



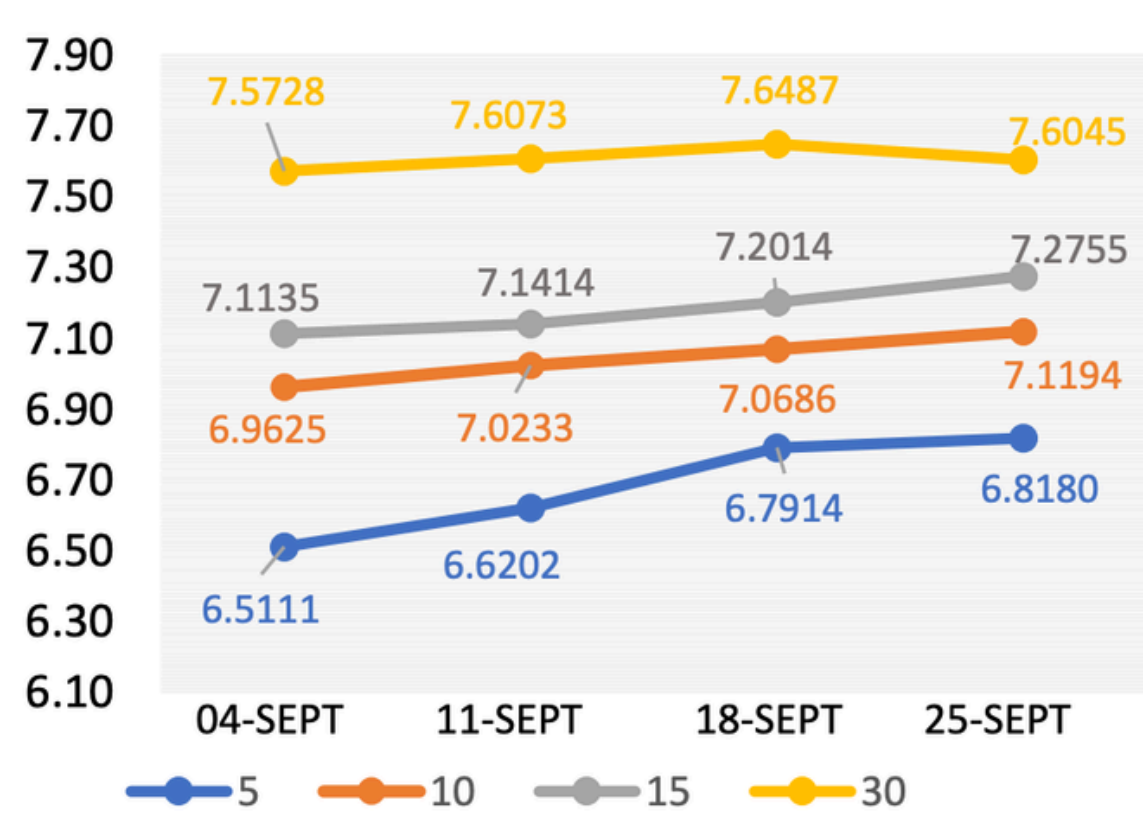
SOVEREIGN GLOBAL MARKET PRIVATE LIMITED

Indian Debt Market - Weekly Report - 27th Sep, 2026

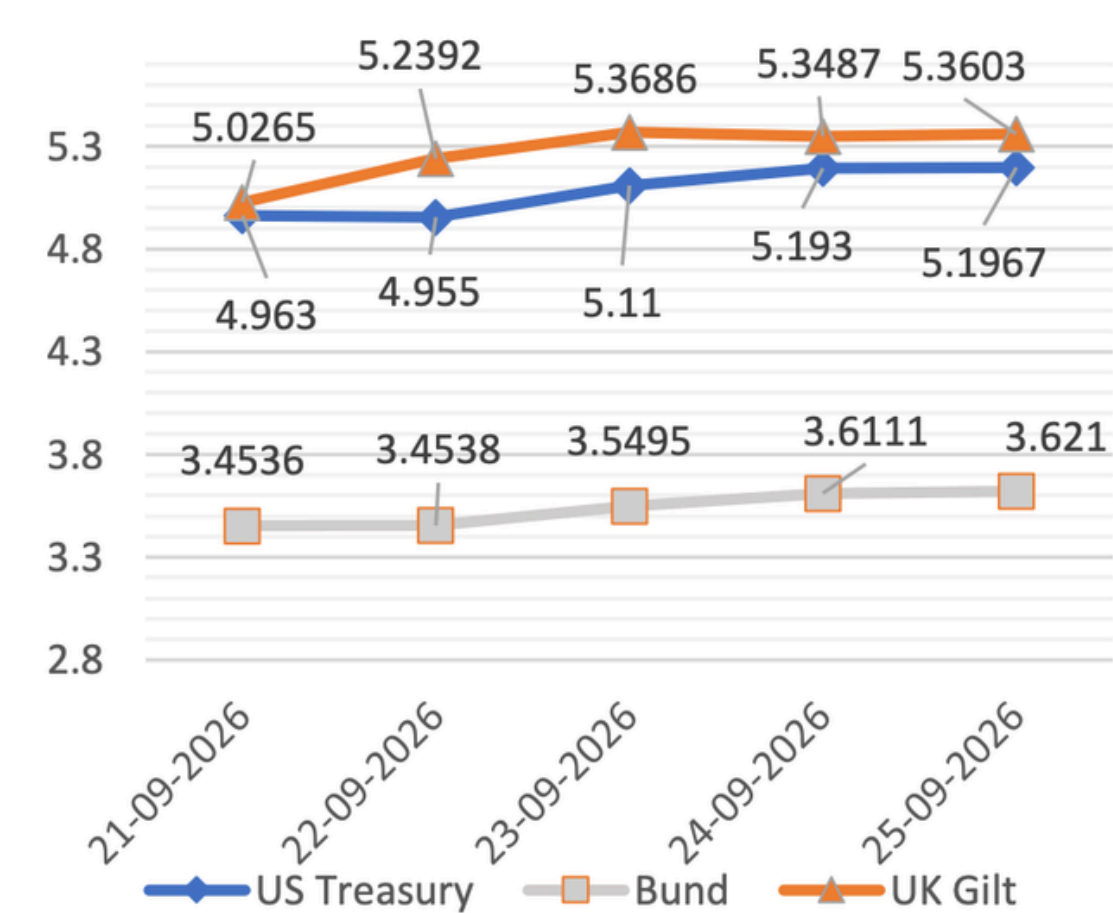
MARKET OVERVIEW

	21 Sep	22 Sep	23 Sep	24 Sep	25 Sep
USD/INR	95.82	95.590	95.750	95.960	95.820
OIL	100.34	99.25	103.08	106.6	104.33
GOLD	4383	4376	4318	4298	4337
India 10 Y	7.0497	7.0106	7.0447	7.1067	7.1194
US 10 Y	4.963	4.955	5.11	5.193	5.167
NIFTY 50	23429	23329	23446	23063	23140
SENSEX	74894	74529	74826	73580	73895

INDIA BOND YIELD (%)



KEY 10-YR YIELDS (%)



KEY HEADLINES FROM THE WEEK

The 10-year benchmark (6.94% GS 2036) yield concluded the week at 7.1194 at 5.08 bps above the previous week's closing figure.

The weekly movement in spreads include 10Y Indian Treasuries (5.08 bps above), 10Y UST (20 bps above), 10Y Bund (10 bps above), and 10Y UKT (8 bps above).

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.

Initial Jobless Claims in the United States decreased to 197 thousand in the week ending September 19 of 2026 from 198 thousand in the previous week. Initial Jobless Claims in the United States averaged 359.12 Thousand from 1967 until 2026, reaching an all time high of 6137.00 Thousand in April of 2020 and a record low of 162.00 Thousand in November of 1968.

The yield on Germany 5 Year Bond Yield eased to 3.25% on September 22, 2026, marking a 0.03 percentage points decrease from the previous session. Over the past month, the yield has edged up by 0.29 points and is 0.91 points higher than a year ago, according to over-the-counter interbank yield quotes for this government bond maturity.

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Liquidity Operation by RBI

DATE	VRR	MSF	SDF
SEP 14	-	11221	253028
SEP 15	393352	1038	27873
SEP 16	290327	308	135853
SEP 17	239959	136	161511
SEP 18	222629	191	109293
SEP 19	-	74	89587

AVERAGE DAILY TURNOVER

Item	Week Ended		
	SEP 19. 2025	SEP 11. 2026	SEP 18. 2026
	01	02	03
Call Money	34205	18803	19969
Notice Money	8643	2234	8035
Triparty Repo	857666	819826	1055236
Market Repo	811438	590058	710487
Repo in Corporate Bond	14021	26385	26397

KEY 10-YR YIELDS (%)

Paper	Yield (%)	LTP
BAJAJ FINANCE LIMITED 7.70 NCD 20SP29 FVRSILAC	8.2988	98.3253
REC LIMITED SR 232 A 7.59 BD 31MY27 FVRSILAC	7.2744	99.9601
REC LIMITED SR 236-B 7.56 BD 31AG27 FVRSILAC	7.2600	100.2290
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 27A 7.16 BD 14DC29 FVRSILAC	7.8408	98.1054

Indian Market update:

Indian government bonds are experiencing a downturn as the benchmark yield has surged to a four-month peak. Today's significant debt auction raises concerns about investor interest. The Reserve Bank of India is predicted to raise interest rates on October 7 amid escalating inflation and global yield dynamics. With Brent crude prices remaining high, inflationary pressures persist, prompting market watchers to keep a close eye on U.S.

Bond yields in India have surged following a notable uptick in US Treasury yields and escalating oil prices. With inflationary pressures mounting from higher oil costs, concerns regarding India's economic stability have grown. Analysts predict that the Reserve Bank of India may enact a rate hike in the forthcoming monetary policy meeting, with expectations for the terminal repo rate to potentially rise from 5.75% to 6.

India's HSBC Composite PMI rose to 56.5 in September 2026 from a final 54.6 in August, flash data showed, marking the fastest expansion in private-sector activity since June and remaining above its long-run average. Output growth accelerated modestly in both manufacturing and services, with demand strengthening across the two sectors.

Surplus banking system liquidity fell to 4.92 trillion rupees (\$51.36 billion) on Monday, down 55% from a record 11.16 trillion rupees about two weeks ago. India's banking system was flush with cash after lenders raised a much larger-than-expected \$133 billion through the RBI's diaspora deposit scheme.

UPCOMING AUCTIONS

29TH SEPTEMBER – RBI announced the SDL auction, in which 12 states will be raising aggregating to 22,200 crores.

30TH SEPTEMBER – RBI announced the auction of T bills for 91 days, 182 days, and 364 days for 9,000, 8000, & 7000 crores respectively





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INR – DOLLAR EXCHANGE

DATE	14 SEP	15 SEP	16 SEP	17 SEP	18 SEP
OPEN	95.8	95.8	95.5	95.7	95.9
HIGH	95.8	95.8	95.7	95.9	95.9
LOW	95.7	95.5	95.5	95.7	95.8
CLOSE	95.8	95.5	95.7	95.9	95.8

INTEREST RATES

COUNTRY	CURRENT	PREVIOUS
INDIA	5.25	5.25
USA	4.00	3.75
UK	3.75	3.75
CHINA	3.00	3.10
EURO AREA	2.65	2.40
JAPAN	1.25	1.00

KEY EVENTS

DATE	Yield (%)
28- SEPT	CHINA INDUSTRIAL PROFIT, INDIA INDUSTRIAL PRODUCTION AND MANUFACTURING INDEX
29- SEPT	JAPAN 40-YEAR JGB AUCTION, EA INDUSTRIAL SENTIMENT, US JOB OPENINGS, DALLAS FED INDEX
30- SEPT	KOREA INDUSTRIAL PROFIT, JAPAN INDUSTRIAL PRODUCTION, CHINA MANUFACTURING INDEX, BRITAN CURRENTACCOUNT,
01- SEPT	JAPAN FOREIGN BOND INVESTMENT, INDIA HSBC PMI COMPOSITE, US INITIAL JOBLESS CLAIM
02- SEPT	JAPAN UNEMPLOYMENT RATE, EA INFLATION RATE, INDIA FOREX RESERVE, US NON FARM PAYROLL, US UNEMPLOYMENT RATE, US FACTORY ORDERS, EA

Currency Movement:

Foreign Exchange Reserves in India decreased to 765900 USD Million in September 18 from 780780 USD Million in the previous week. Foreign Exchange Reserves in India averaged 322035.66 USD Million from 1998 until 2026, reaching an all time high of 785710 USD Million in September of 2026 and a record low of 29048 USD Million in September of 1998.

The Indian rupee appreciated by 15 paise, closing at 95.81 against the US dollar on Friday. This recovery was supported by actions from the Reserve Bank of India, which intervened in the currency market. The benchmark bond yield increased to 7.14%, the highest in four months, which influenced currency stability. Market analysts noted external financing requirements were putting pressure on the rupee's value.

Key updates and week ahead:

Americas: The US calendar will be dominated by labour-market and inflation data, with September non-farm payrolls expected to rise by 100K versus 162K in August and unemployment to increase to 4.2%. JOLTS openings are forecast at 7.23mn and ADP employment at 70K.

Europe: European markets will focus on flash inflation, with Euro Area headline inflation expected to accelerate to 3.5%, the highest since September 2023, while core inflation is forecast at 2.6%. Euro Area and German unemployment are expected to remain at 6.4%, while manufacturing PMIs in Italy and Spain should indicate stabilisation.

Asia-Pacific: China’s September PMIs are expected to show a modest improvement in manufacturing and services, while industrial profits will provide further insight into corporate conditions. Japan’s industrial production is forecast to rebound 1.7%, retail-sales growth to slow to 3.3%, and the Tankan large-manufacturer outlook to improve to 22; Tokyo core inflation is expected to rise to 2.4%. In Australia, the RBA is widely expected to hike rates 25 bps to 4.60%, supported by resilient employment, solid growth and elevated inflation.

