000
GODREJ FINANCE LIMITED SR SD1 8.50 NCD 28AP36 FVRS1LAC	8.9117	97.0700

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.1900	6.2100	6.3850	6.4075	6.6225	6.6500

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 7.1879%, 2.51 bps higher than the previous day's trading session.

DOMESTIC BROADCAST

Bond yields in India are anticipated to increase in the latter half of this fiscal year. This rise is primarily due to higher government borrowing and ongoing inflationary pressures. Analysts expect demand for government securities to fall significantly short of supply. The trajectory of bond yields will also be heavily influenced by oil prices, particularly if crude stays high.

In a significant financial move, Shapoorji Pallonji Group plans to generate \$125 million through a tap issue of current dollar bonds, targeting an impressive ₹3,250 crore via unrated rupee-denominated bonds for refinancing purposes. This capital-raising endeavor is likely to finalize by Thursday, with payments assigned for October 1. The influx of interest has led to oversubscription in recent bond offerings, with yield rates ranging from 14% to 18.95%.

India's fiscal deficit widened to INR 7.1 trillion in April-August 2026-27, up from INR 6.0 trillion a year earlier, reaching 41.9% of the full-year target, compared with 38.1% previously. Total expenditure rose 10.5% year-on-year to INR 20.8 trillion, while capital spending increased to INR 5.1 trillion from INR 4.3 trillion, reaching 41.7% of the annual target.

GLOBAL BROADCAST

Consumer Price Index CPI in Australia increased to 103.50 points in August from 103.07 points in July of 2026. Consumer Price Index CPI in Australia averaged 99.18 points from 2024 until 2026, reaching an all time high of 103.50 points in August of 2026 and a record low of 96.17 points in May of 2024.

The yield on Japan 2 Year Bond Yield eased to 1.94% on September 30, 2026, marking a 0.03 percentage points decrease from the previous session. Over the past month, the yield has edged up by 0.19 points and is 0.98 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

Germany's 10-year Bund yield fell toward 3.55% at the end of September, moving away from a 17-year high of 3.65% reached earlier in the week, as markets became more cautious about further central bank rate hikes. Still, Bunds suffered a sharp selloff over the month, with yields rising 27 bps, driven by higher energy costs fueling inflation concerns and expectations that the AI boom could support growth, reinforcing bets on higher-for-longer interest rates.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 195.39 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 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 higher compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 7.14% and 7.26%.