BONDWATCH

INDIA

Daily

18-08-2026

The benchmark 6.94 2036 bond yield closed at 6.8269% vs 6.8071% in the previous session.

The benchmark 10Y yield rose for the second consecutive day led by higher oil prices coupled with early closure of FCNR deposit scheme. OIS rates rose across the curve as market sentiments weakened on RBIs surprise move with the 1Y OIS at 5.83%, 2Y OIS at 6.0550%, 5Y OIS at 6.42%.

The RBI said on Friday it will close the forex swap facility a month earlier than planned, following robust inflows of more than $52 billion.

With September inflows expected to slow, liquidity concerns are building and pushing yields higher across the curve.

Meanwhile, Oil rose for a third straight session as fading Middle East ceasefire hopes stoked supply disruption fears, with Brent at $90.94 (+0.08%) and WTI at $85.03 (+0.63%).

Globally Bond Selloff Deepens as Inflation and Fiscal Worries Mount, U.S. 30-year Treasury yields hit their highest since 2007, touching 5.327%, as oil's rise back above $90/barrel, the 10-year yield sits around 4.74%. Japan 10-year yields climbed to a three-decade high near 3% on inflation concerns and expectations of a September rate hike. German 10-year Bund yields hit their highest since 2011 at 3.255%, French yields their highest since 2009 at 4.118%.

Market Observations

G-sec

The market opened on a negative note for the second consecutive day, with the 10-year benchmark touching an intraday high of 6.85% before closing marginally better at 6.8269%.

Selling interest was observed in the JFM 2031 SDL, by mutual funds around the 7.05-7.06% levels; nationalized and private banks emerged as the major buyers.

A sizeable trade was also reported in the 2035 SDL at the 7.43% mark, with mutual funds selling to pension funds.

Corp Bond

AAA rated PSU bond yields traded 3-4 bps higher across the curve, with benchmark indicative levels at 7.38% for the 1-year, 7.45% for the 5-year and 7.56% for the 10 year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

CP/CD

CD rates remained flattish with slight upward bias, with the 3M (Nov maturity) at 6.40%, 6M (Feb maturity) at 6.73% and 1Y (Aug maturity) at 7.15%. Trading was concentrated in JFM and 2–3M segments, led by banks and mutual funds.

GOI Yield	18-Aug	17-Aug	11-Aug	17-Jul
1 Year	5.71	5.70	5.66	5.61
5 Year	6.45	6.44	6.37	6.46
10 Year	6.83	6.81	6.78	6.78

AAA Bmk	18-Aug	17-Aug	11-Aug	17-Jul
1 Year	7.38	7.36	7.30	7.45
5 Year	7.45	7.43	7.36	7.37
10 Year	7.56	7.54	7.52	7.45

CD	18-Aug	17-Aug	11-Aug	17-Jul
3 Month	6.40	6.35	6.38	6.75
6 Month	6.73	6.73	6.70	6.95
1 Year	7.15	7.12	7.10	7.10

CP	18-Aug	17-Aug	11-Aug	17-Jul
3 Month	6.45	6.40	6.43	6.80
6 Month	6.78	6.78	6.75	7.00
1 Year	7.20	7.17	7.15	7.15

OIS Rate	18-Aug	17-Aug	11-Aug	17-Jul
1 Year	5.82	5.79	5.79	5.93
2 Year	6.05	6.00	5.99	6.09
3 Year	6.20	6.14	6.05	6.20
5 Year	6.41	6.34	6.29	6.38

	18-Aug	17-Aug	11-Aug	17-Jul
Sensex	77,235	77,728	78,154	78,151
Nifty	24,155	24,288	24,472	24,334
USD/INR	95.68	95.60	95.44	96.28
Gold (USD)	4,395	4,415	4,367	4,017
Oil (USD)	91.24	90.87	88.91	88.10

NDF	18-Aug	17-Aug	11-Aug	17-Jul
3 Month	96.44	96.50	96.07	97.37
1 Year	98.71	98.77	98.30	99.59
2 Year	101.51	101.63	101.01	102.39
3 Year	105.01	104.74	104.25	105.75

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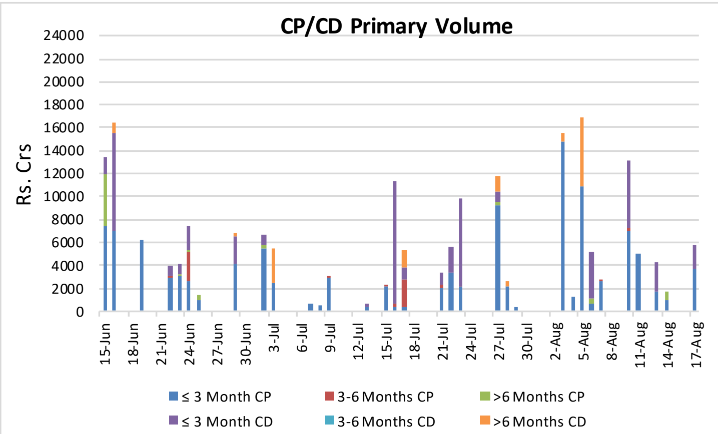
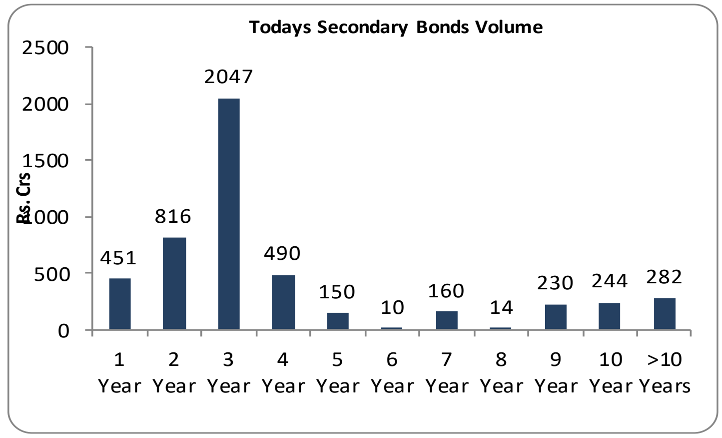




10 Year Benchmarks	18-Aug	17-Aug	11-Aug	17-Jul
India	6.83	6.81	6.78	6.78
US	4.74	4.72	4.68	4.54
South Korea	4.38	4.30	4.30	4.29
Brazil	14.85	14.85	14.66	14.69
Germany	3.27	3.22	3.16	3.12
China	1.68	1.68	1.71	1.73

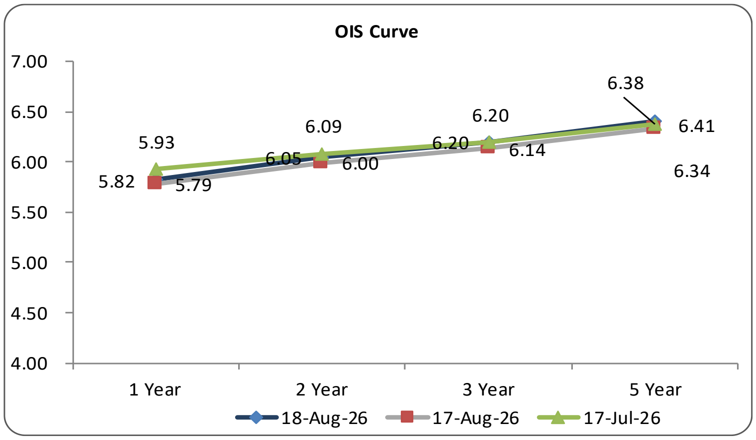
Top Traded Securities	Volume	18-Aug	17-Aug	11-Aug	17-Jul
6.75 2029	0	6.36	6.41	6.33	6.32
6.79 2034	0	6.76	6.76	6.74	6.79
6.33 2035	20	6.81	6.72	6.74	6.73
6.92 2039	0	6.93	6.92	6.93	7.00
7.09 2054	0	7.42	7.37	7.40	7.41
7.34 2064	0	7.54	7.54	7.53	7.53

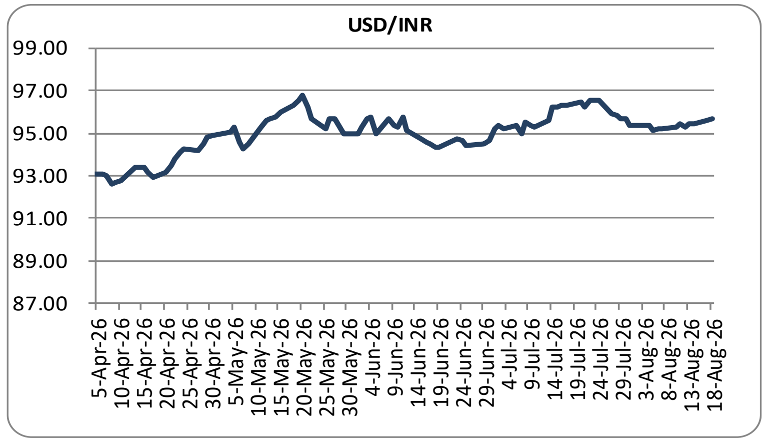
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
13-Aug-26	21,341	15,388	5,953.68	13,498	8,926	4,571.83	34,840	24,314	10,525.51

	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
18-Aug-26	374	278	95.43	12097	12436	(338.90)	12471	12714	(243.47)

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Jun-26	(3.10)	7.10
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	Jul-26	9.78	9.87
CPI (%)	Jul-26	4.45	4.38
IIP (%)	Jun-26	7.30	5.00
PMI Manufacturing	Jul-26	53.50	54.20
PMI Service	Jul-26	53.30	57.40

Economic Calender	Country	Date	Poll	Prior
CPI (YoY) (Jul)	GBP	19-Aug-26		2.60
CPI (YoY) (Jul)	EUR	19-Aug-26	2.90	2.80
Crude Oil Inventories	USD	19-Aug-26		17.423M
FOMC Meeting Minutes	USD	19-Aug-26		
Philadelphia Fed Manufacturing Index (Aug)	USD	20-Aug-26		
Initial Jobless Claims	USD	20-Aug-26		209K
S&P Global Services PMI (Aug) P	INR	21-Aug-26		53.3
S&P Global Manufacturing PMI (Aug) P	INR	21-Aug-26		53.5


OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
5.93
5.82
5.79
6.09
6.05
6.00
6.20
6.20
6.14
6.38
6.41
6.34
1 Year
2 Year
3 Year
5 Year
18-Aug-26
17-Aug-26
17-Jul-26


USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00
5-Apr-26
10-Apr-26
15-Apr-26
20-Apr-26
25-Apr-26
30-Apr-26
5-May-26
10-May-26
15-May-26
20-May-26
25-May-26
30-May-26
4-Jun-26
9-Jun-26
14-Jun-26
19-Jun-26
24-Jun-26
29-Jun-26
4-Jul-26
9-Jul-26
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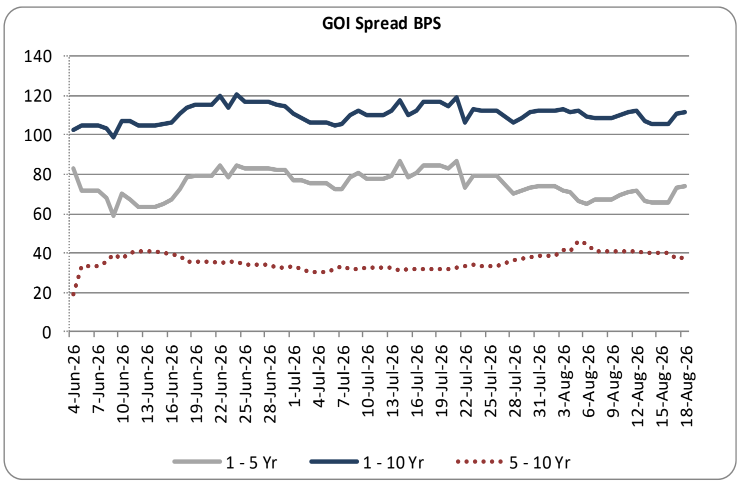
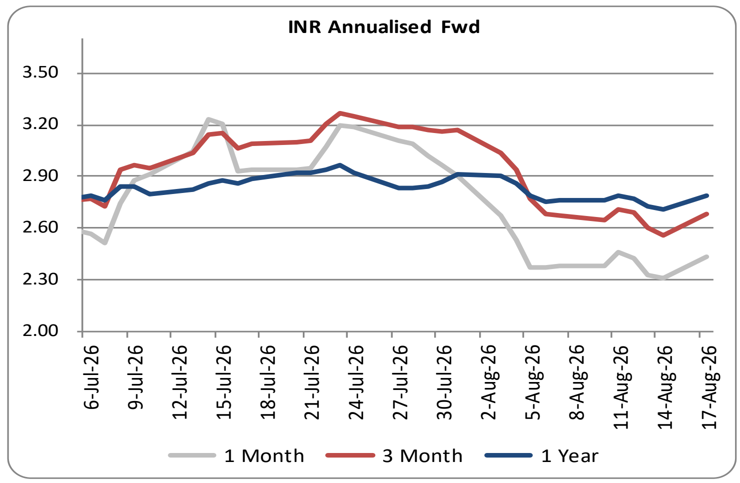
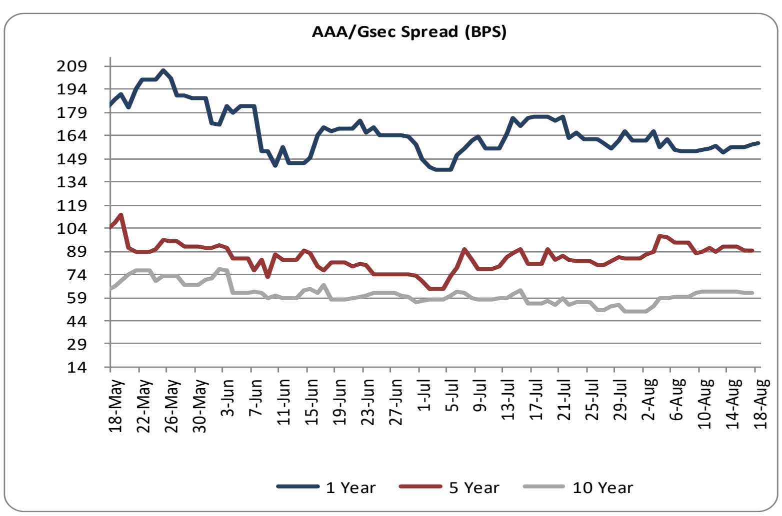
29-Jul-26
3-Aug-26
8-Aug-26
13-Aug-26
18-Aug-26


GOI Spread BPS
140
120
100
80
60
40
20
0
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
13-Jul-26
16-Jul-26
19-Jul-26
22-Jul-26
25-Jul-26
28-Jul-26
31-Jul-26
3-Aug-26
6-Aug-26
9-Aug-26
12-Aug-26
15-Aug-26
18-Aug-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


INR Annualised Fwd
3.50
3.20
2.90
2.60
2.30
2.00
6-Jul-26
9-Jul-26
12-Jul-26
15-Jul-26
18-Jul-26
21-Jul-26
24-Jul-26
27-Jul-26
30-Jul-26
2-Aug-26
5-Aug-26
8-Aug-26
11-Aug-26
14-Aug-26
17-Aug-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
18-May
22-May
26-May
30-May
3-Jun
7-Jun
11-Jun
15-Jun
19-Jun
23-Jun
27-Jun
1-Jul
5-Jul
9-Jul
13-Jul
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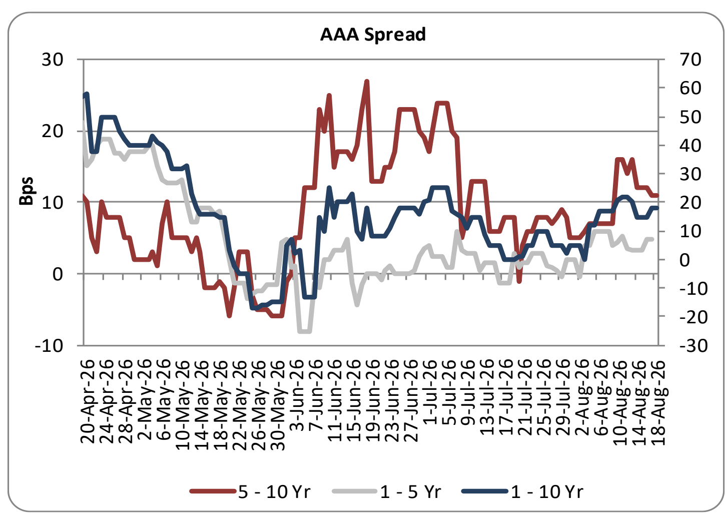
29-Jul
2-Aug
6-Aug
10-Aug
14-Aug
18-Aug
1 Year
5 Year
10 Year


AAA Spread
Bps
30
20
10
0
-10
70
60
50
40
30
20
10
0
-10
-20
-30
20-Apr-26
24-Apr-26
28-Apr-26
2-May-26
6-May-26
10-May-26
14-May-26
18-May-26
22-May-26
26-May-26
30-May-26
3-Jun-26
7-Jun-26
11-Jun-26
15-Jun-26
19-Jun-26
23-Jun-26
27-Jun-26
1-Jul-26
5-Jul-26
9-Jul-26
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17-Jul-26
21-Jul-26
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6-Aug-26
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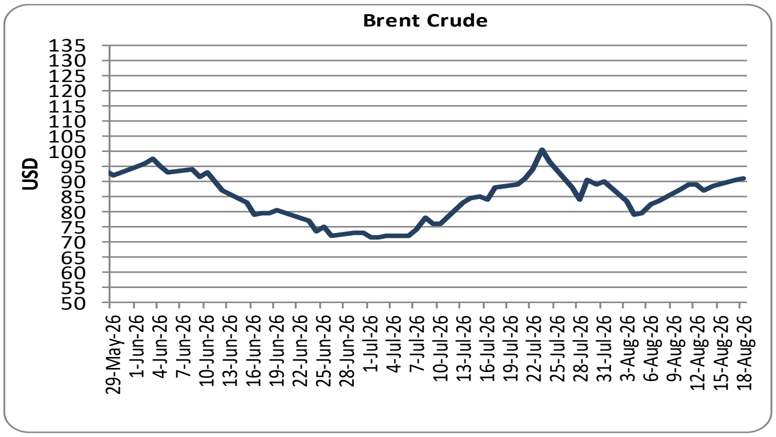
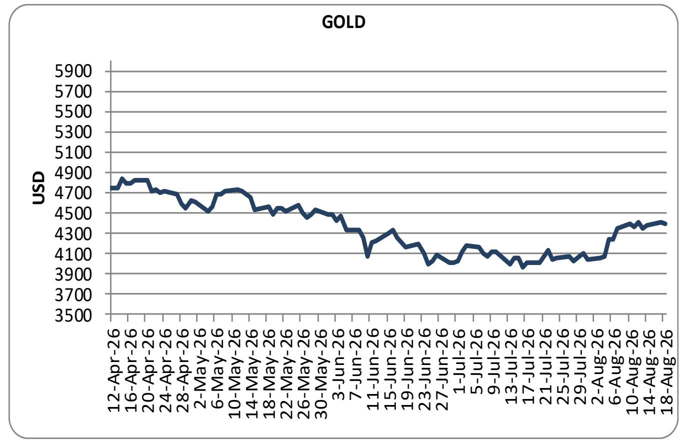
14-Aug-26
18-Aug-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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