

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.272	+0.01
BRENT OIL	66.17	-0.69
GOLD	3237.11	-0.65
India 10 YR	6.2855	-0.69
US 10 YR	4.464	-0.13
NIFTY 50	24666.90	+0.36
SENSEX	81330.56	+0.22

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.8200	5.8800
G-SEC 2028	5.9356	5.9721
G-SEC 2033	6.2908	6.3142
G-SEC 2037	6.4138	6.4552
G-SEC 2053	6.7748	6.8196
SDL 2027	6.2405	6.2292
SDL 2033	6.7187	-

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
INDIAN OIL CORPORATION LIMITED SR XXVI 7.36 NCD 16JL29 FVRS1LAC	6.7148	102.2845
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 F 9.35 NCD 31DC32 FVRS1LAC	9.0426	1030887
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 G 9.35 NCD 30DC33 FVRS1LAC	9.0349	103.4398
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 24E 7.80 BD 15MR27 FVRS1LAC	6.8076	101.6520
LIC HOUSING FINANCE LTD TR 452 7.645 NCD 21FB30 FVRS1LAC	7.0865	102.1815
HDFC BANK LIMITED SR Z001 6 NCD 29MY26 FVRS10LAC	7.0167	98.9944
BAJAJ HOUSING FINANCE LIMITED 7.14 NCD 26FB27 FVRS1LAC	7.0900	100.0909
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25E 7.53 BD 24MR28 FVRS1LAC	6.9261	101.4836
LIC HOUSING FINANCE LTD 386 7.99 NCD 12JL29 FVRS10LAC LOAUPTO25FB20	7.0750	103.1471

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.6250	5.6250	5.5100	5.5100	5.6500	5.6550

BOND MARKET

The 10-year benchmark recorded a close of 6.2855, ending at 4.34 bps below the close of the previous day's trading session. Yields traded in the range of 6.2831 to 6.3407 during the day.

DOMESTIC BROADCAST

India's wholesale inflation dropped to a 13-month low of 0.85% in April, down from 2.05% in March, driven by easing food prices. This was below the 1.76% expected in a Reuters poll. Food inflation slowed to 2.55%, with vegetable prices falling 18.26%. Fuel and power prices also declined by 2.18%. The data follows continued retail inflation staying below the RBI's 4% target, supporting the case for further interest rate cuts after two consecutive repo rate reductions by the central bank.

Money market operations on May 14, 2025: Overnight segment totaled ₹588426.72 crores at a 5.69% weighted average rate. The segment's significant operations included triparty repo at ₹5820.15 crore and 5.87%. RBI's net liquidity absorption stood at ₹154329.79 crore.

GLOBAL BROADCAST

UBS projects around 1% Swiss GDP growth in 2025, supported by a resilient domestic economy despite global trade tensions from U.S. policies. A mild European recovery may lift growth to 1.2% in 2026. However, UBS warns that a global recession from U.S. tariffs could derail these forecasts. Inflation is expected to stay low, at 0.2% in 2025 and 0.5% in 2026, due to a strong franc and weak domestic demand. The Swiss National Bank is likely to cut rates to 0% in June to stimulate the economy.

European stocks paused after a strong rally driven by easing U.S.-China trade tensions, while the dollar extended losses as soft U.S. inflation data kept Fed rate cut hopes alive. Asian markets rose, led by Hong Kong tech stocks, and U.S. futures edged higher. Despite the truce, high tariffs and uncertain trade deals with countries like India and Japan maintain investor caution.

Germany's inflation rate continued to decline, reaching 2.2% in April, according to final data from the federal statistics office released on Wednesday. This follows a 2.3% year-on-year increase in consumer prices, harmonized by EU comparison, recorded in March.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 182.15 bps, 5.04 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 9.28 bp

5 Years vs 2 Years bond spread is 10 bp.

10 Years vs 2 Years bond spread is 32.89 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly below compared to the previous day. The market experienced higher liquidity following the outcomes associated with the WPI data. The yield is projected to fluctuate between 6.25% and 6.35%.