

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.579	+0.25
BRENT OIL	65.22	-0.49
GOLD	3241.33	+0.52
India 10Y	6.2228	-0.24
US 10 YR	4.447	+0.01
NIFTY 50	24683.90	-1.05
SENSEX	81186.44	-1.06

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.7400	5.7500
G-SEC 2028	5.8085	5.8721
G-SEC 2033	6.2469	6.2938
G-SEC 2037	6.3856	6.4006
G-SEC 2053	6.7855	6.7811
SDL 2027	-	6.1036
SDL 2033	6.6352	6.6311

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL HOUSING BANK 6.80 BD 02AP32 FVRS1LAC	6.7476	100.5032
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 G 9.35 NCD 30DC33 FVRS1LAC	9.0332	102.9000
REC LIMITED SR 230-A 7.71 BD 26FB27 FVRS1LAC	6.5507	101.8564
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	6.7772	101.9433
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 F 9.35 NCD 31DC32 FVRS1LAC	9.0403	102.6800
POWER GRID CORPORATION OF INDIA LIMITED SR-LIX 7.3 BD 19JU27 FVRS10LAC LOAUPT0110T17	6.4000	101.6582
SBM BANK (INDIA) LIMITED SR I 9.75 BD 05AP32 FVRS1CR	8.6557	101.7800
POWER FINANCE CORPORATION LIMITED SR 248B 7.45 NCD 15JL28 FVRS1LAC	6.6070	102.3133

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.6000	5.6000	5.4975	5.4900	5.6700	5.67750

BOND MARKET

The 10-year benchmark recorded a close of 6.2228%, ending 1.54 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.2195 to 6.2300. during the day.

DOMESTIC BROADCAST

India is negotiating a three-stage trade deal with the U.S., aiming to finalize an interim agreement before President Trump's proposed reciprocal tariffs take effect in July, Bloomberg reported. The first phase would address market access for industrial and some agricultural goods and ease non-tariff barriers. A broader second phase may follow by November, with a final comprehensive pact requiring U.S. congressional approval expected next year. Indian Commerce Minister Piyush Goyal is in Washington for talks, though U.S. backing for the staged approach remains unclear.

On May 19, 2025, the overnight money market volume was ₹591996.32 crore at a 5.66% average rate. Net liquidity absorption was ₹194047.44 crore.

GLOBAL BROADCAST

The People's Bank of China cut its one-year loan prime rate (LPR) to 3.0% and the five-year LPR to 3.5%, aiming to boost growth amid slowing economic activity and ongoing U.S. trade tensions.

The Reserve Bank of Australia (RBA) cut interest rates by 25 bps to 3.85%, its second cut this year, citing easing inflation and global economic uncertainty. While core inflation is now within the RBA's 2-3% target, the bank warned of downside risks from global trade tensions and weaker external growth.

Bank of England Chief Economist Huw Pill expressed concern over the rapid pace of interest rate cuts since mid-2024, suggesting they may be too fast given the current inflation outlook. Speaking in London, he described his recent vote to hold rates as a temporary "skip," not a reversal of policy tightening. Pill emphasized that monetary restrictions are still needed until inflation returns to target—a view shared by many on the MPC.

SPREAD ANALYSIS

The India 10 Years vs the United States 10Years Government Bond spread value is 177.58 bps, 2.36 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 2.90 bp.
 5 Years vs 2 Years bond spread is 19.77 bp.
 10 Years vs 2 Years bond spread is 35.10 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower compared to the previous day, the market experienced good liquidity and negative yield movement. The yield is projected to fluctuate between 6.20% and 6.30%.