BONDWATCH

INDIA

Daily

10-07-2026

The benchmark 6.94 2036 bond yield closed at 6.7139% on Friday from 6.7517% on Thursday.

Benchmark yield ended the week broadly flattish.

The 10-year benchmark yield closed at 6.71% last Friday. It eased about 2 bps on Monday, tracking softer U.S. yields after weaker jobs data, while domestic sentiment stayed upbeat on lower oil, steady foreign inflows, better monsoon prospects, and hopes of Bloomberg index inclusion. Mid-week, yields jumped nearly 7 bps to 6.76% as oil spiked after President Trump said that the Iran deal was over. By week's end, yields slipped 3.8 bps to 6.7139%, marking the sharpest fall since July 2 as Brent cooled to around $76.

Markets steadied as Brent crude slipped back to around $76 a barrel after briefly climbing $80 earlier in the week.

Foreign investors bought nearly $4B of Indian bonds since June, boosted by policy support and hopes of Bloomberg index inclusion.

India's monsoon deficit narrowed to 24% as rains improved across regions with June inflation print due on Monday.

Market Observations.
G-sec

Gsec cut-off came In-Line with market expectations, where cut off for 6.36% GS 2031 came in at 99.75 (6.4218%) and for 7.71% GS 2066 at 103.23 (7.4543%). RBI received competitive bids for a total stipulated amount of 92,922crs vs the notified amount of 32,000crs.

Size activity was visible in 3 months maturity T-bill (08 Oct 2026) at 5.27 centric levels, where Mutual Funds acted as both sellers and buyers.

10-11-year maturity SDLs (KA 2036 / GJ 2037) witnessed buying interest at 7.38 & 7.40 levels, where Foreign Banks / Insurance Companies acted as sellers and Mutual Funds / NBFCs as buyers.

Corp Bond

Over the week, Corp Bond yields rose across segments by close to 7-8bps with benchmark indicative levels at 7.25% for the 1-year vs 7.15, 7.27% for the 5-year vs 7.16 and 7.40% for the 10 year. Trading activity was largely concentrated in the medium-term segment, followed by the short term MMY segment.

CP/CD

Banking Liquidity stayed in surplus however remained volatile over the last week led by FX actions by RBI as rupee weakened, Overnight rates remained higher while RBIs VRR auction saw heavy demand, CD rates rose over the week with the 3M (Oct maturity) at 6.60% vs 6.26%, 6M (Jan maturity) at 6.90% vs 6.65%, and 1Y (Jul maturity) at 7.10% vs 7%. Trading was concentrated in JFM and 2–3M segments, led by banks and mutual funds.

GOI Yield	10-Jul	9-Jul	3-Jul	10-Jun
1 Year	5.61	5.63	5.65	5.87
5 Year	6.39	6.43	6.41	6.57
10 Year	6.71	6.75	6.71	6.94

AAA Bmk	10-Jul	9-Jul	3-Jul	10-Jun
1 Year	7.25	7.34	7.15	7.40
5 Year	7.27	7.37	7.16	7.40
10 Year	7.40	7.45	7.40	7.65

CD	10-Jul	9-Jul	3-Jul	10-Jun
3 Month	6.60	6.65	6.26	6.90
6 Month	6.90	6.90	6.65	7.25
1 Year	7.10	7.10	7.00	7.60

CP	10-Jul	9-Jul	3-Jul	10-Jun
3 Month	6.65	6.70	6.31	6.95
6 Month	6.95	6.95	6.70	7.30
1 Year	7.15	7.15	7.05	7.65

OIS Rate	10-Jul	9-Jul	3-Jul	10-Jun
1 Year	5.77	5.81	5.78	6.08
2 Year	5.92	5.96	5.91	6.23
3 Year	6.01	6.06	6.01	6.33
5 Year	6.17	6.21	6.18	6.48

	10-Jul	9-Jul	3-Jul	10-Jun
Sensex	77,569	76,742	77,764	73,983
Nifty	24,207	23,963	24,271	23,215
USD/INR	95.33	95.39	95.21	95.27
Gold (USD)	4,109	4,121	4,175	4,073
Oil (USD)	76.23	76.30	72.12	93.10

NDF	10-Jul	9-Jul	3-Jul	10-Jun
3 Month	96.12	96.15	95.97	96.19
1 Year	98.21	98.21	97.97	98.38
2 Year	100.99	100.88	100.54	101.21
3 Year	104.54	104.38	104.04	104.67

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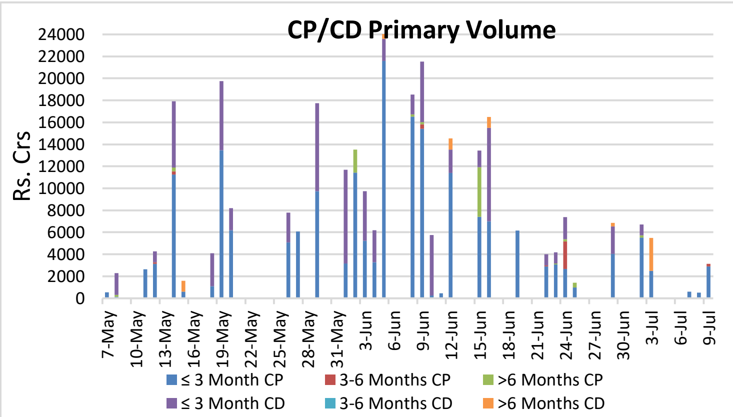
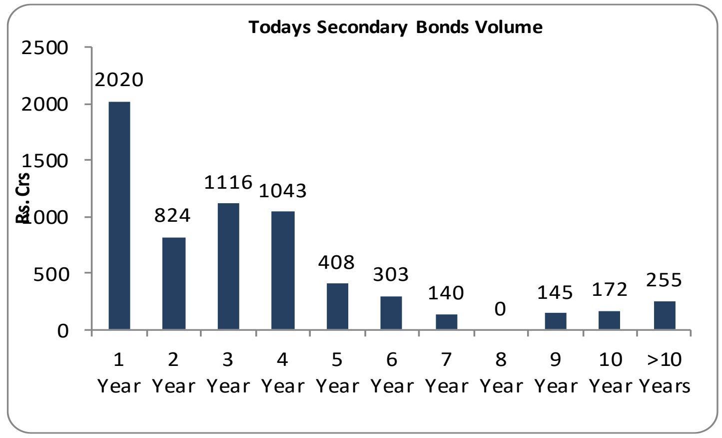




10 Year Benchmarks	10-Jul	9-Jul	3-Jul	10-Jun
India	6.71	6.75	6.71	6.94
US	4.54	4.54	4.48	4.54
South Korea	4.22	4.24	4.20	4.28
Brazil	14.55	14.55	14.54	14.86
Germany	3.04	3.05	2.93	3.07
China	1.73	1.75	1.74	1.75

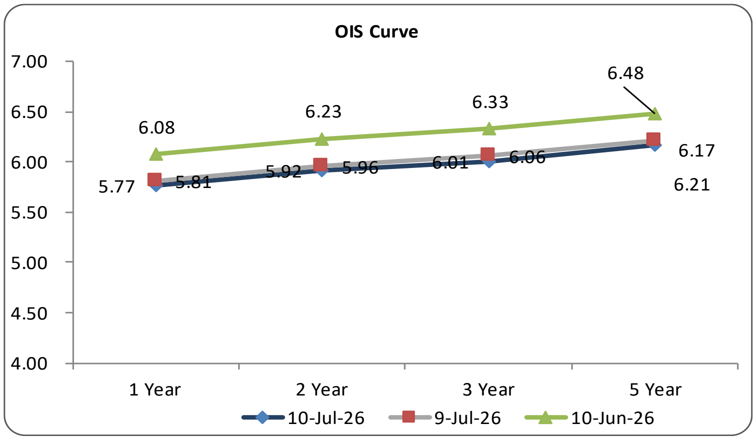
Top Traded Securities	Volume	10-Jul	9-Jul	3-Jul	10-Jun
6.75 2029	0	6.31	6.31	6.20	6.36
6.79 2034	20	6.69	6.73	6.72	6.92
6.33 2035	110	6.69	6.73	6.70	6.83
6.92 2039	50	6.90	6.93	6.92	7.18
7.09 2054	0	7.34	7.35	7.33	7.59
7.34 2064	225	7.46	7.50	7.44	7.69

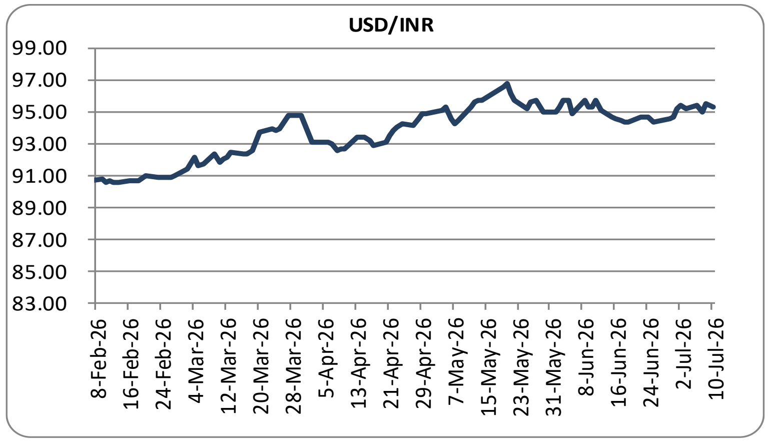
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
6-Jul-26	16,115	26,481	(10,366.58)	16,016	12,627	3,388.81	32,131	39,108	(6,977.77)

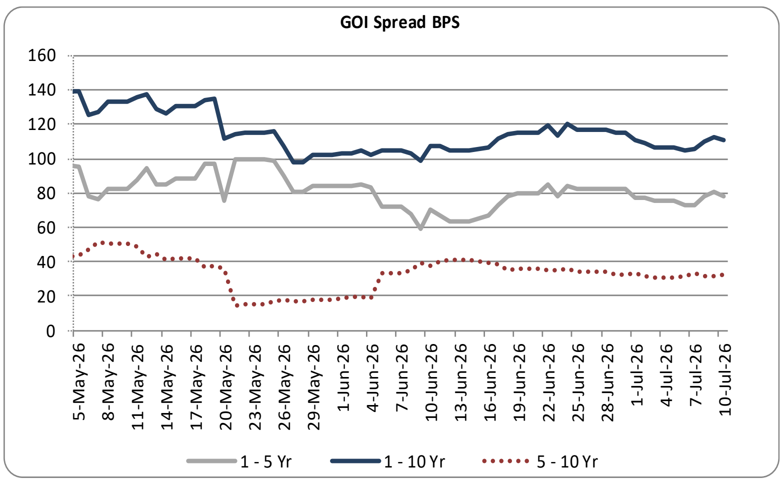
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
10-Jul-26	207	589	(382.70)	15736	15471	265.06	15943	16061	(117.64)

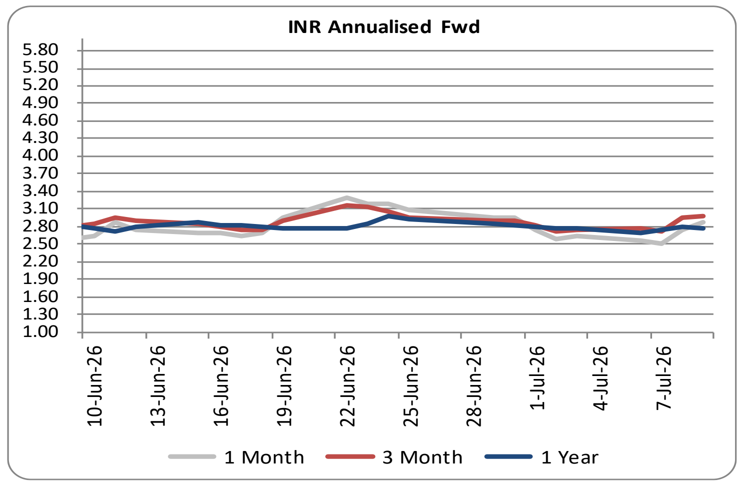
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Mar-26	7.10	(15.50)
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	May-26	9.68	8.26
CPI (%)	May-26	3.93	3.48
IIP (%)	May-26	5.10	4.90
PMI Manufacturing	Jun-26	54.20	55.00
PMI Service	Jun-26	57.40	59.80

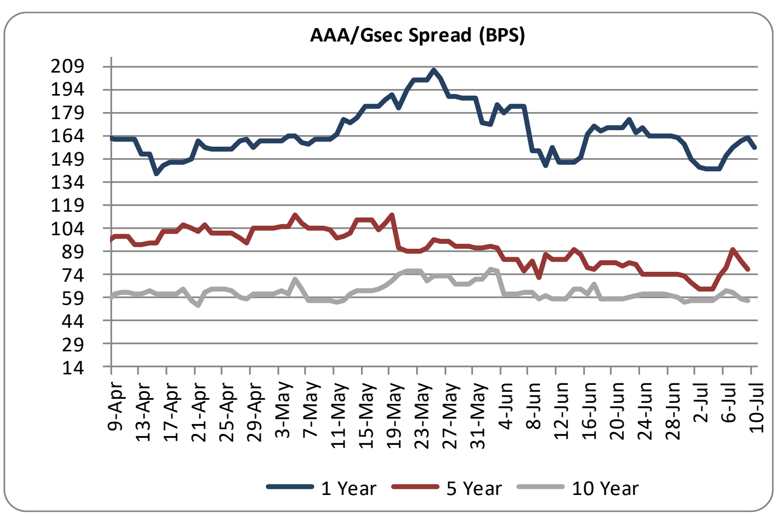
Economic Calender	Country	Date	Poll	Prior
CPI (YoY) (Jun)	INDIA	13-Jul-26	4.30	3.93
WPI Inflation (YoY) (Jun)	INDIA	14-Jul-26	9.15	9.68
CPI (MoM) (Jun)	U.S.	14-Jul-26	-0.10	0.50
Core CPI (MoM) (Jun)	U.S.	14-Jul-26	0.30	0.20
CPI (YoY) (Jun)	U.S.	14-Jul-26		4.20
GDP (YoY) (Q2)	CHINA	15-Jul-26		5.00
Trade Balance (Jun)	INDIA	15-Jul-26		(28.21)B
PPI (MoM) (Jun)	U.S.	15-Jul-26	0.20	1.10

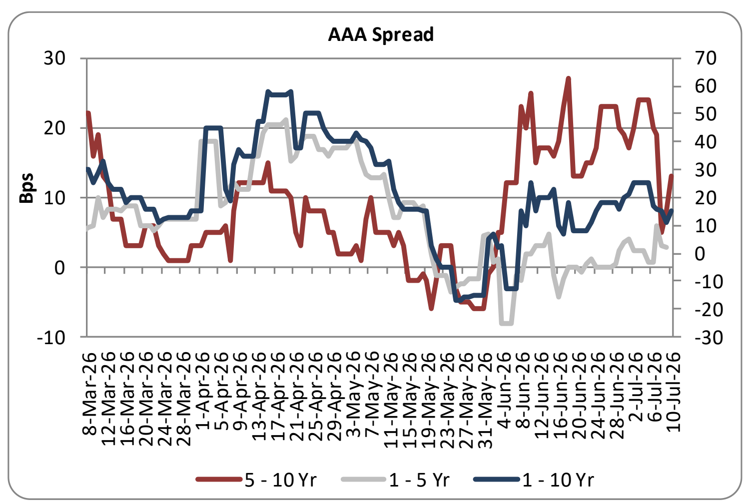

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.08
6.23
6.33
6.48
5.77
5.81
5.92
5.96
6.01
6.06
6.17
6.21
1 Year
2 Year
3 Year
5 Year
10-Jul-26
9-Jul-26
10-Jun-26

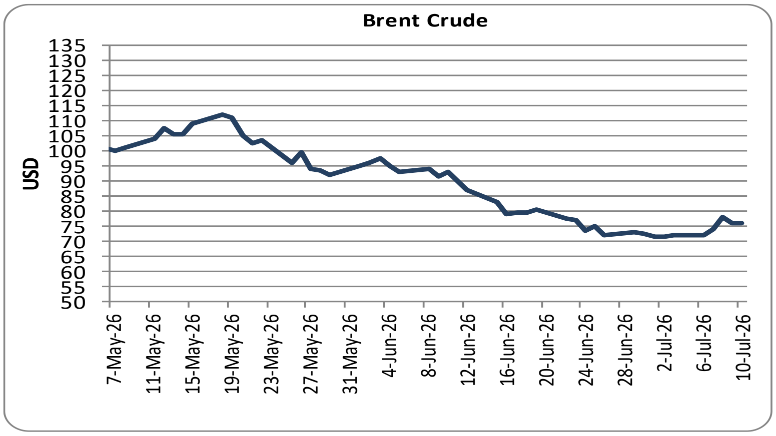

USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00
85.00
83.00
8-Feb-26
16-Feb-26
24-Feb-26
4-Mar-26
12-Mar-26
20-Mar-26
28-Mar-26
5-Apr-26
13-Apr-26
21-Apr-26
29-Apr-26
7-May-26
15-May-26
23-May-26
31-May-26
8-Jun-26
16-Jun-26
24-Jun-26
2-Jul-26
10-Jul-26

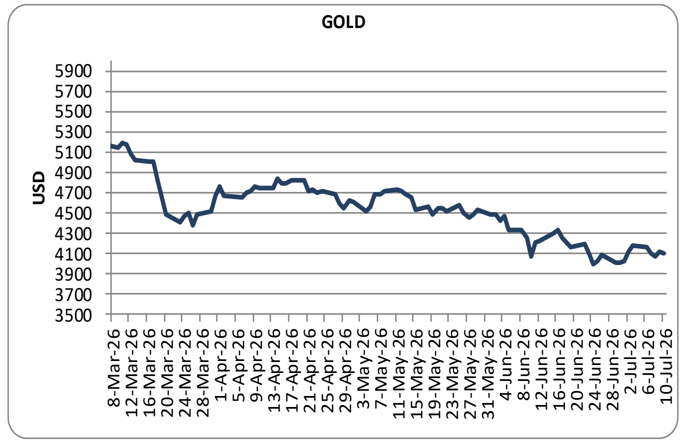

GOI Spread BPS
160
140
120
100
80
60
40
20
0
5-May-26
8-May-26
11-May-26
14-May-26
17-May-26
20-May-26
23-May-26
26-May-26
29-May-26
1-Jun-26
4-Jun-26
7-Jun-26
10-Jun-26
13-Jun-26
16-Jun-26
19-Jun-26
22-Jun-26
25-Jun-26
28-Jun-26
1-Jul-26
4-Jul-26
7-Jul-26
10-Jul-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


INR Annualised Fwd
5.80
5.50
5.20
4.90
4.60
4.30
4.00
3.70
3.40
3.10
2.80
2.50
2.20
1.90
1.60
1.30
1.00
10-Jun-26
13-Jun-26
16-Jun-26
19-Jun-26
22-Jun-26
25-Jun-26
28-Jun-26
1-Jul-26
4-Jul-26
7-Jul-26
1 Month
3 Month
1 Year


AAA/Gsec Spread (BPS)
209
194
179
164
149
134
119
104
89
74
59
44
29
14
9-Apr
13-Apr
17-Apr
21-Apr
25-Apr
29-Apr
3-May
7-May
11-May
15-May
19-May
23-May
27-May
31-May
4-Jun
8-Jun
12-Jun
16-Jun
20-Jun
24-Jun
28-Jun
2-Jul
6-Jul
10-Jul
1 Year
5 Year
10 Year


AAA Spread
Bps
30
20
10
0
-10
70
60
50
40
30
20
10
0
-10
-20
-30
8-Mar-26
12-Mar-26
16-Mar-26
20-Mar-26
24-Mar-26
28-Mar-26
1-Apr-26
5-Apr-26
9-Apr-26
13-Apr-26
17-Apr-26
21-Apr-26
25-Apr-26
29-Apr-26
3-May-26
7-May-26
11-May-26
15-May-26
19-May-26
23-May-26
27-May-26
31-May-26
4-Jun-26
8-Jun-26
12-Jun-26
16-Jun-26
20-Jun-26
24-Jun-26
28-Jun-26
2-Jul-26
6-Jul-26
10-Jul-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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