

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	85.092	-0.13
BRENT OIL	64.40	-0.28
GOLD	3359.44	-0.32
India 10Y	6.2046	-0.09
US 10 YR	4.541	-0.39
NIFTY 50	25001.15	+0.60
SENSEX	82176.45	+0.56

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.6500	5.6600
G-SEC 2028	5.7540	5.7698
G-SEC 2033	6.2304	6.2337
G-SEC 2037	6.3804	6.3782
G-SEC 2053	6.7962	6.7939
SDL 2027	5.9555	-
SDL 2033	6.5949	6.5633

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
POWER FINANCE CORPORATION LIMITED SR 250A 6.61 BD 15JL28 FVRS1LAC	6.6084	100.0300
POWER FINANCE CORPORATION LIMITED SR 250B 6.64 BD 15JL30 FVRS1LAC	6.6407	100.000
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 E 9.35 NCD 31DC31 FVRS1LAC	9.0504	102.8113
TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED SR I 2024-25 G 9.35 NCD 30DC33 FVRS1LAC	9.0507	103.3406
SHRIRAM FINANCE LIMITED SR PPD XV 23-24 OPI TR 5 9.25 NCD 19DC25 FVRS1LAC	8.0433	100.5009
HDFC BANK LIMITED SR Y001 6.43 NCD 29SP25 FVRS10LAC	6.8800	99.7521
NTPC LIMITED SR 83 6.84 NCD 09MY35 FVRS1LAC	6.8266	100.4567
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	6.6200	102.4870
RENSERV GLOBAL PRIVATE LIMITED 9.9040 NCD 02MY28 FVRS1LAC	9.9534	100.00

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.5550	5.5400	5.4150	5.4350	5.6500	5.6250

BOND MARKET

The 10-year benchmark recorded a close of 6.2046%, ending 0.61 bps lower than the close of the previous day's trading session. The yield was in the range of 6.1992 to 6.2270.

DOMESTIC BROADCAST

The Indian bond market is likely to remain supported in the near term, with yields biased lower, driven by expectations of an RBI rate cut in June, continued liquidity infusions through VRR/OMO, and a record dividend payout that eases fiscal pressure. Improved rural output, moderating inflation, and weak private investment also support a dovish outlook. However, the rally may be capped by disappointment over the dividend size relative to market expectations, uncertainty about the RBI's post-policy liquidity stance, heavy supply from upcoming corporate and PSU issuances, and potential fiscal strain from geopolitical tensions. Overall, the 10-year G-Sec yield may drift within a 6.95%-7.10% range, with the trajectory dependent on RBI policy actions and fiscal developments.

On May 23, the RBI reported ₹ 607641.93, at 5.79% market activity in the overnight and term segments. Under RBI operations, MSF saw ₹679 crore at 6.25%, and SDF saw ₹182409 crore at 5.75%. The net liquidity absorbed totaled ₹204705 crore.

GLOBAL BROADCAST

The euro and other major currencies gained as the U.S. dollar weakened due to President Trump's delay of EU tariffs and a shift toward pro-growth fiscal policies, raising investor uncertainty and fueling expectations of a prolonged dollar decline.

Canadian retail sales rose 0.8% in March, led by auto purchases ahead of U.S. tariffs, signaling resilient consumer spending despite trade uncertainty; however, the Bank of Canada still sees weaker growth ahead, keeping rate cut bets for June alive.

Japan's central bank is hosting a major global monetary policy conference in Tokyo, akin to the Fed's Jackson Hole, focused on persistent inflation, slowing growth, and trade-related volatility. Amid global uncertainty from U.S. tariffs and erratic policy, central banks—including the BOJ—face the challenge of balancing rate moves with inflation risks. While the BOJ plans gradual rate hikes, it may pause due to growth concerns.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 166.51 bps, 2 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 1 bps.

5 Years vs 2 Years bond spread is 15 bps.

10 Years vs 2 Years bond spread is 47 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher than the previous. We expect the yield to fluctuate between 6.20% to 6.30%.