

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	96.470	+0.15
BRENT OIL	102.49	+0.06
GOLD	4190.30	+0.39
INDIA10YR	7.2108	-0.03
US10YR	5.272	+0.23
NIFTY50	22555.75	+0.60
SENSEX	72312.23	+0.66

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.1200	6.1103
G-SEC2031	6.9423	6.9365
G-SEC2035	7.1986	7.1905
G-SEC2041	7.4214	7.4214
G-SEC2055	7.6943	7.6925
SDL2029	-	-
SDL2036	7.8648	-

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
INDIA INFRADEBT LIMITED SR II TR II 7.8825 NCD 29JN29 FVRS1LAC	7.9979	99.7950
HDB FINANCIAL SERVICES LIMITED SR 207 8.2378 NCD 06AP27 FVRS1LAC	7.9800	99.756
STATE BANK OF INDIA SR I 7.75 BD PERPETUAL FVRS1CR	8.0900	99.6677
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED SR 646 8.50 NCD 25JL27 FVRS1LAC	8.2500	100.0841
VEDANTA LIMITED 8.75 NCD 30SP29 FVRS1LAC	8.7393	100.000
TATA CAPITAL HOUSING FINANCE LIMITED SR D 7.83 NCD 20AG31 FVRS1LAC	8.3408	98.0100
TATA CAPITAL LIMITED SR D 7.88 NCD 07JL31 FVRS1LAC	8.3202	98.1376
BAJAJ HOUSING FINANCE LIMITED 7.10 NCD 16OT28 FVRS1LAC	8.1700	98.0604

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.2600	6.2640	6.4500	6.4475	6.6950	6.6900

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 7.2108%, 0.25 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Amidst anticipation for the Reserve Bank of India's policy decision, Indian government bonds have remained relatively stable. The yield for the 6.94% 2036 bond is currently 7.2127%. Analysts predict this week could mark the central bank's first rate hike since 2023. Additionally, state borrowing is projected to surpass market expectations, which could impact supply dynamics. Meanwhile, recent US Treasury yields have offered short-term relief amid shifting global financial conditions.

Delhi International Airport Ltd has successfully raised ₹3,500 crore through 15-year rupee-denominated non-convertible debentures. This financing aims to refinance its upcoming \$522.6 million dollar notes maturing in October 2026. Major investors included India Infrastructure Finance Company and various banks that subscribed substantial amounts.

GLOBAL BROADCAST

Japan's 30-year government bond yield surged to a historic 4.235%, with market participants keenly anticipating Prime Minister Sanae Takaichi's upcoming address. Meanwhile, yields on shorter-maturity bonds dipped, reflecting adjustments in the financial landscape. Investors are wary that Takaichi's spending agenda could exacerbate Japan's fiscal challenges. In the US, Treasury yields bounced back as a disappointing jobs report ignited fresh interest rate discussions, amidst ongoing inflationary fears.

Recent trends show that French 10-year government bond yields are climbing higher against German counterparts, illustrating concerns regarding France's fiscal stability and political landscape ahead of the 2027 presidential elections. Despite efforts to reduce spending through a budget bill, the expected relief for French bonds has been minimal. As inflation and energy costs rise, investors flock towards the safety of German debt, indicating a heightened caution towards lending to France.

The yield on the 10-year Treasury note has surged past its 2007 high, now sitting at 5.34%. At the same time, 30-year US bonds have hit a 24-year peak this week. The rise in global sovereign debt is primarily driven by escalating oil prices amid the ongoing Middle Eastern conflict. Investors are now bracing for potentially further interest rate hikes from central banks.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 193.88 bps, 4.45 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 lower compared to the previous day and maintained good liquidity. The yield is projected to fluctuate between 7.17% and 7.25%.