BONDWATCH

Daily

INDIA

13-10-2026

The benchmark 6.94 2036 bond yield closed at 7.3655% vs 7.3857% in the previous session.

Indian bonds ended a four-day losing streak, with the 10-year yield easing to 7.3655% from 7.3857% after rising 20 bps over the previous four sessions. OIS rates eased with bond yields and US Treasuries with the 1Y at 6.335%, 2Y at 6.515% and 5Y at 6.74%. The rupee rose 0.5% to 95.28 per dollar, helped by new RBI measures and likely spot market intervention.

India's retail inflation rose to 5.54% in September from 4.83% in August, above the 5.4% poll forecast and near the RBI's 6% ceiling, as food inflation jumped to 7.74% strengthening December rate hike bets.

The 1Y-5Y OIS spread narrowed to 40 bps from 50 bps last week, as RBI's liquidity-draining steps raised bets of a bigger than 25 bps hike in December.

RBI is due to sell ₹34,000 crore of the benchmark bond on Friday.

Traders Await Wednesday's US inflation data for clues on the Fed's next move.

Market Observations

G-sec

RBI was able to successfully conduct its fourth OMO Sale auction of FY 2026-2027 of Rs 25,000crs, where it received bids for an aggregate amount of Rs 55,518crs from participants. Cut-off for 7.88% GS 2030 came-in at 102.20 (7.1428%), 6.10% GS 2031 at 95.54 (7.2236), 7.95% GS 2032 at 103.21 (7.2659), 7.26% GS 2033 at 99.58 (7.3413), 7.18% GS 2033 at 98.85 (7.3947) and 7.10% GS 2034 was not accepted. The two securities which RBI accepted the most as a percentage of FV were 6.10% GS 2031 and 7.18% GS 2033 at 34% and 38% respectively.

SDL cut-off came In-Line with market expectations, where states were able to successfully borrow 30,005crs worth of bonds against the notified amount of 31,200crs. 11yr AS only accepted partial amount of 805crs, while 12yr GJ did not get accepted in the primary auction. Buying demand was visible in 10yr maturity good state sdls (TN 2036) at 8.01 levels, where PSU Banks, Private Banks acted as buyers and Pension Funds, Mutual Funds as sellers.

30-year maturity Gsec (7.30 2053) witnessed buying demand by PSU Banks at 7.81 levels, where Foreign Banks and Mutual Funds acted as sellers.

Corp Bond

AAA rated PSU bond yields eased 5-7bps across the curve, with the benchmark indicative levels at 7.73% for the 1-year, 8.03% for the 5-year and 8.07% 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 across the curve with slight upward bias, with the 3M (Jan maturity) at 6.50%, 6M (Apr maturity) at 7.23% and 1Y (Oct maturity) at 7.55% Trading was concentrated in JFM and 2–3M segment.

GOI Yield	13-Oct	12-Oct	6-Oct	10-Sep
1 Year	6.33	6.33	6.13	5.89
5 Year	7.09	7.10	6.93	6.52
10 Year	7.36	7.39	7.19	6.98

AAA Bmk	13-Oct	12-Oct	6-Oct	10-Sep
1 Year	7.73	7.80	7.70	7.36
5 Year	8.03	8.13	7.95	7.70
10 Year	8.07	8.13	7.95	7.76

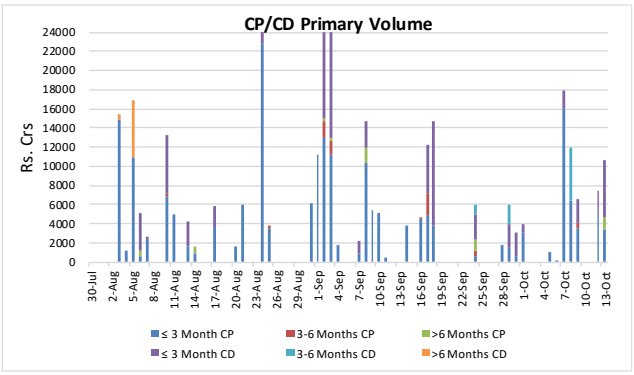
CD	13-Oct	12-Oct	6-Oct	10-Sep
3 Month	6.50	6.50	6.54	5.95
6 Month	7.23	7.15	7.10	6.50
1 Year	7.55	7.50	7.35	7.15

CP	13-Oct	12-Oct	6-Oct	10-Sep
3 Month	6.55	6.55	6.59	6.00
6 Month	7.28	7.20	7.15	6.55
1 Year	7.60	7.55	7.40	7.20

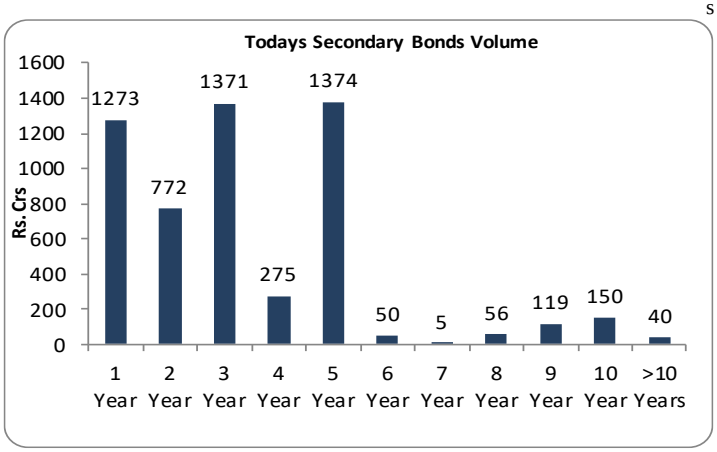
OIS Rate	13-Oct	12-Oct	6-Oct	10-Sep
1 Year	6.34	6.36	6.24	6.00
2 Year	6.52	6.55	6.41	6.21
3 Year	6.62	6.67	6.53	6.32
5 Year	6.74	6.80	6.67	6.52

	13-Oct	12-Oct	6-Oct	10-Sep
Sensex	73,034	71,925	73,068	74,903
Nifty	22,722	22,363	22,776	23,478
USD/INR	95.28	95.77	96.42	95.44
Gold (USD)	4,183	4,171	4,163	4,316
Oil (USD)	104.64	106.65	100.58	107.63

NDF	13-Oct	12-Oct	6-Oct	10-Sep
3 Month	96.57	97.15	97.44	96.46
1 Year	99.21	99.88	99.85	98.92
2 Year	102.28	103.00	102.60	101.76
3 Year	105.18	105.88	105.52	104.89



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10 Year Benchmarks	13-Oct	12-Oct	6-Oct	10-Sep
India	7.35	7.39	7.19	6.98
US	5.19	5.24	5.27	4.94
South Korea	4.25	4.32	4.37	4.46
Brazil	12.54	12.54	12.91	14.27
Germany	3.44	3.48	3.48	3.50
China	1.66	1.67	1.68	1.68

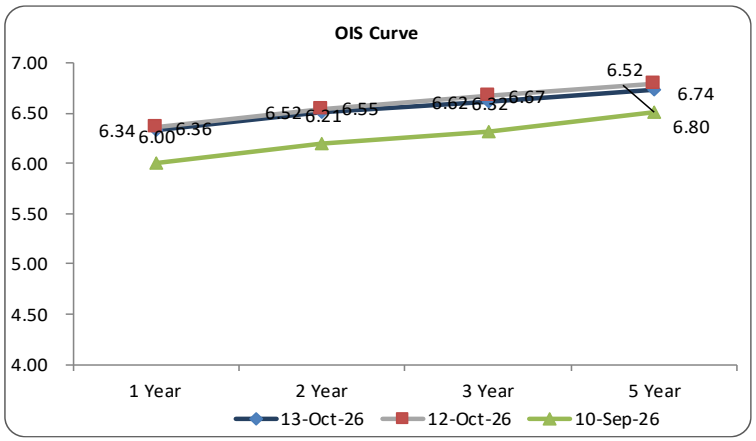
Top Traded Securities	Volume	13-Oct	12-Oct	6-Oct	10-Sep
6.75 2029	0	#N/A	6.81	6.80	6.42
6.79 2034	0	7.37	7.27	7.18	6.90
6.33 2035	5	7.33	7.27	7.16	6.91
6.92 2039	0	7.46	7.44	7.31	7.08
7.09 2054	25	7.83	7.85	7.69	7.62
7.34 2064	55	7.89	7.85	7.77	7.69

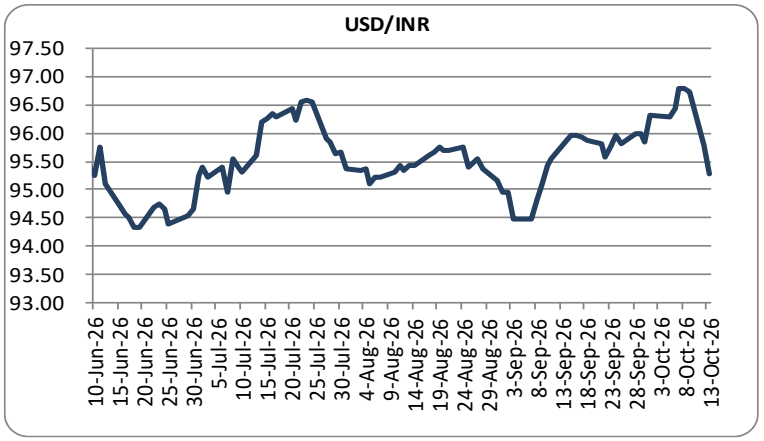
DEBT				EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
9-Oct-26	17,557	12,939	4,617.83	11,957	7,535	4,421.36	29,514	20,474	9,039.19

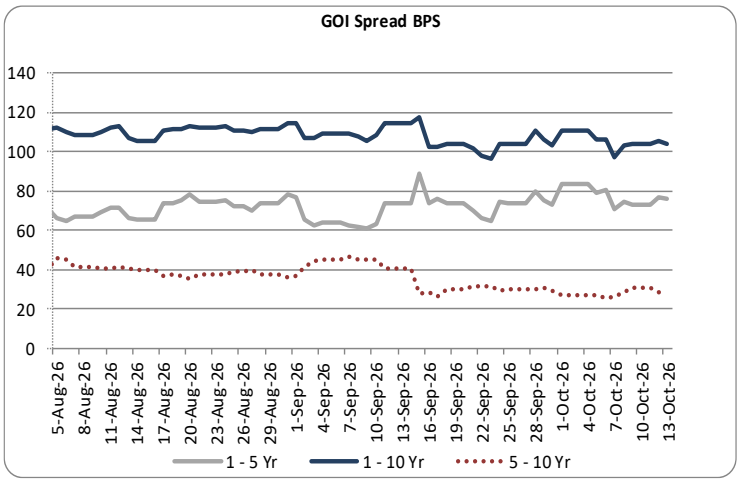
DEBT				EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
13-Oct-26	297	180	117.68	14757	12756	2,000.73	15055	12936	2,118.41

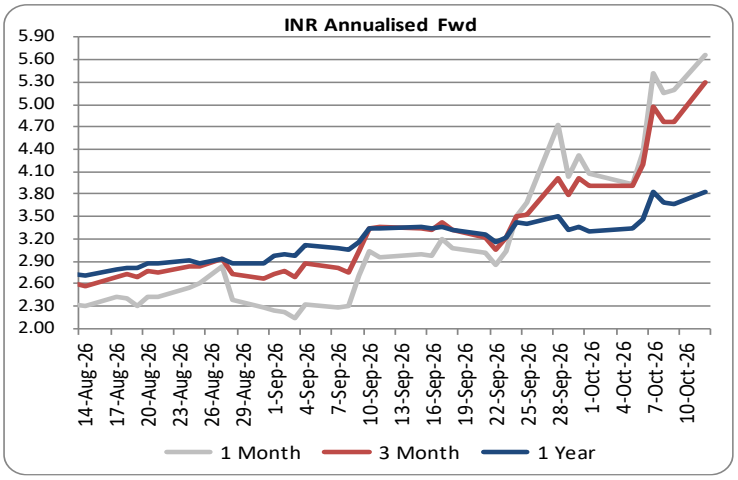
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-26	7.80	8.60
CAD ($ Bn)	Jun-26	(4.20)	6.50
Trade Deficit ($ Bn)	Jun-26	(86.10)	(83.40)
WPI (%)	Aug-26	9.92	9.78
CPI (%)	Sep-26	5.54	4.82
IIP (%)	Aug-26	8.00	7.40
PMI Manufacturing	Sep-26	55.10	52.80
PMI Service	Sep-26	55.20	54.10

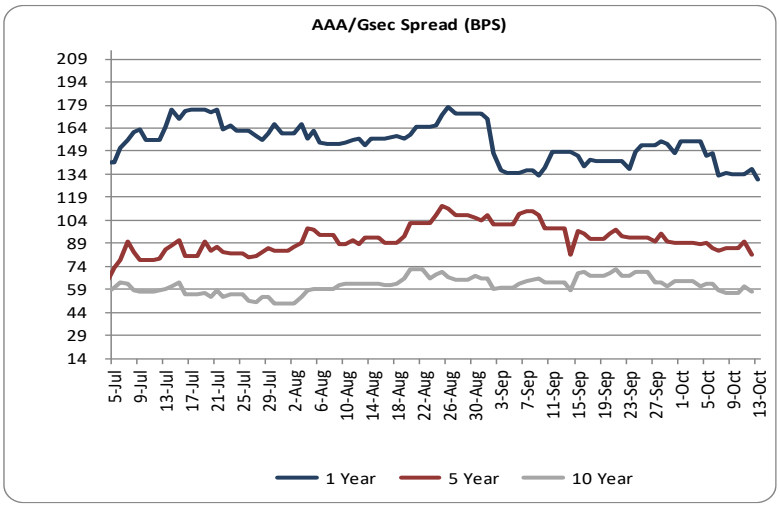
Economic Calender	Country	Date	Poll	Prior
WPI Inflation (YoY) (Sep)	IN	14-Oct-26		9.92%
Core CPI (MoM) (Sep)	US	14-Oct-26	0.2%	0.3%
CPI (MoM) (Sep)	US	14-Oct-26	0.6%	0.4%
CPI (YoY) (Sep)	US	14-Oct-26	3.6%	3.4%
GDP (MoM) (Aug)	UK	15-Oct-26	-0.1%	0.4%
Trade Balance (Sep)	IN	15-Oct-26		-26.86B
Retail Sales (MoM) (Sep)	US	15-Oct-26	0.3%	1.2%
PPI (MoM) (Sep)	US	15-Oct-26	0.5%	0.4%

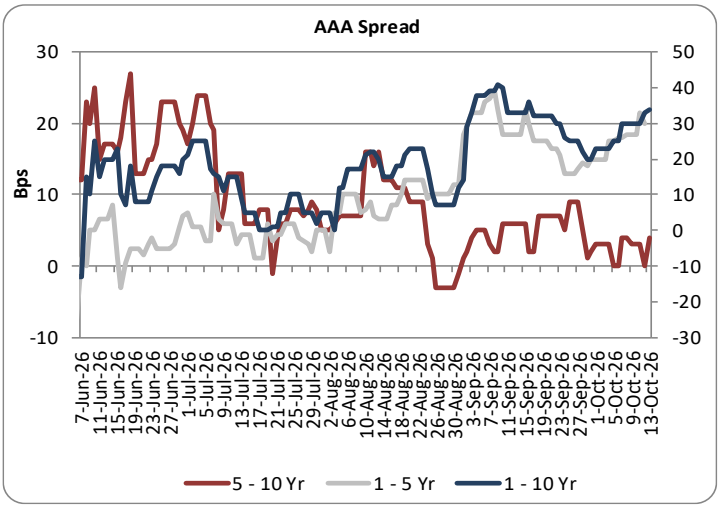

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.34
6.00
6.36
6.52
6.21
6.55
6.62
6.32
6.67
6.52
6.74
6.80
1 Year
2 Year
3 Year
5 Year
13-Oct-26
12-Oct-26
10-Sep-26

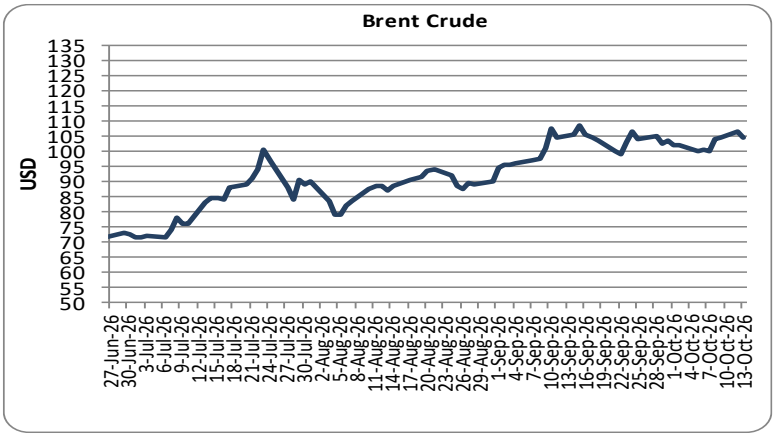

USD/INR
97.50
97.00
96.50
96.00
95.50
95.00
94.50
94.00
93.50
93.00
10-Jun-26
15-Jun-26
20-Jun-26
25-Jun-26
30-Jun-26
5-Jul-26
10-Jul-26
15-Jul-26
20-Jul-26
25-Jul-26
30-Jul-26
4-Aug-26
9-Aug-26
14-Aug-26
19-Aug-26
24-Aug-26
29-Aug-26
3-Sep-26
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3-Oct-26
8-Oct-26
13-Oct-26

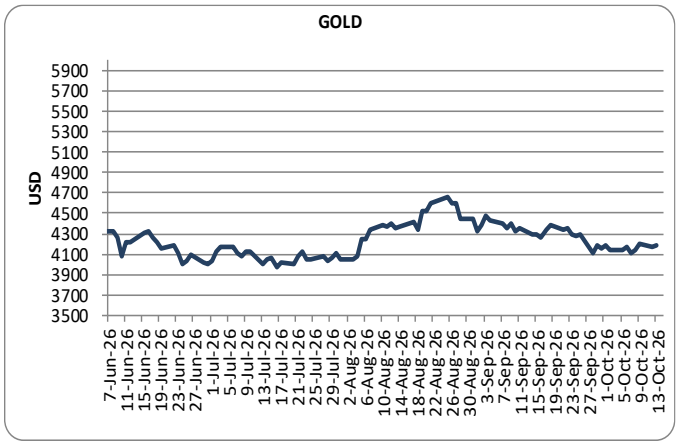

GOI Spread BPS
140
120
100
80
60
40
20
0
5-Aug-26
8-Aug-26
11-Aug-26
14-Aug-26
17-Aug-26
20-Aug-26
23-Aug-26
26-Aug-26
29-Aug-26
1-Sep-26
4-Sep-26
7-Sep-26
10-Sep-26
13-Sep-26
16-Sep-26
19-Sep-26
22-Sep-26
25-Sep-26
28-Sep-26
1-Oct-26
4-Oct-26
7-Oct-26
10-Oct-26
13-Oct-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


INR Annualised Fwd
5.90
5.60
5.30
5.00
4.70
4.40
4.10
3.80
3.50
3.20
2.90
2.60
2.30
2.00
14-Aug-26
17-Aug-26
20-Aug-26
23-Aug-26
26-Aug-26
29-Aug-26
1-Sep-26
4-Sep-26
7-Sep-26
10-Sep-26
13-Sep-26
16-Sep-26
19-Sep-26
22-Sep-26
25-Sep-26
28-Sep-26
1-Oct-26
4-Oct-26
7-Oct-26
10-Oct-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
5-Jul
9-Jul
13-Jul
17-Jul
21-Jul
25-Jul
29-Jul
2-Aug
6-Aug
10-Aug
14-Aug
18-Aug
22-Aug
26-Aug
30-Aug
3-Sep
7-Sep
11-Sep
15-Sep
19-Sep
23-Sep
27-Sep
1-Oct
5-Oct
9-Oct
13-Oct
1 Year
5 Year
10 Year


AAA Spread
Bps
30
20
10
0
-10
50
40
30
20
10
0
-10
-20
-30
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
13-Jul-26
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2-Aug-26
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18-Aug-26
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30-Aug-26
3-Sep-26
7-Sep-26
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19-Sep-26
23-Sep-26
27-Sep-26
1-Oct-26
5-Oct-26
9-Oct-26
13-Oct-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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