

GLOBAL MARKET SNAPSHOT

MARKETS	Price	%Change
USD/INR	84.924	0.01
BRENT OIL	73.27	0.05
GOLD	2663.59	0.10
India 10Y	6.7861	-0.16
US 10 YR	4.394	-0.07
NIFTY 50	24198.15	-0.56
SENSEX	80182.20	-0.62

G-SEC / BONDS YIELDS

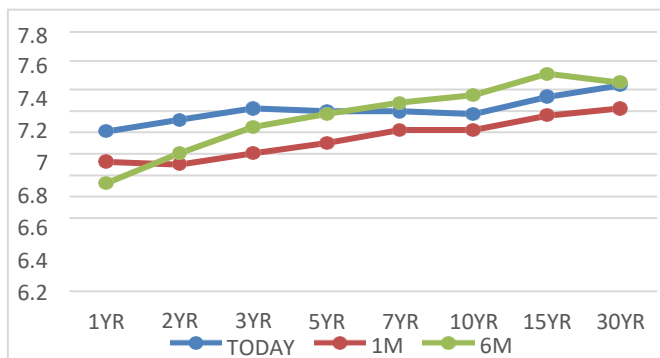
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.60	6.50
G-SEC 2028	6.7046	6.6811
G-SEC 2033	6.7992	6.7990
G-SEC 2037	6.8507	6.8507
G-SEC 2053	6.7949	6.9710
SDL 2027	6.9314	6.9788
SDL 2033	7.0598	7.0348

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED SR C 7.68 NCD 16MY26 FVRS1LAC	7.40	100.2950
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25C 7.44 BD 24FB28 FVRS1LAC	7.4795	99.9063
LIC HOUSING FINANCE LTD TR 447 7.57 NCD 18OT29 FVRS1LAC	7.64	99.6706
HDFC BANK LIMITED SR-1 7.95 BD 21SP26 FVRS10LAC	7.7761	100.1853
BHARTI TELECOM LIMITED SR XXIV 8.25 NCD 15NV27 FVRS1LAC	8.2387	100.04

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.4750	6.4600	6.1800	6.17750	6.1200	6.1025

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.7861%, ending 1.1 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.7858 to 6.7941 during the day.

DOMESTIC BROADCAST

India's GDP growth is expected to align with its trend rate of 6.5-7% this fiscal, driven by healthy macro drivers, according to a Crisil report. Private consumption grew by 6.7% in the first half of FY25, higher than last year's 4.1%, and its GDP share rose to 56.3%. While investment growth has moderated, its GDP share remains above pre-pandemic levels. WPI inflation is normalizing, averaging 2.7% this fiscal, compared to -0.7% last year. With improving consumption demand, particularly from agriculture and rural areas, post a healthy monsoon, growth is expected to be more balanced, despite being lower than last year's above-trend pace.

On December 18, 2024, the overnight money market volume was ₹578187.72 crore at a 6.64% average rate. Net liquidity absorption was ₹104225 crore.

GLOBAL BROADCAST

British inflation rose to an eight-month high of 2.6% in November, up from 2.3% in October, driven by broad-based increases, particularly in transport costs, while services inflation—a key measure for the Bank of England (BoE)—held steady at 5.0%. This offers slight relief to the BoE, which remains cautious amid strong wage growth and fiscal pressures from government tax hikes and spending. Investors adjusted expectations for rate cuts next year, with the central bank expected to keep rates on hold. Core inflation edged up to 3.5%, and some economists foresee headline inflation reaching 3% by 2025, though annual price hikes for services may ease in 2024 due to past subdued headline inflation.

Asian currencies weakened as traders awaited key central bank decisions and Fed cues on 2025 rate cuts. The dollar held near a three-week high, supported by strong U.S. retail data. The Chinese yuan stayed near a 13-month low despite fiscal stimulus plans, while other regional currencies faced pressure from capital outflows and economic concerns.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 239.21 bps, 0.8 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 5.76 bp.
 5 Years vs 2 Years bond spread is 0.76 bp.
 10 Years vs 2 Years bond spread is 11.09 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day, the market experienced higher liquidity and positive movement. The yield is projected to fluctuate between 6.75% and 6.82%.