

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.641	+0.05
BRENT OIL	73.01	+0.86
GOLD	3055.24	+0.03
India 10Y	6.6022	-0.53
US 10 YR	4.340	+0.55
NIFTY 50	23486.85	-0.77
SENSEX	77419.68	-0.77

G-SEC / BONDS YIELDS

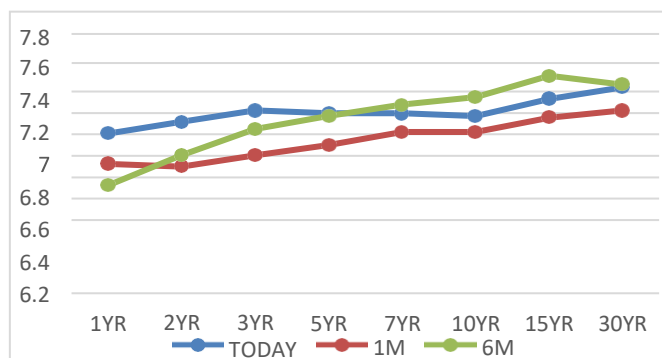
SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	6.5000	6.5200
G-SEC 2028	6.4770	6.4847
G-SEC 2033	6.6319	6.6660
G-SEC 2037	6.7142	6.7673
G-SEC 2053	6.9416	6.9656
SDL 2027	6.8500	6.8065
SDL 2033	6.9700	7.0203

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
REC LIMITED SR 239 BD 03NV34 FVRS1LAC	6.4633	53.8604
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED SR PDI-I 8.40 BD PP FVRS1CR	8.3454	100.82
LIC HOUSING FINANCE LTD 386 7.99 NCD 12JL29 FVRS10LAC LOAUPTO25FB20	7.5790	101.3790
POWER FINANCE CORPORATION LIMITED SR 246B 7.38 BD 15JN32 FVRS1LAC	7.2500	100.6560

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
6.1100	6.1000	5.9100	5.8850	5.9475	5.9250

INDIA YIELD CURVE

BOND MARKET

The 10-year benchmark recorded a close of 6.6022%, ending 3.48 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.5968 to 6.6356 during the day.

DOMESTIC BROADCAST

The RBI's revised Priority Sector Lending (PSL) guidelines, effective April 1, aim to enhance credit flow to MSMEs, agriculture, housing, and renewable energy. Key changes include higher loan limits for housing and renewable energy, an increased PSL target for urban cooperative banks, and expanded eligibility for infrastructure lending. These revisions are expected to boost affordable housing, renewable energy financing, and overall economic growth while easing credit constraints in priority sectors.

On March 26, 2025, the overnight money market volume was ₹597724.73 crore at a 6.25% average rate. Net liquidity absorption was ₹157442.09 crore.

GLOBAL BROADCAST

U.S. consumers are cutting back on spending due to high prices and economic uncertainty, leading to rising debt levels, increased delinquencies, and weakened consumer confidence. This slowdown in spending is affecting retailers and banks, with loan growth declining and consumer finance stocks dropping 15-22% in the past month. Analysts warn that continued financial strain could lead to higher loan defaults and lower bank revenues.

The U.S. dollar edged up as investors remained cautious ahead of potential new tariffs from President Trump, while broader uncertainty about the U.S. economic outlook and weakening consumer confidence weighed on markets. The dollar index is down 4% for the quarter, and the euro has declined to \$1.0776 amid global fiscal shifts and investor caution.

British inflation slowed to 2.8% in February, slightly below expectations, providing temporary relief but with a likely rebound due to rising energy costs. The Bank of England remains cautious on rate cuts, despite some economists expecting a potential reduction in May. Markets reacted with a dip in sterling and bond yields, while the BoE warns against assuming rapid borrowing cost reductions.

SPREAD ANALYSIS

The India 10Years vs the United States 10Years Government Bond spread value is 226.22 bps, 4.58 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 2.29 bp.
 5 Years vs 2 Years bond spread is 7.23 bp.
 10 Years vs 2 Years bond spread is 14.66 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 6.62% and 6.67%.