SOVEREIGN global

DAILY REPORT
INDIAN DEBT MARKET
28th OCTOBER 2026

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	95.314	+0.20
BRENT OIL	111.33	+1.75
GOLD	4059.27	-0.38
INDIA10YR	7.4400	+0.01
US10YR	4.999	+0.12
NIFTY50	22698.85	-0.22
SENSEX	73246.03	-0.48

G-SEC/BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364DTB	6.6800	6.4600
G-SEC2031	7.3331	7.3251
G-SEC2035	-	7.8742
G-SEC2041	7.6090	7.5933
G-SEC2055	7.8883	7.8742
SDL2029	7.6454	7.6399
SDL2036	8.0942	8.0401

MOST ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
BAJAJ FINANCE LIMITED 7.70 NCD 20SP29 FVRS1LAC	8.6773	97.9064
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 27A 7.16 BD 14DC29 FVRS1LAC	8.3797	96.7506
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 26F 7.44 BD 17JL29 FVRS1LAC	8.3527	97.7868
REC LIMITED SR 258 7.57 BD 31OT36 FVRS1LAC	7.7809	97.7731
ANDHRA PRADESH STATE BEVERAGES CORPORATION LIMITED SR IV D 9.15 BD 30NV29 FVRS1LAC	8.3150	102.5472
AXIS BANK LIMITED SR 9 7.27 NCD 26NV35 FVRS1LAC	8.2500	93.8524
REC LIMITED SR 256 7.30 BD 01JL31 FVRS1LAC	8.3000	96.1862
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR II 7.47 BD 05SP29 FVRS1LAC	8.3833	97.7922

OVERNIGHT INDEXED SWAP

OIS(1YEAR)		OIS(2YEAR)		OIS(5YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.6625	6.6800	6.7050	6.7400	6.8500	6.8775

BOND MARKET

The 10-year benchmark recorded (6.94% GS 2036) a close of 7.4400%, 0.4 bps higher than the previous day's trading session.

DOMESTIC BROADCAST

Indian government bonds experienced a significant decline after a prior rally due to rising oil prices. Brent crude oil prices increased following concerns over supply disruptions in Saudi Arabia. The US 10-year Treasury yield also rose, affecting the attractiveness of Indian debt. Markets are anticipating the Federal Reserve's policy decision and rate outlook, impacting investor sentiment.

In 2027, global bond issuance is expected to rise by a mere 2.7%, marking a stark decline compared to this year's growth. According to S&P Global Ratings, factors like increasing interest rates and geopolitical tensions contribute to this slowdown. Additionally, with both governments and firms facing heightened funding needs, borrowing appetites may wane.

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.

India's industrial production growth slowed to 6.7% year-on-year in September 2026, down from a downwardly revised 7.8% in August and below market expectations of 7.2%.

GLOBAL BROADCAST

Consumer Price Index CPI in Australia increased to 104.34 points in September from 103.50 points in August of 2026. Consumer Price Index CPI in Australia averaged 99.36 points from 2024 until 2026, reaching an all time high of 104.34 points in September of 2026 and a record low of 96.17 points in May of 2024.

The yield on Singapore 5 Year Bond Yield eased to 2.07% on October 28, 2026, marking a 0.03 percentage points decrease from the previous session. Over the past month, the yield has fallen by 0.24 points, though it remains 0.46 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 hovered around 3.35%, near its lowest level since early September, as demand for safe-haven assets increased amid concerns that the Middle East conflict could persist despite ongoing negotiations. Investors also remained cautious ahead of the European Central Bank's policy decision and key inflation and GDP data due later this week.

SPREAD ANALYSIS

The India 10Years vs the United States 10 Years Government Bond spread value is 219.89 bps, 4.88 bps lower 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 7.38% and 7.50%.