SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
27TH OCTOBER 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.218	+0.03
BRENT OIL	109.76	-0.64
GOLD	4026.12	-0.30
INDIA10YR	7.4360	-0.62
US10YR	4.967	-0.38
NIFTY50	22749.75	-0.01
SENSEX	73598.67	-0.01

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.4600	6.4650
G-SEC2031	7.3251	7.3758
G-SEC2035	7.8742	7.4409
G-SEC2041	7.5933	7.6233
G-SEC2055	7.8742	7.8789
SDL2029	7.6399	7.5993
SDL2036	8.0401	8.0795

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
LAKSHMINARAYAN SECURITISATION TRUST LS TRUST PTC 05OCT26 LS TRUST PTC 05OCT26	8.8038	98.4928
SHRIRAM FINANCE LIMITED SR XXV TR 14 RR NCD 02SP27 FVRS1LAC	7.7500	101.0248
SUN PHARMACEUTICAL INDUSTRIES LIMITED SR B 8.20 NCD 27OT31 FVRS1LAC	7.1943	100.0000
BAJAJ FINANCE LIMITED NCD 21OT31 FVRS1LAC	8.5900	100.1353
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR III 7.34 BD 26FB29 FVRS1LAC	8.3817	97.8827
REC LIMITED SR 250A 6.60 BD 30JU27 FVRS1LAC	8.1500	98.9010
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26A 6.66 BD 12OT28 FVRS1LAC	8.3553	97.0133
REC LIMITED SR 223B 7.46 BD 30JU28 FVRS1LAC	8.2700	98.6984

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.6100	6.6400	6.7000	6.6750	6.8300	6.8150

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 7.4360%, 4.66 bps lower than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds are witnessing a resurgence despite previous instability, as the benchmark 10-year yield has notably decreased. Brent crude prices varied between $114.40 and $117 a barrel during Asian trading. These fluctuations within the debt market have uplifted investor sentiments, and the Indian rupee appears to be stabilizing, contributing positively.

GLOBAL BROADCAST

Greece has successfully sold €500 million worth of three-month Treasury bills. However, the yield on these bills was higher than what they offered in the last auction, indicating a shift in the market. This move comes as the country's debt agency reiterated its ongoing efforts to manage its financial obligations amidst fluctuating economic conditions.

Britain conducted a sale of £4.5 billion worth of 5-year debt at a yield of 5.036%. This yield reflects the highest rate seen since the year 2008, indicating market pressures on the government. Investors showed robust interest, bidding 3.51 times the amount available during the gilt auction.

In early trade, Indian government bonds improved as oil prices found stability after last week's surge. Traders remained cautious ahead of a significant policy decision by the US Federal Reserve on Wednesday. India's bond yields decreased slightly, although overall demand for longer maturities has declined amid inflation concerns. The Indian rupee remained stable as fears of further rate hikes from the Reserve Bank of India persisted.

According to Bob Michele of J.P. Morgan Asset Management, investors should take advantage of the current bond market opportunities without delay. He estimates returns of up to 8% over the next year, emphasizing the promising yield potential, especially in US treasuries. Michele reassures that a recession seems unlikely at this time while also alerting that inflation concerns could compel the Federal Reserve to implement larger rate hikes than expected.

ADP Employment Change Weekly in the United States decreased to 16.80 Thousand in October 10 from 18.50 Thousand in the previous week. ADP Employment Change Weekly in the United States averaged 15.65 Thousand from 2025 until 2026, reaching an all time high of 40.75 Thousand in May of 2026 and a record low of -11.75 Thousand in November of 2025.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 231.50 bps, 6 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 7.40% and 7.50%.