BONDWATCH

INDIA

Daily

24-08-2026

The benchmark 6.94 2036 bond yield closed at 6.8708% vs 6.8495% in the previous session.

The Indian benchmark 10-year yield surged 9.5 bps last week, its sharpest weekly rise since the week ended April 3.

The Indian benchmark bond yield rose on Monday after the U.S. threatened fresh sanctions on Iran, raising fears of higher oil prices and inflation. Indian markets were already under pressure after central bank minutes came in more hawkish than expected, along with the early closure of a dollar-attracting scheme. OIS rates rose in line with bond yields with the 5Y OIS rate at 6.45%

U.S. Treasury Secretary Scott Bessent, set for a press conference Monday, warned of "the toughest sanctions in history" on Iran, raising fears of further disruption to global energy supplies and higher fuel costs.

Oil prices fell over $1 a barrel on Monday, with Brent crude dropping 1.64% to $92.84 and WTI crude down 2.34% to $85.02, as investors booked profits following recent gains. The decline came even as markets awaited details of expected new U.S. sanctions on Iran, which could further disrupt Middle East oil supplies.

Euro zone bond yields edged lower on Monday, helped by falling oil prices, but stayed near last week's 15-year highs as markets awaited details on U.S. sanctions on Iran. Germany's 10-year yield dipped 1bp to 3.246%, just below last week's peak of 3.275%, driven by inflation and fiscal concerns. JGB yields rose Monday, with the 10-year up 1.5bps to 2.89%, on Middle East-driven inflation worries and fiscal concerns. U.S. Treasury yields rose Friday after strong services PMI data with the 10Y yield up 3.8 bps at 4.736%. Markets await U.S. GDP and PCE data on Wednesday, Nvidia earnings that evening, and Fed Chair Kevin Warsh's Jackson Hole speech next Friday.

Market Observations

G-sec

Buying demand was visible in 2-year (7.06 2028) and 3-year (7.59 2029) maturity Gsec at 6.04 and 6.25 levels. Here, Pension Funds acted as buyers and Foreign Banks as sellers.

10-year maturity (2036) good state SDLs witnessed selling interest by Mutual Funds at 7.55 centric levels.

Corp Bond

AAA rated PSU bond yields rose 2-3 bps across the curve, with benchmark indicative levels at 7.48% for the 1-year, 7.62% for the 5-year and 7.65% for the 10 year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

CP/CD

CD rates eased in the 3M and 6M segment while remained flattish in 1Y segment, with the 3M (Nov maturity) at 6.48%, 6M (Feb maturity) at 6.90% and 1Y (Aug maturity) at 7.30%. Trading was concentrated in JFM and 2–3M segments, led by banks and mutual funds.

GOI Yield	24-Aug	21-Aug	17-Aug	24-Jul
1 Year	5.74	5.73	5.70	5.70
5 Year	6.50	6.48	6.44	6.49
10 Year	6.87	6.85	6.81	6.83

AAA Bmk	24-Aug	21-Aug	17-Aug	24-Jul
1 Year	7.48	7.46	7.36	7.40
5 Year	7.62	7.60	7.43	7.42
10 Year	7.65	7.69	7.54	7.50

CD	24-Aug	21-Aug	17-Aug	24-Jul
3 Month	6.48	6.56	6.35	6.80
6 Month	6.90	6.96	6.73	7.00
1 Year	7.30	7.30	7.12	7.20

CP	24-Aug	21-Aug	17-Aug	24-Jul
3 Month	6.53	6.61	6.40	6.85
6 Month	6.95	7.01	6.78	7.05
1 Year	7.35	7.35	7.17	7.25

OIS Rate	24-Aug	21-Aug	17-Aug	24-Jul
1 Year	5.92	5.90	5.79	6.00
2 Year	6.14	6.13	6.00	6.19
3 Year	6.26	6.25	6.14	6.30
5 Year	6.45	6.42	6.34	6.49

	24-Aug	21-Aug	17-Aug	24-Jul
Sensex	77,581	77,541	77,728	76,060
Nifty	24,266	24,252	24,288	23,767
USD/INR	95.69	95.70	95.60	96.56
Gold (USD)	4,632	4,603	4,415	4,053
Oil (USD)	93.08	94.39	90.87	96.78

NDF	24-Aug	21-Aug	17-Aug	24-Jul
3 Month	96.44	96.39	96.50	97.37
1 Year	98.73	98.68	98.77	99.72
2 Year	101.76	101.59	101.63	102.54
3 Year	105.10	105.09	104.74	105.93

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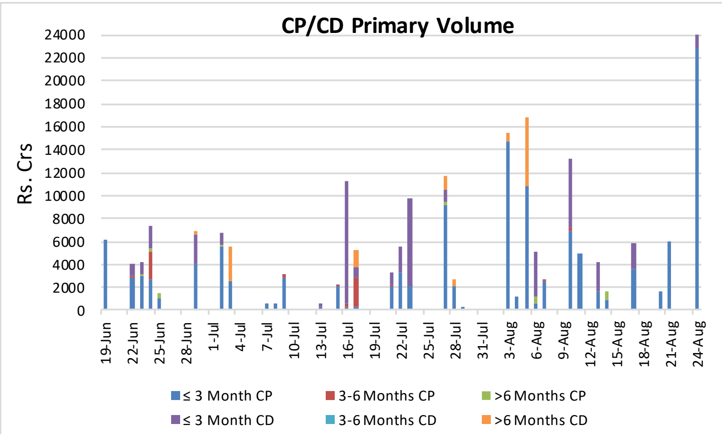
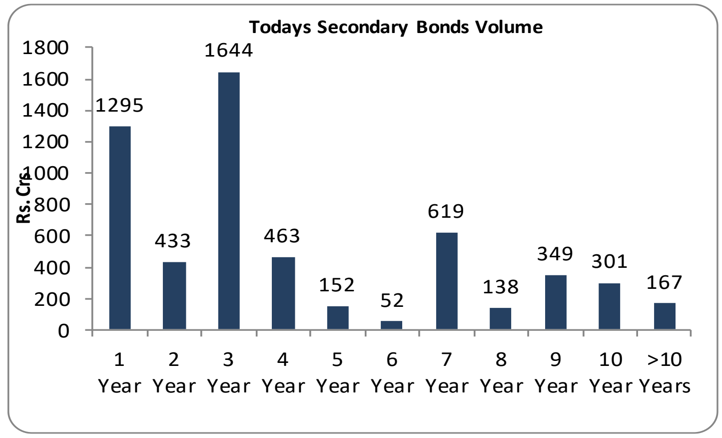




10 Year Benchmarks	24-Aug	21-Aug	17-Aug	24-Jul
India	6.87	6.85	6.81	6.83
US	4.71	4.74	4.72	4.68
South Korea	4.35	4.41	4.30	4.45
Brazil	14.64	14.64	14.85	14.84
Germany	3.26	3.26	3.22	3.17
China	1.68	1.70	1.68	1.73

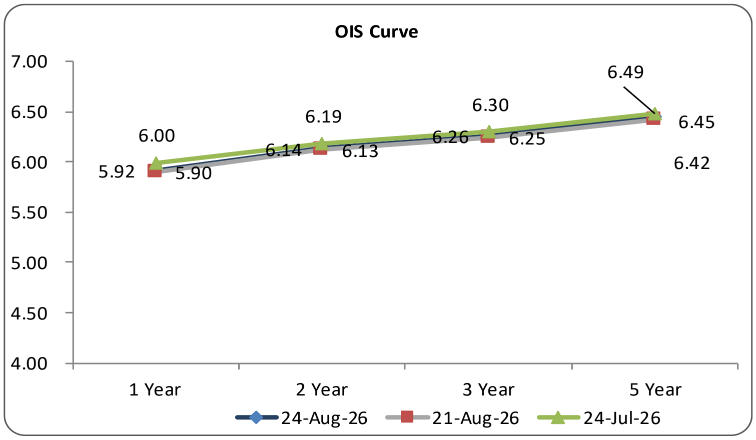
Top Traded Securities	Volume	24-Aug	21-Aug	17-Aug	24-Jul
6.75 2029	0	#N/A	6.47	6.41	6.28
6.79 2034	0	6.82	6.81	6.76	6.79
6.33 2035	0	#N/A	6.79	6.72	6.76
6.92 2039	0	#N/A	6.94	6.92	7.04
7.09 2054	5	7.51	7.47	7.37	7.49
7.34 2064	60	7.61	7.56	7.54	7.58

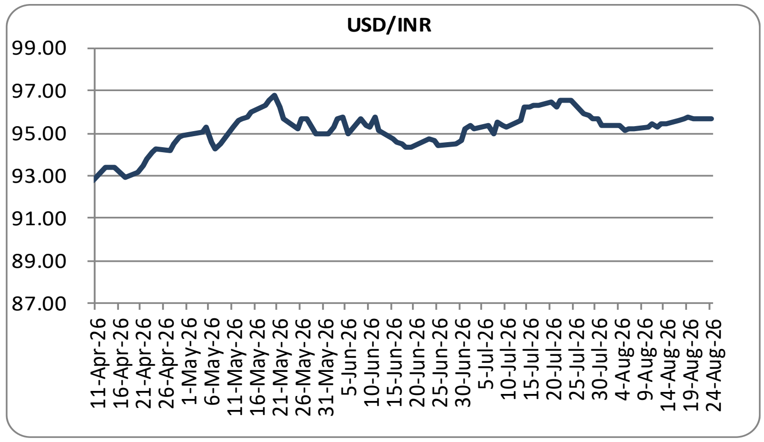
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
13-Aug-26	21,341	15,388	5,953.68	13,498	8,926	4,571.83	34,840	24,314	10,525.51

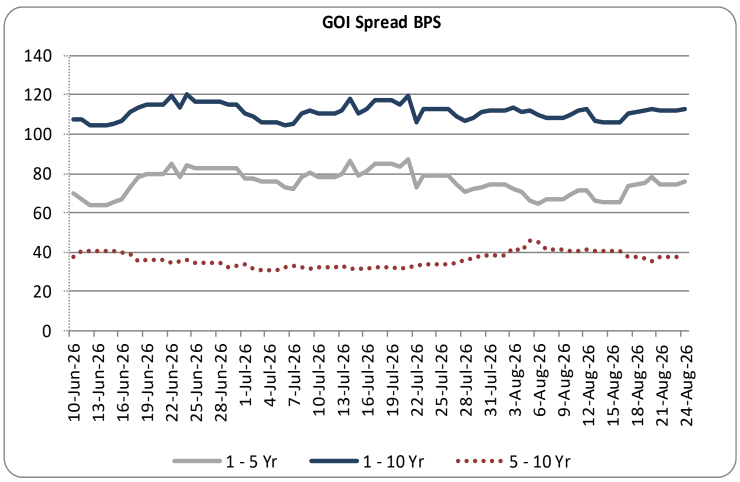
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
24-Aug-26	51	431	(379.95)	15348	13374	1,974.45	15399	13804	1,594.50

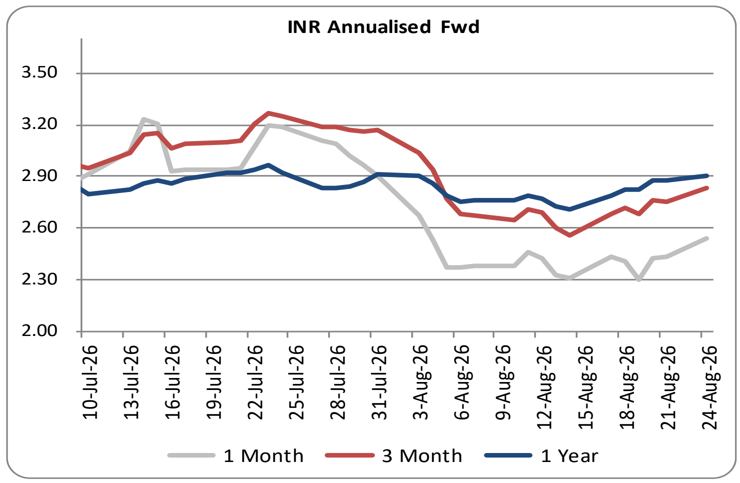
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Jun-26	(3.10)	7.10
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	Jul-26	9.78	9.87
CPI (%)	Jul-26	4.45	4.38
IIP (%)	Jun-26	7.30	5.00
PMI Manufacturing	Jul-26	53.50	54.20
PMI Service	Jul-26	53.30	57.40

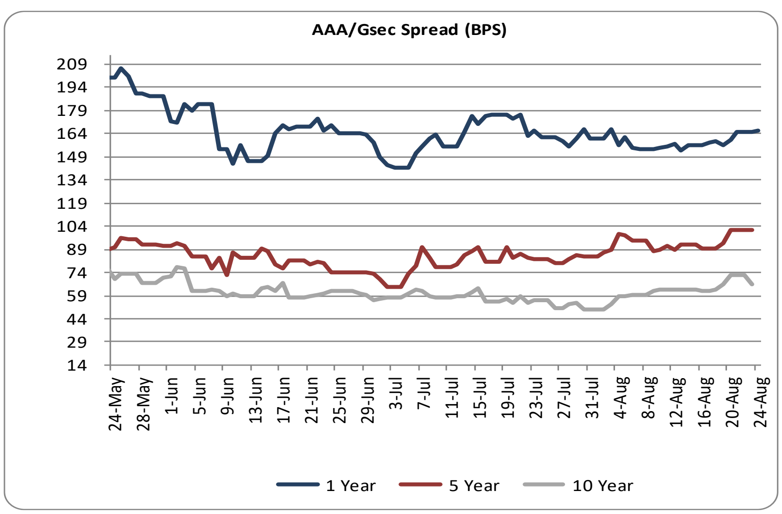
Economic Calender	Country	Date	Poll	Prior
CB Consumer Confidence (Aug)	US	25-Aug-26	91.2	90.8
New Home Sales (Jul)	US	25-Aug-26	620K	628K
Core PCE Price Index (YoY) (Jul)	US	26-Aug-26	3.3%	3.3%
Core PCE Price Index (MoM) (Jul)	US	26-Aug-26	0.2%	0.1%
GDP (QoQ) (Q2) P	US	26-Aug-26	1.5%	2.1%
Crude Oil Inventories	US	26-Aug-26		4.405M
Initial Jobless Claims	US	27-Aug-26		206K
Industrial Production (YoY) (Jul)	IN	28-Aug-26		7.3%

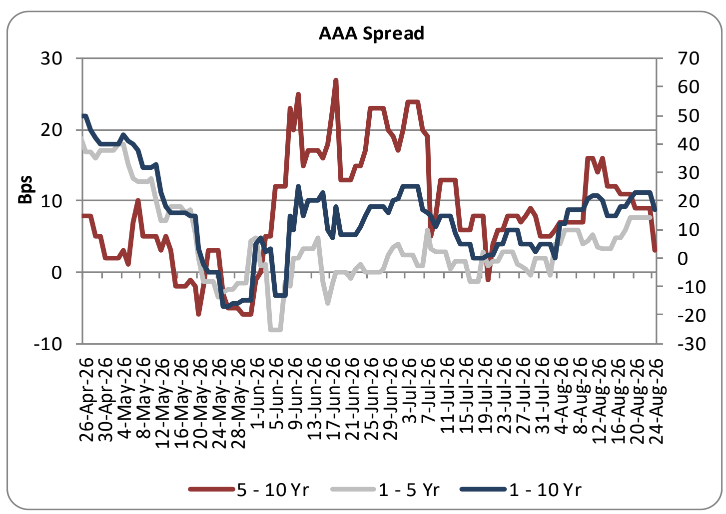

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.00
5.92
5.90
6.19
6.14
6.13
6.30
6.26
6.25
6.49
6.45
6.42
1 Year
2 Year
3 Year
5 Year
24-Aug-26
21-Aug-26
24-Jul-26

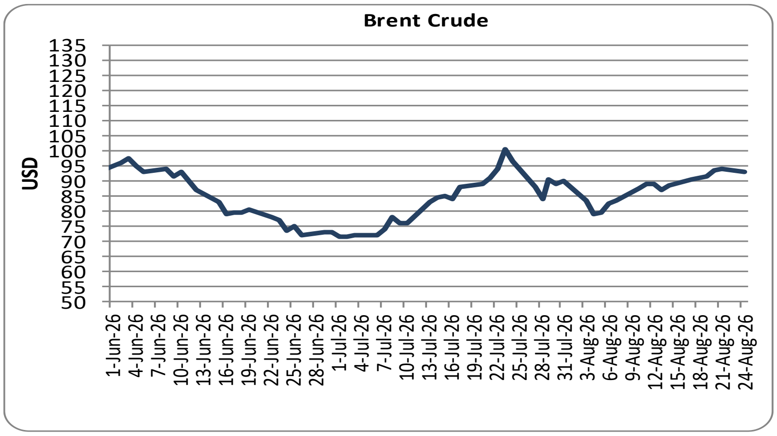

USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00

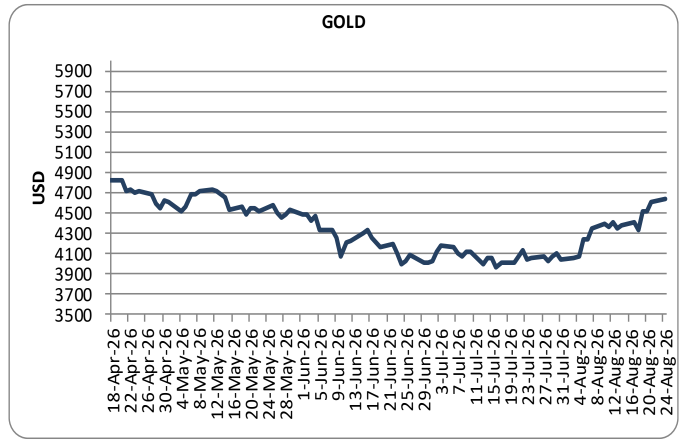

GOI Spread BPS
140
120
100
80
60
40
20
0
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


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


AAA/Gsec Spread (BPS)
1 Year
5 Year
10 Year


AAA Spread
Bps
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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