

**GLOBAL MARKET SNAPSHOT**

MARKETS	Price	%Change
USD/INR	86.79	-0.25
BRENT OIL	76.79	-0.92
GOLD	2927	-0.88
India 10Y	6.7022	-0.05
US 10 YR	4.549	+0.19
NIFTY 50	23045.25	-0.12
SENSEX	76171.08	-0.16

**G-SEC / BONDS YIELDS**

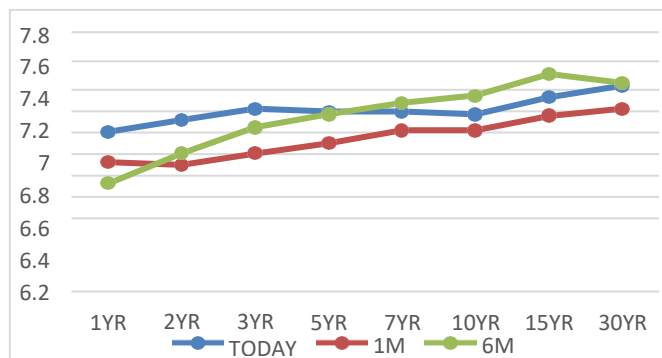
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5300	6.5300
G-SEC 2028	-	6.6292
G-SEC 2033	6.7681	6.7635
G-SEC 2037	6.8647	6.8576
G-SEC 2053	7.0368	7.0377
SDL 2027	6.8800	-
SDL 2033	7.0917	7.1094

**ACTIVELY TRADED CORPORATE BONDS**

SECURITY	YTM (%)	LTP
IIFL SAMASTA FINANCE LIMITED 11 LOA 18MY30 FVRS1LAC	10.7404	100.88
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25B 7.64 BD 06DC29 FVRS1LAC	7.3950	100.9050
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED	9.1450	101.4733

**OVERNIGHT INDEXED SWAP**

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.3550	6.3550	6.1300	6.1125	6.1600	6.1475

**INDIA YIELD CURVE**

**BOND MARKET**

The 10-year benchmark recorded a close of 6.7022%, ending 0.39 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.6915 to 6.7022 during the day.

**DOMESTIC BROADCAST**

The RBI's aggressive FX intervention to support the rupee has significantly drained banking system liquidity, prompting a record ₹2.5 trillion infusion via an overnight repo to ease tight conditions and ensure effective rate cut transmission.

India's retail inflation eased to 4.31% in January 2025, down from 5.22% in December, primarily due to slowing food price rises. This decline was better than the Reuters poll estimate of 4.6% and offers relief to households heavily impacted by food costs. Cooling vegetable prices and a healthy kharif crop output significantly contributed to the moderation.

On February 11, 2025, the overnight money market volume was ₹587196.10 crore at a 6.25% average rate. Net liquidity absorption was ₹190866.81 crore.

**GLOBAL BROADCAST**

The dollar held steady as traders awaited U.S. inflation data, with Powell's hawkish stance lifting U.S. yields and supporting the dollar against the yen, while uncertainty over tariffs and potential retaliatory actions kept investors cautious.

Capital Economics expects the RBNZ to cut its Official Cash Rate by 50 bps to 3.75% on February 19, with further gradual cuts ahead, projecting a lower-than-consensus terminal rate of 2.25% due to economic weakness, rising unemployment, and subdued non-tradables inflation.

Italy's Industry Minister Adolfo Urso emphasized that U.S. President Donald Trump cannot bypass EU institutions to strike bilateral trade deals with individual member states, reaffirming EU unity in trade policy while expressing concern over potential trade wars following new U.S. tariffs.

U.S. sanctions on Russian and Iranian oil have reduced buyers and available tankers, leading to a rise in floating storage, higher crude prices, and increased shipping costs, particularly affecting trade with China and India.

**SPREAD ANALYSIS**

The India 10 Years vs the United States 10 Years Government Bond spread value is 215.32 bps, 4.71 bps lower than the closing of the previous day.

Normal Convexity in Long-Term vs Short-Term Maturities.

2 Years vs 1 Years bond spread is 2.14 bp.  
 5 Years vs 2 Years bond spread is 7.15 bp.  
 10 Years vs 2 Years bond spread is 8.75 bp.

**MARKET OUTLOOK**

Today, the 10-year benchmark yields ended slightly lower compared to the previous day, the market experienced lower liquidity and sideways movement. The movement was not much influenced by the inflation data. The yield is projected to fluctuate between 6.62% and 6.68%, following the OMO purchase data which will be released tomorrow.