BONDWATCH

INDIA

Daily

14-10-2026

The benchmark 6.94 2036 bond yield closed at 7.3999% vs 7.3655% in the previous session.

Indian bond yields rose after a rebound in the previous session, led by spike in oil prices and hawkish remarks from the central bank chief ahead of key US inflation data. India's OIS rates surged on December hike bets, with 1Y up 10.25 bps to 6.4375% and 5Y up 4.75 bps to 6.7925%.

Bets on aggressive RBI rate hikes rose after rupee support steps and as governor Sanjay Malhotra said monetary policy cannot be seen as separate from financial stability.

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.

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

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

Brent rose 0.9% to $106.60/bbl. after a Houthi attack on an Aramco building and as Iran said it was using new tactics to target tankers.

Globally, JGB 5Y yield steadied at 2.345% after a firm auction, while the 10Y slipped 0.5 bp to 2.995%. UST 10Y fell 2.1 bps to 5.223%, tracking lower European yields, while the 2Y rose 0.9 bp to 4.8% ahead of US CPI data. Sterling hit a 16-month high vs the euro at 84.34p

Market Observations

G-sec

T-Bill cut off came in Higher-Than market expectations across the curve, where cut-off for 3m came in at 5.7281%, 6m at 6.2896% and 1yr at 6.4891%. This was higher than market expectations by 3bps, 15bps and 20bps, respectively across the curve.

Size switches were visible in 40yr maturity Gsec (6.90 2065 vs 7.71 2066) at 1.50bps, where 6.90 2065 traded higher. These switches were predominantly dealt between Foreign Banks and Insurance companies to the tune of 900crs.

Switches were visible in 10yr maturity Gsec (6.94 2036 vs 7.18 2037) at 4.50bps. These switches were majorly dealt between Foreign Banks to the tune of 450crs.

Size buying demand was visible in 3-5yr maturity Gsec (7.26 2029, 6.36 2031, 6.54 2032) at 6.80, 7.14 and 7.27 levels, to the combined tune of 1,000crs. Here Foreign Banks acted as buyers and Private Banks, Primary Dealers and Foreign Banks as sellers.

Corp Bond

AAA rated PSU bond yields rose 5-7bps across the curve, with the benchmark indicative levels at 7.85% for the 1-year, 8.10% for the 5-year and 8.12% for the 10 year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

CP/CD

CD rates rose by 7-10bps across the curve with the 3M (Jan maturity) at 6.60%, 6M (Apr maturity) at 7.30% and 1Y (Oct maturity) at 7.55% Trading was concentrated in JFM and 2–3M segment.

GOI Yield	14-Oct	13-Oct	7-Oct	11-Sep
1 Year	6.48	6.33	6.27	5.88
5 Year	7.13	7.09	6.98	6.62
10 Year	7.40	7.36	7.24	7.02

AAA Bmk	14-Oct	13-Oct	7-Oct	11-Sep
1 Year	7.85	7.73	7.70	7.45
5 Year	8.10	8.03	7.96	7.72
10 Year	8.12	8.07	8.00	7.78

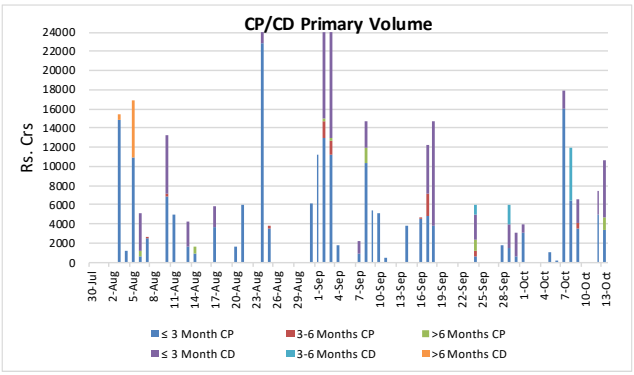
CD	14-Oct	13-Oct	7-Oct	11-Sep
3 Month	6.60	6.50	6.54	6.00
6 Month	7.30	7.23	7.10	6.55
1 Year	7.55	7.55	7.35	7.20

CP	14-Oct	13-Oct	7-Oct	11-Sep
3 Month	6.65	6.55	6.59	6.05
6 Month	7.35	7.28	7.15	6.60
1 Year	7.60	7.60	7.40	7.25

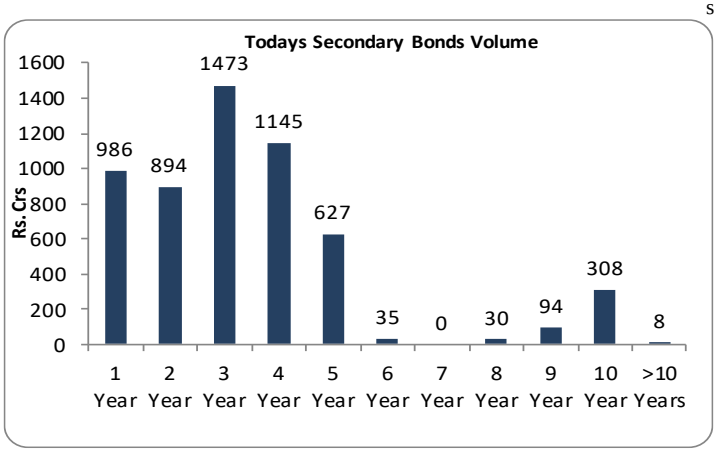
OIS Rate	14-Oct	13-Oct	7-Oct	11-Sep
1 Year	6.44	6.34	6.25	6.04
2 Year	6.60	6.52	6.45	6.25
3 Year	6.68	6.62	6.57	6.37
5 Year	6.79	6.74	6.72	6.57

	14-Oct	13-Oct	7-Oct	11-Sep
Sensex	72,782	73,034	72,639	74,782
Nifty	22,623	22,722	22,603	23,398
USD/INR	95.15	95.28	96.78	95.55
Gold (USD)	4,142	4,157	4,111	4,347
Oil (USD)	106.49	105.69	100.20	104.61

NDF	14-Oct	13-Oct	7-Oct	11-Sep
3 Month	96.53	96.32	98.02	96.43
1 Year	99.20	98.96	100.59	98.89
2 Year	102.33	102.10	103.42	101.63
3 Year	105.38	105.00	106.34	104.57



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10 Year Benchmarks	14-Oct	13-Oct	7-Oct	11-Sep
India	7.41	7.37	7.24	7.02
US	5.20	5.22	5.28	4.98
South Korea	4.25	4.25	4.39	4.57
Brazil	12.78	12.78	12.97	14.30
Germany	3.46	3.46	3.48	3.50
China	1.68	1.72	1.68	1.69

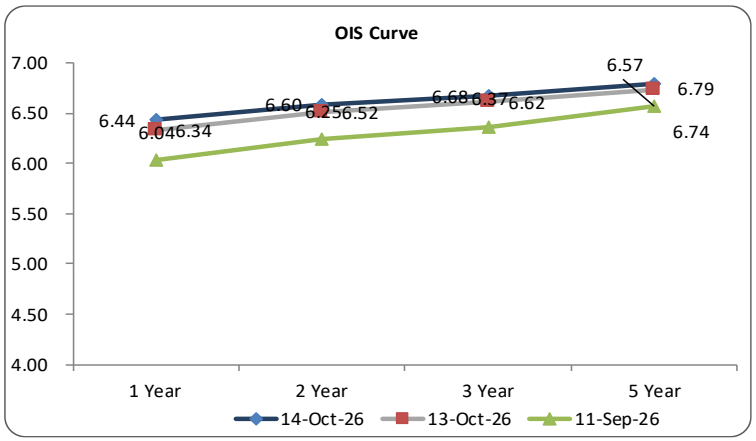
Top Traded Securities	Volume	14-Oct	13-Oct	7-Oct	11-Sep
6.75 2029	0	#N/A	7.06	6.80	6.51
6.79 2034	0	#N/A	7.37	7.22	6.98
6.33 2035	0	#N/A	7.28	7.18	6.97
6.92 2039	0	7.45	7.46	7.34	7.08
7.09 2054	55	7.90	7.81	7.69	7.65
7.34 2064	25	7.89	7.85	7.74	7.70

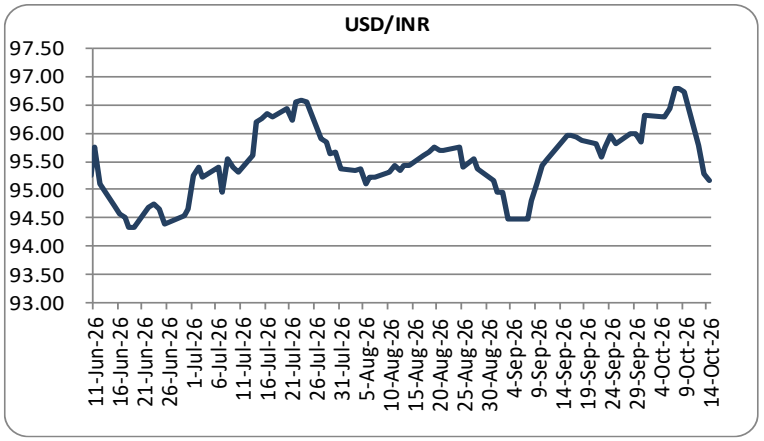
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
9-Oct-26	17,557	12,939	4,617.83	11,957	7,535	4,421.36	29,514	20,474	9,039.19

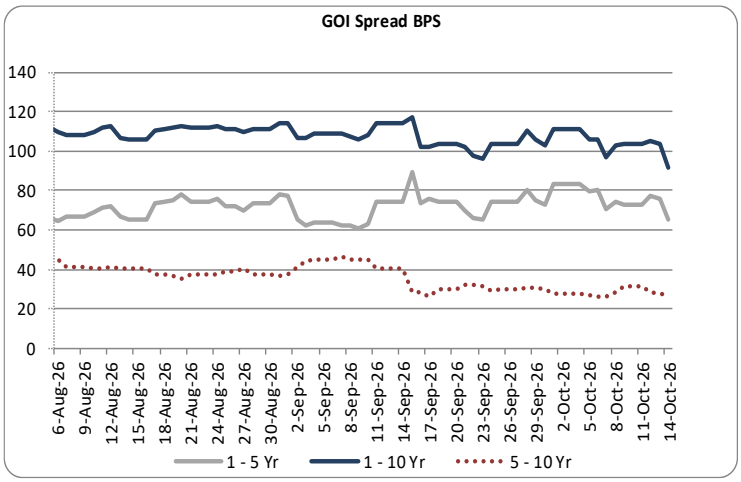
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
14-Oct-26	77	767	(690.08)	13687	15123	(1,436.41)	13764	15891	(2,126.49)

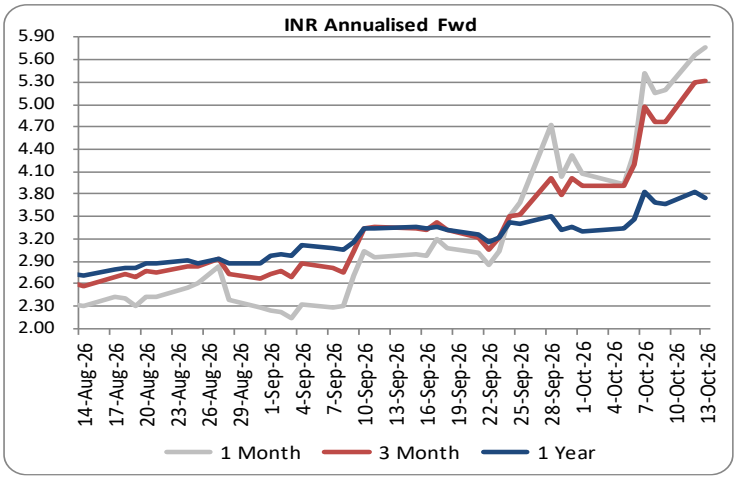
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-26	7.80	8.60
CAD ($ Bn)	Jun-26	(4.20)	6.50
Trade Deficit ($ Bn)	Jun-26	(86.10)	(83.40)
WPI (%)	Sep-26	11.39	9.92
CPI (%)	Sep-26	5.54	4.82
IIP (%)	Aug-26	8.00	7.40
PMI Manufacturing	Sep-26	55.10	52.80
PMI Service	Sep-26	55.20	54.10

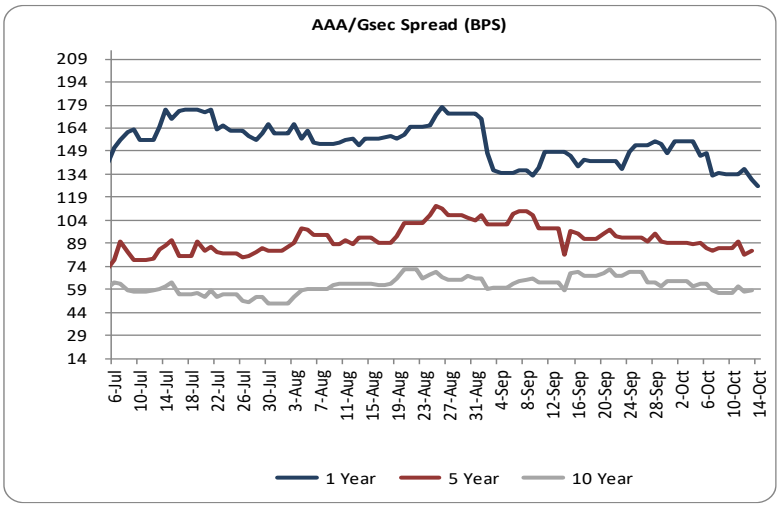
Economic Calender	Country	Date	Poll	Prior
Core CPI (MoM) (Sep)	US	14-Oct-26	0.2%	0.3%
CPI (MoM) (Sep)	US	14-Oct-26	0.6%	0.4%
CPI (YoY) (Sep)	US	14-Oct-26	3.6%	3.4%
GDP (MoM) (Aug)	UK	15-Oct-26	-0.1%	0.4%
Trade Balance (Sep)	IN	15-Oct-26		-26.86B
Retail Sales (MoM) (Sep)	US	15-Oct-26	0.3%	1.2%
PPI (MoM) (Sep)	US	15-Oct-26	0.5%	0.4%
Core Retail Sales (MoM) (Sep)	US	15-Oct-26	0.5%	1.4%

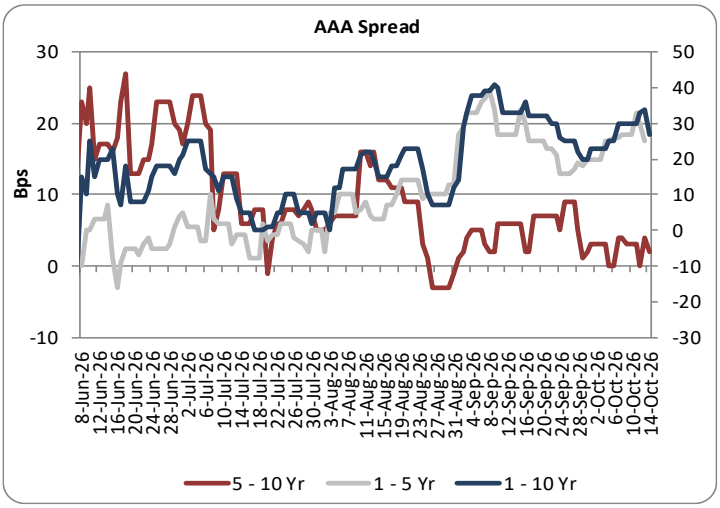

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.44
6.04
6.34
6.60
6.25
6.52
6.68
6.37
6.62
6.57
6.79
6.74
1 Year
2 Year
3 Year
5 Year
14-Oct-26
13-Oct-26
11-Sep-26

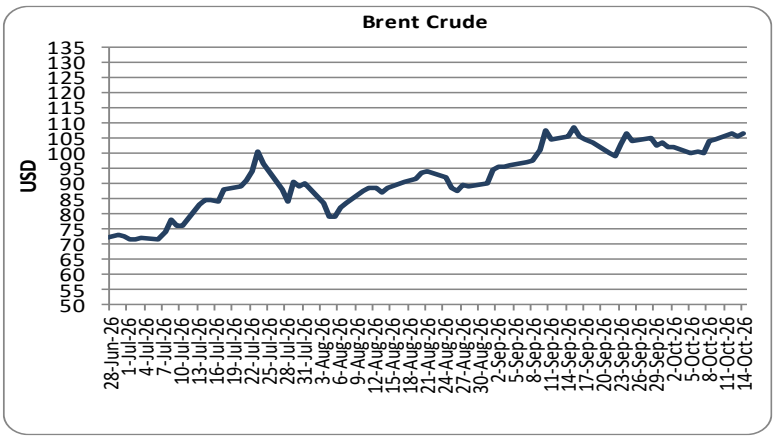

USD/INR
97.50
97.00
96.50
96.00
95.50
95.00
94.50
94.00
93.50
93.00
11-Jun-26
16-Jun-26
21-Jun-26
26-Jun-26
1-Jul-26
6-Jul-26
11-Jul-26
16-Jul-26
21-Jul-26
26-Jul-26
31-Jul-26
5-Aug-26
10-Aug-26
15-Aug-26
20-Aug-26
25-Aug-26
30-Aug-26
4-Sep-26
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4-Oct-26
9-Oct-26
14-Oct-26

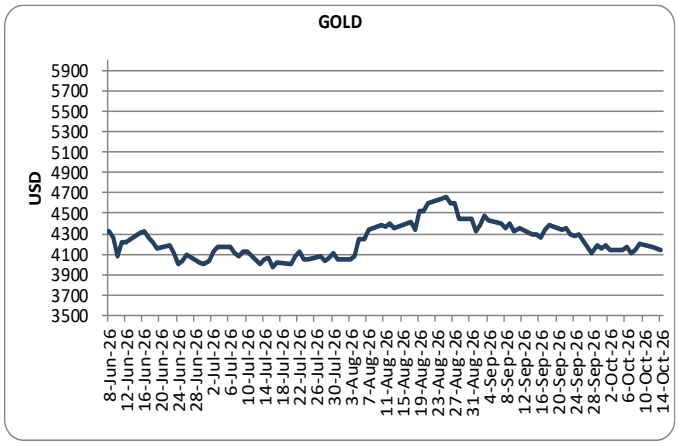

GOI Spread BPS
140
120
100
80
60
40
20
0
6-Aug-26
9-Aug-26
12-Aug-26
15-Aug-26
18-Aug-26
21-Aug-26
24-Aug-26
27-Aug-26
30-Aug-26
2-Sep-26
5-Sep-26
8-Sep-26
11-Sep-26
14-Sep-26
17-Sep-26
20-Sep-26
23-Sep-26
26-Sep-26
29-Sep-26
2-Oct-26
5-Oct-26
8-Oct-26
11-Oct-26
14-Oct-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


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
13-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
6-Jul
10-Jul
14-Jul
18-Jul
22-Jul
26-Jul
30-Jul
3-Aug
7-Aug
11-Aug
15-Aug
19-Aug
23-Aug
27-Aug
31-Aug
4-Sep
8-Sep
12-Sep
16-Sep
20-Sep
24-Sep
28-Sep
2-Oct
6-Oct
10-Oct
14-Oct
1 Year
5 Year
10 Year


AAA Spread
Bps
30
20
10
0
-10
50
40
30
20
10
0
-10
-20
-30
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
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31-Aug-26
4-Sep-26
8-Sep-26
12-Sep-26
16-Sep-26
20-Sep-26
24-Sep-26
28-Sep-26
2-Oct-26
6-Oct-26
10-Oct-26
14-Oct-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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