BONDWATCH

INDIA

Daily

19-08-2026

The benchmark 6.94 2036 bond yield closed at 6.8170% vs 6.8269% in the previous session.

The benchmark 10Y yield remained more or less flattish as rising oil prices offset support from softer U.S. Treasury yields ahead of U.S. and RBI's latest policy minutes to be released later in the day. OIS rates traded mixed with the 1Y OIS fell 1.75 bps to 5.8075%, while 5Y OIS rose 2.25 bps to 6.3975%. INR fell 0.08% against the dollar to 95.7525, pressured by elevated oil prices and steady dollar demand.

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.

Oil hits 3-week high as Hormuz shipping fears persist. Brent up 0.85% to $91.79; WTI up 1% to $85.79, both at their highest since late July.

India imports 90% of its oil, so rising prices hurt the rupee, growth, government finances, and inflation.

Globally, bond yields stabilized near multi-decade highs on debt fears, while oil rose for a fourth day as Middle East peace hopes fade. Japanese government bonds bounced back Wednesday, the 10-year JGB yield slipped 2 bps to 2.915%, down from a near-30-year high of 2.945% hit Tuesday. U.S. Treasury yields eased slightly on Tuesday, reversing course after two straight sessions of gains, the 10-year Treasury yield fell 1.6 bps to 4.708%, and the 30-year dropped 2.6 bps to 5.284%. Germany's 10-year yield eased 1 bp to 3.247% as U.S. Treasuries stabilized, though Brent crude near $90 kept inflation pressure alive.

Market Observations

G-sec

Pension funds led demand for 2037-2041 SDLs.

SDLs traded at the following levels today: 2037 at 7.48%, 2038 at 7.50%, 2039 at 7.53%, and 2040 at 7.56%.

Bank ALMs drove demand for 2030/2031/2032 G-secs and SDLs.

Corp Bond

AAA rated PSU bond yields traded more or less flattish across the curve, with benchmark indicative levels at 7.35% 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. FIIs stayed active buyers in the 2028-2029 bucket.

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	19-Aug	18-Aug	12-Aug	20-Jul
1 Year	5.70	5.71	5.65	5.63
5 Year	6.45	6.45	6.37	6.46
10 Year	6.82	6.83	6.78	6.78

AAA Bmk	19-Aug	18-Aug	12-Aug	20-Jul
1 Year	7.35	7.38	7.30	7.45
5 Year	7.45	7.45	7.38	7.47
10 Year	7.56	7.56	7.52	7.46

CD	19-Aug	18-Aug	12-Aug	20-Jul
3 Month	6.40	6.40	6.42	6.85
6 Month	6.73	6.73	6.75	7.10
1 Year	7.15	7.15	7.15	7.20

CP	19-Aug	18-Aug	12-Aug	20-Jul
3 Month	6.45	6.45	6.47	6.90
6 Month	6.78	6.78	6.80	7.15
1 Year	7.20	7.20	7.20	7.25

OIS Rate	19-Aug	18-Aug	12-Aug	20-Jul
1 Year	5.81	5.82	5.77	5.95
2 Year	6.05	6.05	5.96	6.12
3 Year	6.18	6.20	6.08	6.23
5 Year	6.40	6.41	6.27	6.41

	19-Aug	18-Aug	12-Aug	20-Jul
Sensex	76,910	77,235	77,966	77,709
Nifty	24,078	24,155	24,436	24,239
USD/INR	95.75	95.68	95.33	96.45
Gold (USD)	4,368	4,333	4,407	4,006
Oil (USD)	92.15	91.02	88.98	89.22

NDF	19-Aug	18-Aug	12-Aug	20-Jul
3 Month	96.46	96.57	96.09	97.39
1 Year	98.73	98.85	98.28	99.65
2 Year	101.66	101.73	100.85	102.46
3 Year	104.75	104.84	104.35	105.96

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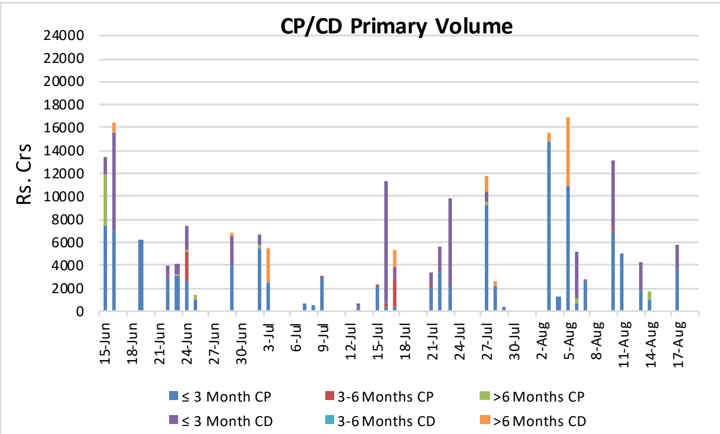
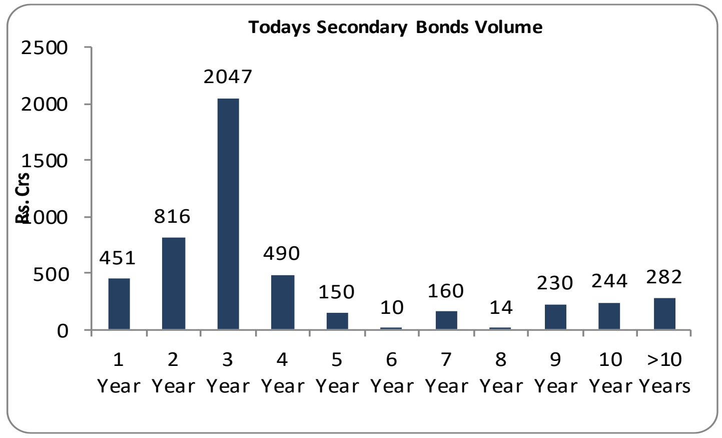




10 Year Benchmarks	19-Aug	18-Aug	12-Aug	20-Jul
India	6.83	6.83	6.78	6.78
US	4.70	4.71	4.68	4.60
South Korea	4.41	4.38	4.29	4.34
Brazil	14.90	14.90	14.69	14.74
Germany	3.27	3.26	3.16	3.15
China	1.70	1.68	1.70	1.74

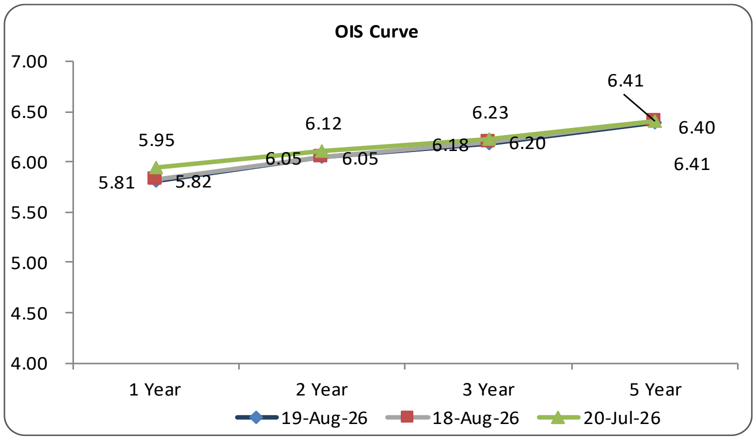
Top Traded Securities	Volume	19-Aug	18-Aug	12-Aug	20-Jul
6.75 2029	0	6.39	6.36	6.28	6.39
6.79 2034	15	6.76	6.76	6.74	6.73
6.33 2035	80	6.77	6.81	6.75	6.78
6.92 2039	0	#N/A	6.93	6.93	6.99
7.09 2054	0	7.44	7.42	7.40	7.44
7.34 2064	25	7.55	7.54	7.50	7.54

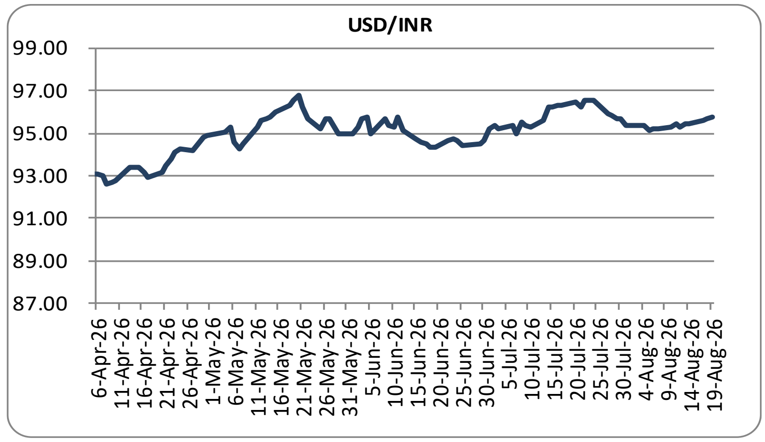
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
13-Aug-26	21,341	15,388	5,953.68	13,498	8,926	4,571.83	34,840	24,314	10,525.51

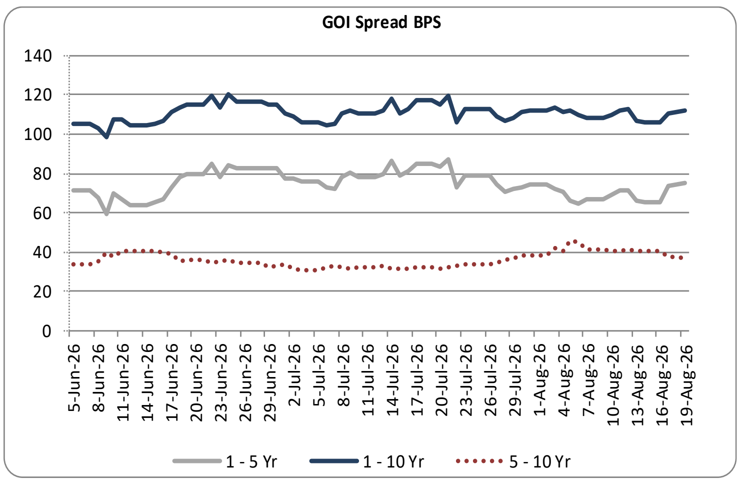
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
19-Aug-26	491	690	(198.70)	14824	11898	2,925.91	15315	12588	2,727.21

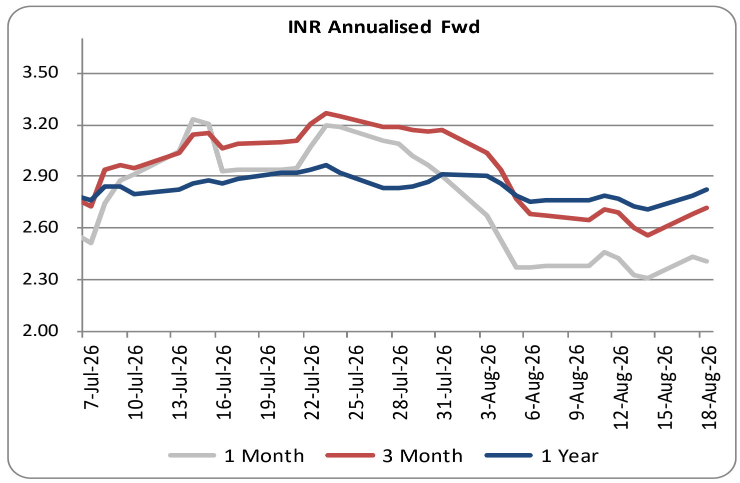
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Jun-26	(3.10)	7.10
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	Jul-26	9.78	9.87
CPI (%)	Jul-26	4.45	4.38
IIP (%)	Jun-26	7.30	5.00
PMI Manufacturing	Jul-26	53.50	54.20
PMI Service	Jul-26	53.30	57.40

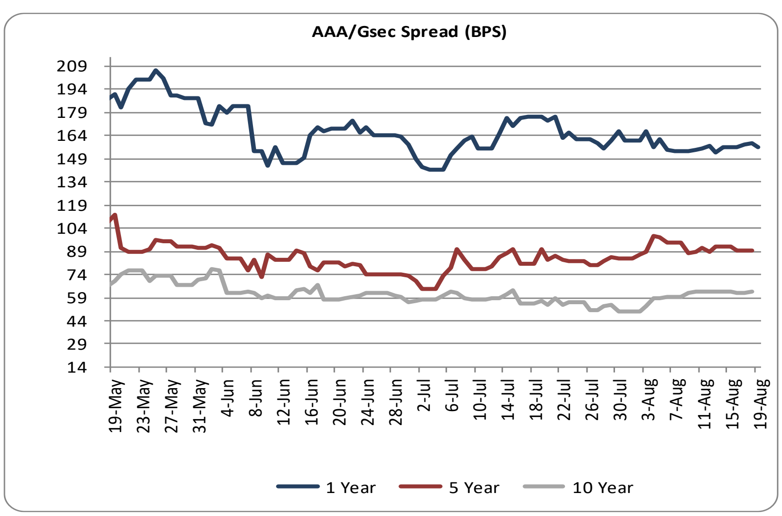
Economic Calender	Country	Date	Poll	Prior
Crude Oil Inventories	USD	19-Aug-26		17.423M
FOMC Meeting Minutes	USD	19-Aug-26		
Philadelphia Fed Manufacturing Index (Aug)	USD	20-Aug-26		41.40
Initial Jobless Claims	USD	20-Aug-26		
S&P Global Services PMI (Aug) P	INR	21-Aug-26		
S&P Global Manufacturing PMI (Aug) P	INR	21-Aug-26		53.5
S&P Global Manufacturing PMI (Aug) P	USD	21-Aug-26		53.9
S&P Global Services PMI (Aug) P	USD	21-Aug-26		54.6

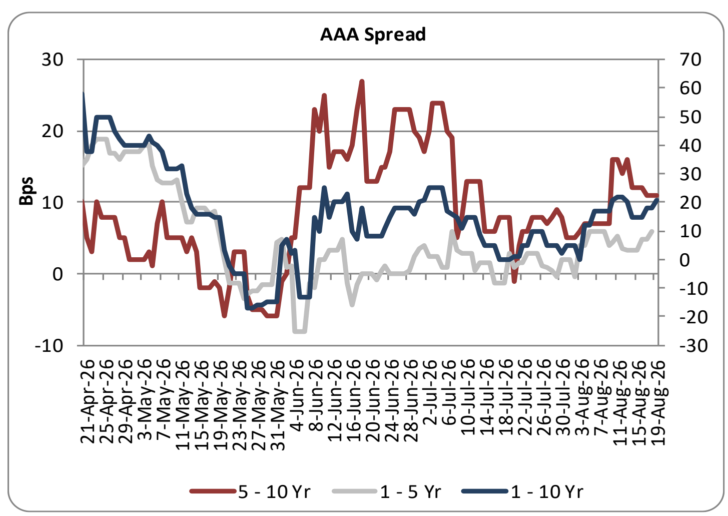

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
5.95
5.81
5.82
6.12
6.05
6.05
6.23
6.18
6.20
6.41
6.40
6.41
1 Year
2 Year
3 Year
5 Year
19-Aug-26
18-Aug-26
20-Jul-26

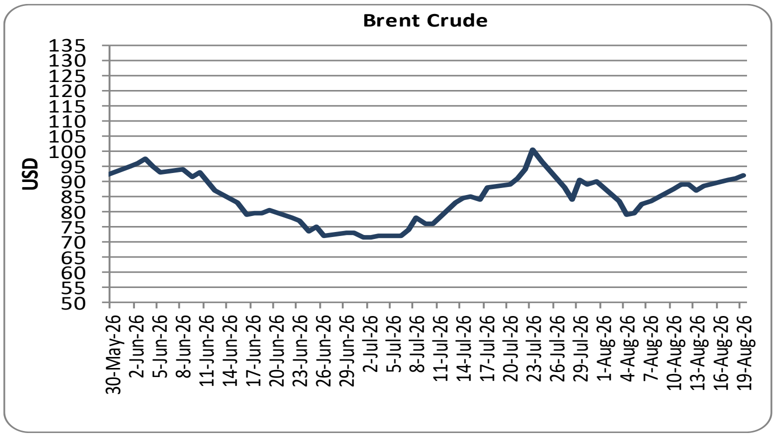

USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00
6-Apr-26
11-Apr-26
16-Apr-26
21-Apr-26
26-Apr-26
1-May-26
6-May-26
11-May-26
16-May-26
21-May-26
26-May-26
31-May-26
5-Jun-26
10-Jun-26
15-Jun-26
20-Jun-26
25-Jun-26
30-Jun-26
5-Jul-26
10-Jul-26
15-Jul-26
20-Jul-26
25-Jul-26
30-Jul-26
4-Aug-26
9-Aug-26
14-Aug-26
19-Aug-26

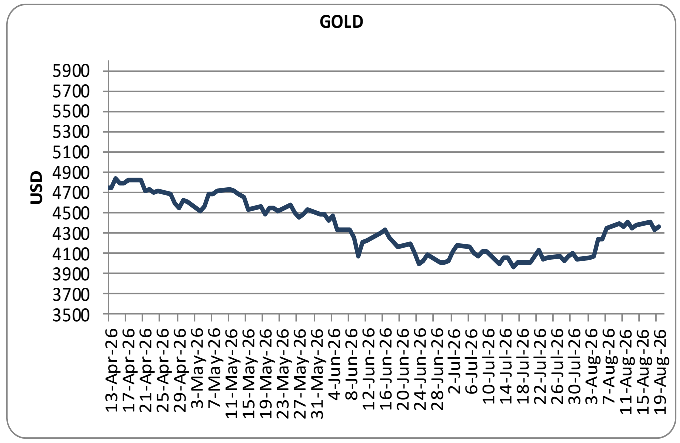

GOI Spread BPS
140
120
100
80
60
40
20
0
5-Jun-26
8-Jun-26
11-Jun-26
14-Jun-26
17-Jun-26
20-Jun-26
23-Jun-26
26-Jun-26
29-Jun-26
2-Jul-26
5-Jul-26
8-Jul-26
11-Jul-26
14-Jul-26
17-Jul-26
20-Jul-26
23-Jul-26
26-Jul-26
29-Jul-26
1-Aug-26
4-Aug-26
7-Aug-26
10-Aug-26
13-Aug-26
16-Aug-26
19-Aug-26
1 - 5 Yr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


INR Annualised Fwd
3.50
3.20
2.90
2.60
2.30
2.00
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 Month
3 Month
1 Year


AAA/Gsec Spread (BPS)
209
194
179
164
149
134
119
104
89
74
59
44
29
14
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
14-Jul
18-Jul
22-Jul
26-Jul
30-Jul
3-Aug
7-Aug
11-Aug
15-Aug
19-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
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
14-Jul-26
18-Jul-26
22-Jul-26
26-Jul-26
30-Jul-26
3-Aug-26
7-Aug-26
11-Aug-26
15-Aug-26
19-Aug-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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