

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.676	+0.01
BRENT OIL	69.14	-1.58
GOLD	3336.35	+0.49
India 10 YR	6.3156	+0.03
US 10 YR	4.346	+0.18
NIFTY 50	25355.25	-0.47
SENSEX	83190.28	-0.41

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.3300	5.4000
G-SEC 2028	5.8396	5.8305
G-SEC 2033	6.3893	6.3732
G-SEC 2037	6.6265	6.6215
G-SEC 2053	7.0372	7.0242
SDL 2027	-	-
SDL 2033	6.7097	6.7099

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
PIRAMAL FINANCE LIMITED 9.25 NCD 17JU30 FVRS1LAC	9.4879	99.0600
LARSEN AND TOUBRO LIMITED 7.20 NCD 22JN35 FVRS1LAC	7.0550	100.8934
HDFC BANK LIMITED SR US004 7.65 NCD 25MY33 FVRS1LAC	7.1433	102.9182
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 188 7.17 BD 27AP35 FVRS1LAC	6.9947	101.2586
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	6.6800	102.2192
NATIONAL HOUSING BANK 7.29 BD 04JL31 FVRS1LAC	6.8400	102.1146
EXPORT IMPORT BANK OF INDIA SR AA 03 7.12 BD 27JU30 FVRS1LAC	6.6995	101.6926
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR 191A 6.47 BD 30MY28 FVRS1LAC	6.5117	99.9011
POWER FINANCE CORPORATION LIMITED SR 246B 7.38 BD 15JN32 FVRS1LAC	6.9600	102.0817
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23I 7.62 LOA 31JN28 FVRS1LAC	6.6500	102.1454
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25E 7.53 BD 24MR28 FVRS1LAC	6.6360	102.0705

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.5050	5.5150	5.4900	5.4875	5.6850	5.6900

BOND MARKET

The 10-year benchmark (6.33% GSEC 2035) recorded a close of 6.3156%, ending at 0.02 bps higher than the day's trading session.

DOMESTIC BROADCAST

SEBI is actively promoting municipal bonds as a strategic tool for financing urban infrastructure in India. It recently held a Municipal Bond Outreach Programme in Thiruvananthapuram to educate Urban Local Bodies (ULBs) and stakeholders on municipal debt instruments and market-based financing. While municipal bonds have been issued since 1997, primarily for institutional investors, Indore Municipal Corporation was the first to target retail investors and became the first to list on the NSE in 2018.

Money market operations on July 02, 2025: Overnight segment totaled 599336.05 crores at a 5.30% weighted average rate. The segment's significant operations included triparty repo at ₹1736 crore and 5.33%. RBI's net liquidity absorption stood at ₹326719.22 crore.

GLOBAL BROADCAST

Wells Fargo analysts say the U.S. economy is showing signs of slowing, but the Federal Reserve is likely to keep interest rates unchanged at its July meeting. Despite a 0.5% GDP contraction in Q1—largely due to a surge in imports ahead of U.S. tariffs—underlying demand remained resilient. Q2 GDP may appear stronger due to a sharp drop in imports, but real consumer spending and investments are weakening, and labour market data suggests further deceleration. The Fed remains cautious, with most members preferring to wait until later in 2025 for rate cuts. Wells Fargo expects a possible rate cut in September, followed by two more by year-end, if inflation pressures remain moderate and the labor market continues to soften.

The Bank of Korea kept its policy rate at 2.5% after a May rate cut, citing financial stability concerns. While domestic demand remains weak and trade uncertainty persists, the central bank expects fiscal stimulus to support growth from Q3. Bank of America anticipates two more rate cuts in the second half of 2025, with analysts seeing room for further easing to aid recovery.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 196.96 bps, 5.90 bps higher than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.
 2 Years vs 1 Years bond spread is 19.39 bp
 5 Years vs 2 Years bond spread is 28.97 bp.
 10 Years vs 2 Years bond spread is 54.34 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher compared to the previous day. The yield is projected to fluctuate between 6.28 and 6.33%.