

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	86.654	+0.26
BRENT OIL	74.34	+0.75
GOLD	2892.65	+0.69
India 10Y	6.6930	-0.21
US 10 YR	4.491	+0.29
NIFTY 50	22959.50	+0.13
SENSEX	75996.86	+0.08

G-SEC / BONDS YIELDS

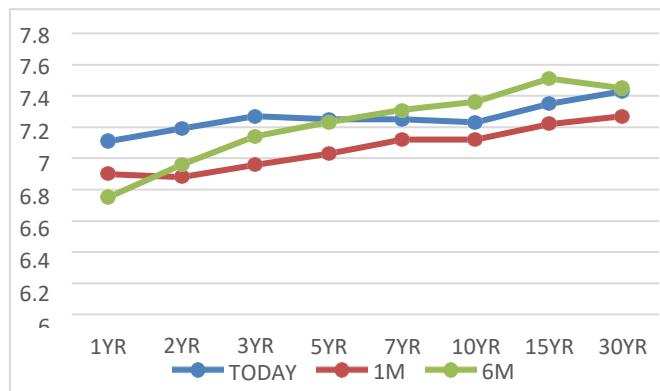
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5600	6.5500
G-SEC 2028	6.6439	6.6359
G-SEC 2033	6.7705	6.7722
G-SEC 2037	6.8708	6.8709
G-SEC 2053	7.0487	7.0408
SDL 2027	6.8400	6.8900
SDL 2033	7.1099	7.1026

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25E 7.53 BD 24MR28 FVRS1LAC	7.0599	100.0540
LARSEN AND TOUBRO LIMITED 7.20 NCD 22JN35 FVRS1LAC	7.1755	100.00
REC LIMITED SR 230-A 7.71 BD 26FB27 FVRS1LAC	7.4631	100.4600
INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED 7.56 NCD 20MR28 FVRS1LAC	7.5660	99.9900

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.3000	6.2950	6.0500	6.0625	6.0550	6.0800

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.6930%, ending 1.41 bps higher than the close of the previous day's trading session. The yield was in the range of 6.6859 to 6.6944.

DOMESTIC BROADCAST

Finance Minister Nirmala Sitharaman emphasized the government's responsible fiscal approach, highlighting that borrowings are directed toward capital asset building, with capital expenditure increasing by 10.2% to nearly ₹16 lakh crore in Budget 2025-26. The Budget maintains a fiscal deficit target below 4.5% of GDP, offers tax concessions benefiting middle-income taxpayers, and prioritizes employment-led growth through investments in infrastructure, rural development, MSMEs, and exports, while continuing fiscal consolidation.

On February 14, the RBI reported ₹ 6109.80 at 6.24 market activity in the overnight and term segments. Under RBI operations, MSF saw ₹361 crore at 6.50%, and SDF saw ₹66452 crore at 6.00%. The net liquidity absorbed totaled ₹214135.27 crore.

GLOBAL BROADCAST

BofA expects Korea's central bank to cut rates by 75 bps in 2025 due to growth concerns, while Türkiye's central bank revised its year-end inflation forecast upward and may cut rates by 250 bps in March if inflation allows. In Chile, BofA anticipates the central bank will hold rates at 5.00% into 2025, despite hawkish data, as inflation shocks appear transitory.

Japan's Q4 GDP grew 0.7% QoQ, surpassing forecasts, driven mainly by net exports due to a drop in imports. Despite a 1.2% annual growth rate, analysts expect a slowdown as real household incomes may decline, potentially dampening consumption.

India's merchandise trade deficit stood at \$22.99 billion in January, with exports at \$36.43 billion and imports at \$59.42 billion, driven by electronics, pharmaceuticals, and rice. Following PM Modi's U.S. visit, India pledged to increase purchases of U.S. industrial goods, while trade negotiations aim to reduce tariffs on both sides. Meanwhile, gold and crude oil imports declined, and services exports saw a rise.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 243.90 bps, 26.00 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 2.6 bps.

5 Years vs 2 Years bond spread is 7.36 bps.

10 Years vs 2 Years bond spread is 8.27 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher than the previous, the yield will be influenced by the OMO result which will be released on Wednesday. We expect the yield to fluctuate between 6.68% to 6.72%.