

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.378	-0.33
BRENT OIL	67.38	-0.97
GOLD	3409.31	+1.19
India 10Y	6.3164	-0.862
US 10 YR	4.358	+0.01
NIFTY 50	24125.55	+1.15
SENSEX	79408.50	+1.09

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.9000	5.9600
G-SEC 2028	6.0325	6.5156
G-SEC 2033	6.3145	6.3553
G-SEC 2037	6.4334	6.4852
G-SEC 2053	6.8116	6.8446
SDL 2027	6.3502	6.3803
SDL 2033	6.6399	6.6579

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	7.0043	101.6600
POWER FINANCE CORPORATION LIMITED SR 247A 7.44 BD 15JN30 FVRS1LAC	6.8636	101.6974
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA SR III 7.34 BD 26FB29 FVRS1LAC	6.9616	101.3531
BAJAJ FINANCE LIMITED 7.55 NCD 03AP35 FVRS1LAC	7.5146	100.3499
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.2751	55.0761
SHRIRAM FINANCE LIMITED SR PPD OP 1 TR 10 8.70 NCD 09AP28 FVRS1LAC	8.5941	100.2358
SAMMAAN CAPITAL LIMITED 9.75 NCD 12AP28 FVRS1LAC	9.9885	99.3734

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.7050	5.6900	5.5300	5.5200	5.6700	5.3250

BOND MARKET

The 10-year benchmark recorded a close of 6.3164%, ending 5.45 bps lower than the close of the previous day's trading session. The yield was in the range of 6.3164 to 6.3722.

DOMESTIC BROADCAST

India's upcoming bond forwards, effective May 2, are expected to boost demand for higher-yielding state development loans (SDLs), lowering borrowing costs for state governments and deepening the local bond market. Insurance companies, driven by long-term liabilities, are set to dominate this market, using the contracts to hedge interest rate risks. Unlike FRAs, bond forwards require physical delivery and are anticipated to stabilize and potentially compress the yield spread between state and central bonds—currently around 30 bps for 10-year maturities.

On April 17, the RBI reported ₹ 6331.27, at 5.71% market activity in the overnight and term segments. Under RBI operations, MSF saw ₹18 crore at 6.25%, and SDF saw ₹236500 crore at 5.75%. The net liquidity absorbed totaled ₹213939.06 crore.

GLOBAL BROADCAST

The People's Bank of China held its key loan prime rates unchanged, indicating a strategic pivot toward fiscal measures to support economic growth instead of further monetary easing. The one-year and five-year LPRs were maintained at record lows of 3.1% and 3.6%, respectively, reflecting limited room for additional rate cuts after multiple reductions in recent years.

Asian bonds saw their highest foreign inflows in seven months in March, with \$7.16 billion in net purchases, as investors sought safer assets amid U.S. tariff concerns and global recession fears. Rate cut hopes and easing by central banks in India and the Philippines boosted sentiment. South Korea led with \$3.99 billion in inflows, followed by India (\$1.11B), Indonesia (\$900M), Malaysia (\$732M), and Thailand (\$421M).

Japan's CPI rose 3.6% in March, with core inflation accelerating to 3.2% due to persistent food price increases, complicating the Bank of Japan's rate path. Underlying inflation excluding food and energy hit 2.9%, staying above the BoJ's 2% target.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 195.84 bps, 10.85 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 2.36 bps.
 5 Years vs 2 Years bond spread is 12.66 bps.
 10 Years vs 2Years bond spread is 33.16 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended lower than the previous. We expect the yield to fluctuate between 6.30% to 6.35%.