



GLOBAL MARKET SNAPSHOT

| MARKETS | Price | %Change |
|-----------|----------|---------|
| USD/INR | 87.06 | + 0.08 |
| BRENT OIL | 76.21 | -0.47 |
| GOLD | 2872.16 | +0.63 |
| India 10Y | 6.6616 | -0.17 |
| US 10 YR | 4.509 | -1.23 |
| NIFTY 50 | 23696 | -0.18 |
| SENSEX | 78271.28 | -0.40 |

G-SEC / BONDS YIELDS

| SECURITY | LTY (%) TODAY | LTY (%) PREV |
|------------|---------------|--------------|
| 364 DTB | 6.5125 | 6.3500 |
| G-SEC 2028 | 6.5895 | 6.5868 |
| G-SEC 2033 | 6.7346 | 6.7408 |
| G-SEC 2037 | 6.8256 | 6.8363 |
| G-SEC 2053 | 7.0026 | 7.0290 |
| SDL 2027 | 6.8504 | - |
| SDL 2033 | - | 7.1025 |

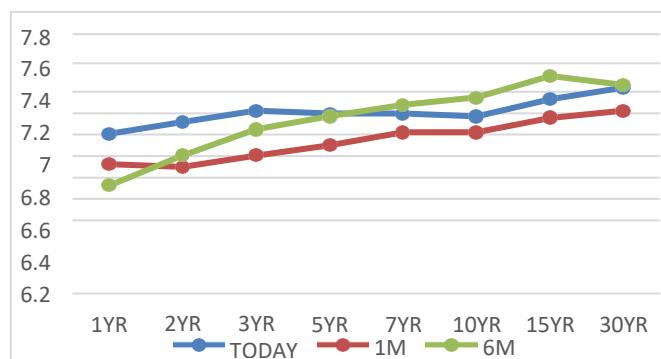
ACTIVELY TRADED CORPORATE BONDS

| SECURITY | YTM (%) | LTP |
|---|---------|----------|
| NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT | 7.4422 | 100.3592 |
| MAHINDRA AND MAHINDRA FINANCIAL SERVICES LIMITED | 7.8987 | 100.00 |
| TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED | 9.1542 | 102.91 |
| REC LIMITED SR 239 BD 03NV34 FVRS1LAC | 6.3989 | 55.1555 |

OVERNIGHT INDEXED SWAP

| OIS (1 YEAR) | | OIS (2 YEAR) | | OIS (5 YEAR) | |
|--------------|--------|--------------|--------|--------------|--------|
| OPEN | CLOSE | OPEN | CLOSE | OPEN | CLOSE |
| 6.2900 | 6.3100 | 6.0525 | 6.0550 | 6.0550 | 6.0550 |

INDIA YIELD CURVE



BOND MARKET

The 10-year benchmark recorded a close of 6.6616%, ending 1.16 bps lower than the close of the previous day's trading session. Yields traded in the range of 6.6524 to 6.6676 during the day.

DOMESTIC BROADCAST

Goldman Sachs expects the RBI to cut the repo rate by 25 bps in the upcoming MPC meeting due to rising global uncertainties. Economist Santanu Sengupta highlights the need for monetary easing to support economic momentum amid global changes and tariff adjustments. The RBI's open market operations and balance sheet expansion will aid liquidity, while the recent rupee depreciation is seen as a necessary correction. SBI economists also anticipate a 0.25% rate cut, citing fiscal stimulus from Budget 2025-26 as providing room for policy easing.

On February 04, 2025, the overnight money market volume was ₹570710.87.87 crore at a 6.32% average rate. Net liquidity absorption was ₹38215.71 crore.

GLOBAL BROADCAST

The US trade deficit widened to \$98.4 billion, exceeding the forecast of \$96.5 billion and the previous \$78.9 billion, marking a 24.7% increase. This higher deficit reflects greater reliance on imports, which could weaken the US dollar and impact the domestic economy. Policymakers remain focused on reducing the trade gap to improve economic stability.

Eurozone business activity returned to growth in January, with the composite PMI rising to 50.2 from 49.6, indicating stabilizing demand after two months of contraction.

Eurozone business activity returned to growth in January, with the composite PMI rising to 50.2, driven by modest expansion in services, though manufacturing remained weak; rising input costs and political uncertainties may limit further momentum.

The U.S. Federal Reserve remains inclined toward rate cuts this year, though uncertainty over tariffs, immigration, and regulatory policies under the Trump administration could impact future decisions, according to Richmond Fed President Tom Barkin.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 215.26 bps, 3.0 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 0.01 bp.

5 Years vs 2 Years bond spread is 3.52 bp.

10 Years vs 2 Years bond spread is 19.33 bp.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended slightly lower compared to the previous day, the market experienced lower liquidity and sideways movement. The yield is projected to fluctuate between 6.62% and 6.68%.