

GLOBAL MARKET SNAPSHOT

MARKETS	PRICE	% CHANGE
USD/INR	88.758	+0.04
BRENT OIL	65.30	-0.12
GOLD	3935.05	+0.49
India 10Y	6.5186	+0.11
US 10 YR	4.131	+0.22
NIFTY 50	25077.65	+0.74
SENSEX	81790.12	+0.72

G-SEC / BONDS YIELDS

SECURITY	LTY (%) TODAY	LTY (%) PREV
364 DTB	5.3700	5.4000
G-SEC 2028	5.8039	5.8146
G-SEC 2034	6.5681	6.5592
G-SEC 2039	6.8075	6.8150
G-SEC 2054	7.1176	7.1382
SDL 2027	6.1277	-
SDL 2033	7.1904	7.1966

ACTIVELY TRADED CORPORATE BONDS

SECURITY	YTM (%)	LTP
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25E 7.53 BD 24MR28 FVRS1LAC	6.6700	101.8172
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 23H 7.58 LOA 31JL26 FVRS1LAC	6.5500	100.7242
INDIAN RAILWAY FINANCE CORPORATION LIMITED SERIES 151 6.73 LOA 06JL35 FVRS10LAC	7.2000	96.7196
TATA CAPITAL HOUSING FINANCE LIMITED SR B 7.123 NCD 21JL27 FVRS1LAC	6.9100	100.3017
SUMMIT DIGITEL INFRASTRUCTURE LIMITED 6.59 NCD 16JU26 FVRS10LAC	6.8000	99.9721
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR143 7.55 BD 06NV29 FVRS10LAC LOA UPTO 17DC19	6.7500	102.7741
IIFL FINANCE LIMITED SR PDI 1 9.90 PP NCD FVRS1CR	9.8692	100.2600
NATIONAL HOUSING BANK 6.80 BD 02AP32 FVRS1LAC	6.9433	99.0097
POWER FINANCE CORPORATION LIMITED SR 247B 7.40 BD 15JN35 FVRS1LAC	7.1350	101.6772
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT SR 25G 7.48 BD 15SP28 FVRS1LAC	6.7373	101.8884
POWER FINANCE CORPORATION LIMITED SR 253 6.73 BD 15OT27 FVRS1LAC	6.7319	100.000

OVERNIGHT INDEXED SWAP

OIS (1 YEAR)		OIS (2 YEAR)		OIS (5 YEAR)	
OPEN	CLOSE	OPEN	CLOSE	OPEN	CLOSE
5.4300	5.4200	5.4000	5.3865	5.6800	5.6625

BOND MARKET

The 10-year benchmark recorded a close of 6.5186%, ending 0.72 bps above the previous closing trading session.

DOMESTIC BROADCAST

HSBC India Composite PMI slipped to 61.0 in September 2025, below the flash estimate of 61.9 and August's 63.2, marking the lowest level since June. Although still comfortably above its long-run average, the latest data pointed to a broad-based slowdown in output growth across both manufacturing and services. Total new orders rose at the softest pace in three months, while gains in foreign sales and employment also eased. Inflation trends were mixed, with manufacturers seeing faster increases in input costs and selling prices, contrasting with slower rises in the service sector. Overall, private sector costs and charges grew at the weakest rates in two and three months, respectively.

On OCTOBER 03, the RBI reported ₹19509.60, at 5.12% of market activity in the overnight and term segments. Under RBI operations, MSF saw ₹612 crore at 5.75%, and SDF saw ₹198219 crore at 5.25%. The net liquidity absorbed totaled ₹521855 crore.

GLOBAL BROADCAST

The S&P Global UK Construction PMI rose to 46.2 in September 2025 from 45.5 in August, its highest in three months but still below the 50.0 mark, signaling continued contraction. The moderation was driven by a slower drop in new work and residential activity (46.8), while civil engineering (42.9) remained weakest and commercial construction (46.4) saw a faster decline. Order books fell for the ninth straight month but at the slowest pace in that period, as firms cited weak demand, client caution, and uncertainty ahead of the Autumn Budget. Employment also fell for the ninth month amid hiring freezes, though some firms hired apprentices. Input buying and delivery times improved slightly, but cost pressures persisted, with higher energy, wage, and transport costs. Business confidence remained near record lows, with optimism hinging on potential infrastructure spending, energy projects, and future rate cuts.

The HCOB Germany Construction PMI edged up to 46.2 in September 2025 from 46 in August. Despite the uptick, the latest reading still pointed to a sustained contraction in overall building activity across the eurozone's largest economy, amid persistently weak demand. The housing segment remained the biggest drag, recording a sharp decline that was the steepest in three months.

SPREAD ANALYSIS

The India 10 Years vs the United States 10 Years Government Bond spread value is 239.57 bps, 4.86 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 12.81 bps.
 5 Years vs 2 Years bond spread is 32.85 bps.
 10 Years vs 2Years bond spread is 73.73 bps.

MARKET OUTLOOK

Today, the 10-year benchmark yields ended higher than the previous. We expect the yield to fluctuate between 6.48% to 6.58%.