BONDWATCH

INDIA

Daily

15-10-2026

The benchmark 6.94 2036 bond yield closed at 7.3921% vs 7.3999% in the previous session.

The 10-year bond yield ended slightly lower at 7.3921% after paring an early fall of more than 4 bps, as heavy supply, tighter liquidity and tightening bets offset a US Treasury rally. OIS rates rose on near term rate hike bets, with the 2-year up 4.5 bps to 6.64%.

US Treasuries rallied sharply on Wednesday, reversing a selloff sparked by hot inflation data, as Fed officials signaled no rush to hike further.

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

Banking system liquidity surplus halved in a week to 2.57 trillion rupees, from a record 11.16 trillion on Sept 6, With Thursday marking the end of the fortnight, ahead of the RBI's tighter CRR maintenance requirements that take effect on Friday.

India's retail inflation rose to 5.54% in September near the RBI's 6% ceiling, as food inflation jumped to 7.74% strengthening December rate hike bets.

Market Observations

G-sec

6m maturity TBill (March 2027, April 2027) witnessed size selling by Foreign Banks at 6.30 levels, where Mutual Funds acted as buyers.

Size switches were dealt in FRB 2028 vs FRB 2031 at 18.66bps, to the combined tune of 1,700crs. This switch was predominantly dealt between Foreign Banks.

4-year maturity Gsec (7.88 2030, 7.61 2030) witnessed buying demand by Foreign Banks at 7.12 levels, where Mutual Funds, Insurance Companies and Foreign Banks acted as sellers, to the combined tune of 620crs.

Corp Bond

AAA rated PSU bond yields remained flattish with slight upward bias across the curve, with the benchmark indicative levels at 7.85% for the 1-year, 8.15% for the 5-year and 8.15% for the 10 year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

CP/CD

Banking system liquidity surplus halved in a week to 2.57 trillion rupees, from a record 11.16 trillion on Sept 6, With Thursday marking the end of the fortnight, ahead of the RBI's tighter CRR maintenance requirements that take effect on Friday. Overnight rates rose above the 5.5% repo rate. CD rates rose by 25-30 bps across the curve with the 3M (Jan maturity) at 6.90%, 6M (Apr maturity) at 7.45% and 1Y (Oct maturity) at 7.85%. Trading was concentrated in JFM and 2–3M segment.

GOI Yield	15-Oct	14-Oct	8-Oct	15-Sep
1 Year	6.50	6.48	6.26	5.90
5 Year	7.17	7.13	7.00	6.79
10 Year	7.39	7.40	7.29	7.07

AAA Bmk	15-Oct	14-Oct	8-Oct	15-Sep
1 Year	7.85	7.85	7.70	7.52
5 Year	8.15	8.10	7.96	7.83
10 Year	8.15	8.12	8.00	7.85

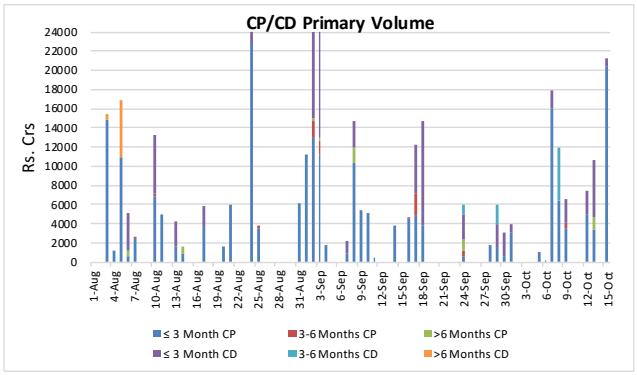
CD	15-Oct	14-Oct	8-Oct	15-Sep
3 Month	6.90	6.60	6.45	6.15
6 Month	7.45	7.30	7.10	6.75
1 Year	7.85	7.55	7.50	7.30

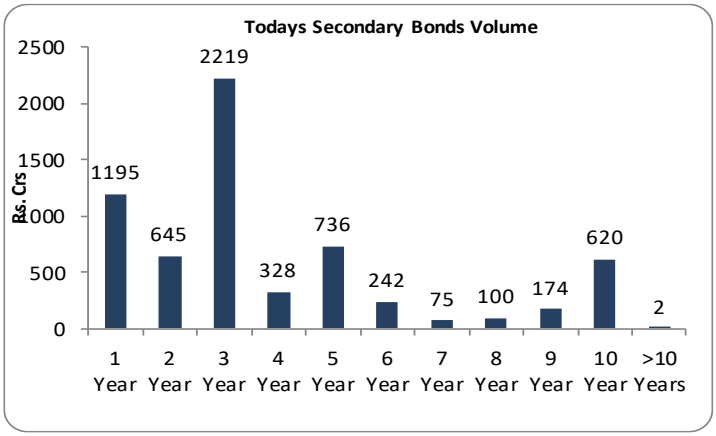
CP	15-Oct	14-Oct	8-Oct	15-Sep
3 Month	6.95	6.65	6.50	6.20
6 Month	7.50	7.35	7.15	6.80
1 Year	7.90	7.60	7.55	7.35

OIS Rate	15-Oct	14-Oct	8-Oct	15-Sep
1 Year	6.55	6.44	6.28	6.10
2 Year	6.64	6.60	6.48	6.33
3 Year	6.69	6.68	6.60	6.47
5 Year	6.78	6.79	6.77	6.66

	15-Oct	14-Oct	8-Oct	15-Sep
Sensex	74,316	72,782	71,593	74,004
Nifty	22,997	22,623	22,232	23,119
USD/INR	95.06	95.15	96.78	95.96
Gold (USD)	4,152	4,105	4,134	4,293
Oil (USD)	104.30	106.06	104.28	108.75

NDF	15-Oct	14-Oct	8-Oct	15-Sep
3 Month	96.39	96.54	98.11	96.84
1 Year	99.14	99.24	100.65	99.32
2 Year	102.25	102.22	103.52	102.12
3 Year	105.11	105.17	106.44	105.06





10 Year Benchmarks	15-Oct	14-Oct	8-Oct	15-Sep
India	7.38	7.40	7.29	7.07
US	5.09	5.19	5.23	5.00
South Korea	4.20	4.25	4.39	4.59
Brazil	12.79	12.79	12.80	14.47
Germany	3.37	3.47	3.49	3.53
China	1.66	1.68	1.69	1.69

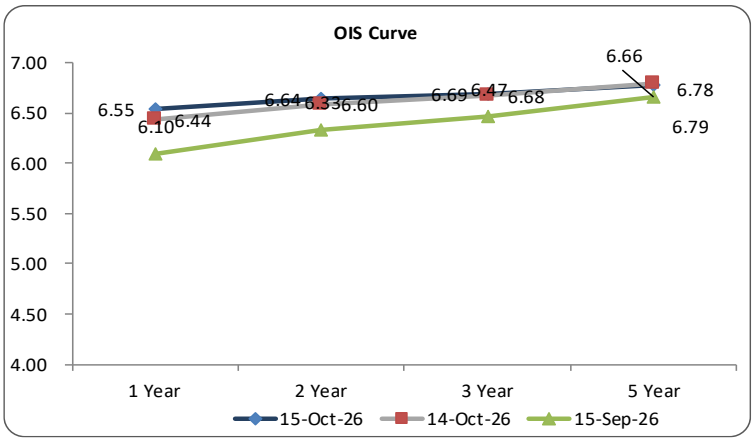
Top Traded Securities	Volume	15-Oct	14-Oct	8-Oct	15-Sep
6.75 2029	0	#N/A	7.09	6.94	6.39
6.79 2034	0	#N/A	#N/A	7.28	7.07
6.33 2035	0	#N/A	7.28	7.18	7.03
6.92 2039	0	7.46	7.45	7.34	7.08
7.09 2054	110	7.81	7.83	7.80	7.69
7.34 2064	35	7.88	7.87	7.80	7.74

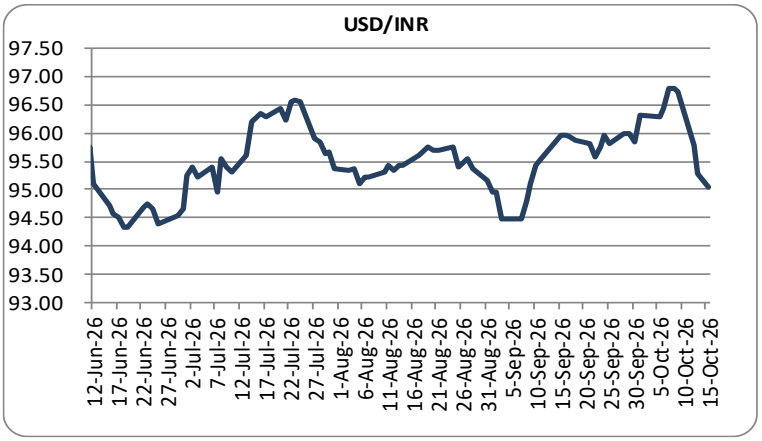
DEBT				EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
13-Oct-26	13,528	13,891	(363.09)	12,444	9,499	2,944.93	25,972	23,390	2,581.84

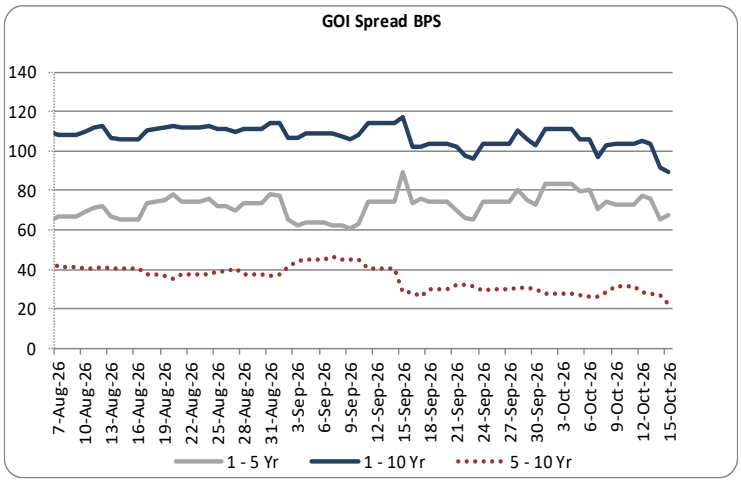
DEBT				EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
15-Oct-26	99	481	(381.19)	17251	18353	(1,102.13)	17350	18833	(1,483.32)

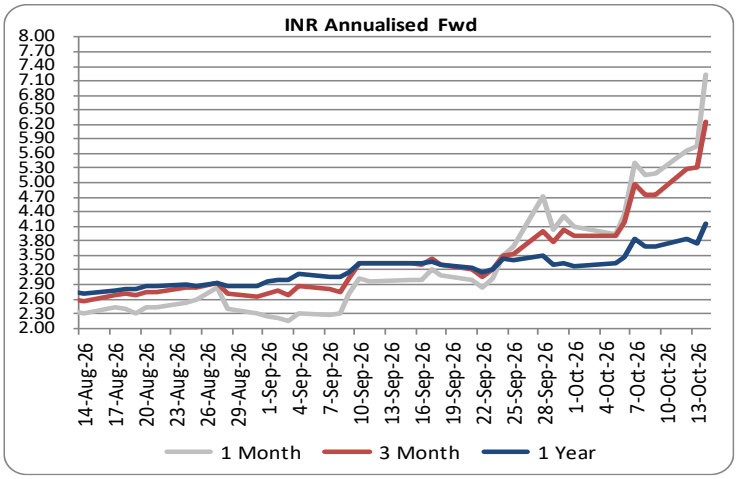
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-26	7.80	8.60
CAD ($ Bn)	Jun-26	(4.20)	6.50
Trade Deficit ($ Bn)	Jun-26	(86.10)	(83.40)
WPI (%)	Sep-26	11.39	9.92
CPI (%)	Sep-26	5.54	4.82
IIP (%)	Aug-26	8.00	7.40
PMI Manufacturing	Sep-26	55.10	52.80
PMI Service	Sep-26	55.20	54.10

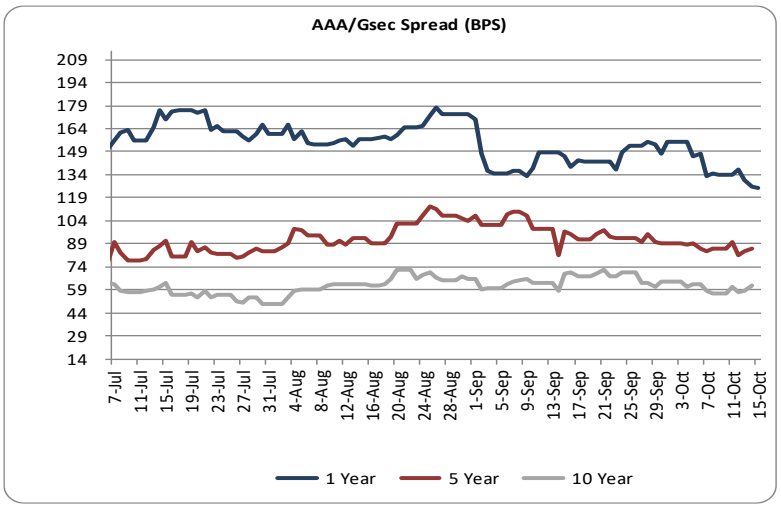
Economic Calender	Country	Date	Poll	Prior
Retail Sales (MoM) (Sep)	US	15-Oct-26	0.2%	0.3%
PPI (MoM) (Sep)	US	15-Oct-26	0.6%	0.4%
Core Retail Sales (MoM) (Sep)	US	15-Oct-26	3.6%	3.4%
Philadelphia Fed Manufacturing Index (Oct)	US	15-Oct-26	-0.1%	0.4%
Initial Jobless Claims	US	15-Oct-26		-26.86B
CPI (YoY) (Sep)	EU	16-Oct-26	0.3%	1.2%

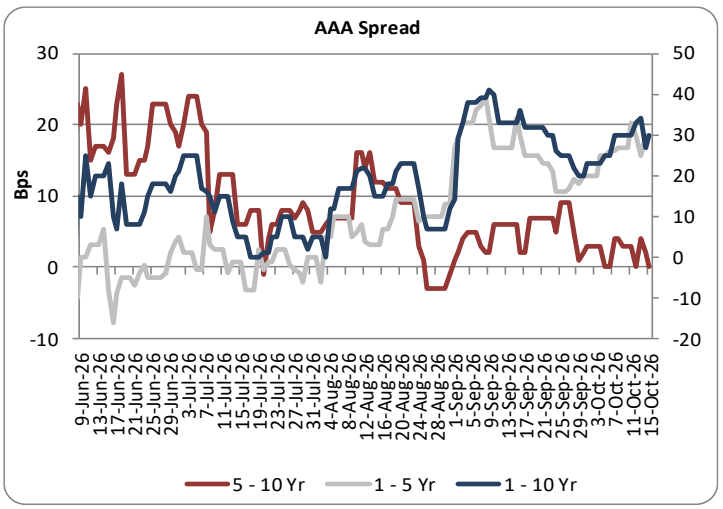

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.55
6.10
6.64
6.44
6.33
6.60
6.69
6.47
6.68
6.66
6.78
6.79
1 Year
2 Year
3 Year
5 Year
15-Oct-26
14-Oct-26
15-Sep-26

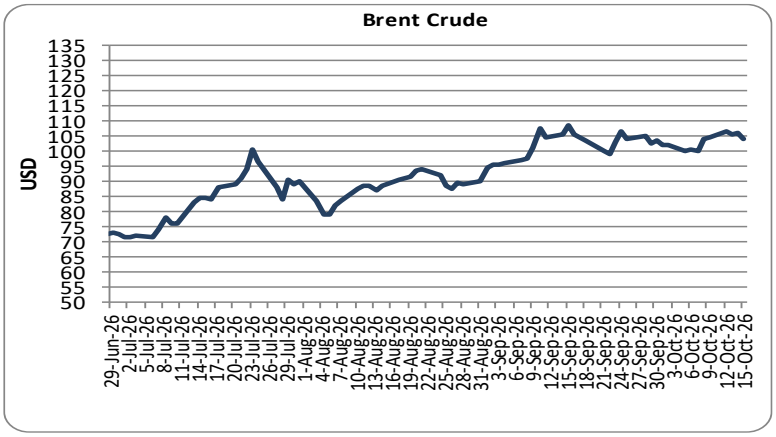

USD/INR
97.50
97.00
96.50
96.00
95.50
95.00
94.50
94.00
93.50
93.00
12-Jun-26
17-Jun-26
22-Jun-26
27-Jun-26
2-Jul-26
7-Jul-26
12-Jul-26
17-Jul-26
22-Jul-26
27-Jul-26
1-Aug-26
6-Aug-26
11-Aug-26
16-Aug-26
21-Aug-26
26-Aug-26
31-Aug-26
5-Sep-26
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5-Oct-26
10-Oct-26
15-Oct-26

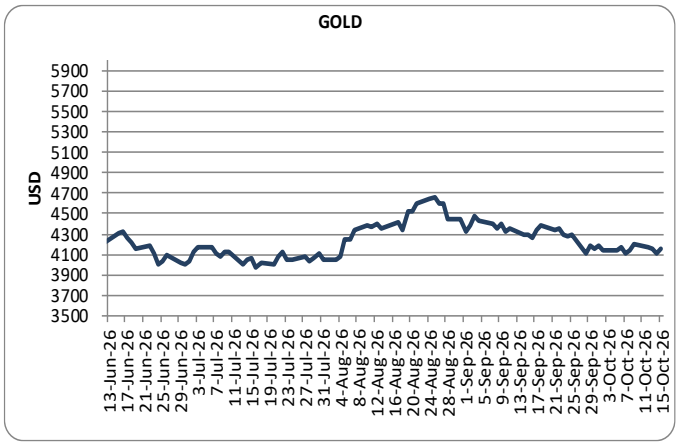

GOI Spread BPS
140
120
100
80
60
40
20
0
7-Aug-26
10-Aug-26
13-Aug-26
16-Aug-26
19-Aug-26
22-Aug-26
25-Aug-26
28-Aug-26
31-Aug-26
3-Sep-26
6-Sep-26
9-Sep-26
12-Sep-26
15-Sep-26
18-Sep-26
21-Sep-26
24-Sep-26
27-Sep-26
30-Sep-26
3-Oct-26
6-Oct-26
9-Oct-26
12-Oct-26
15-Oct-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


INR Annualised Fwd
8.00
7.70
7.40
7.10
6.80
6.50
6.20
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
7-Jul
11-Jul
15-Jul
19-Jul
23-Jul
27-Jul
31-Jul
4-Aug
8-Aug
12-Aug
16-Aug
20-Aug
24-Aug
28-Aug
1-Sep
5-Sep
9-Sep
13-Sep
17-Sep
21-Sep
25-Sep
29-Sep
3-Oct
7-Oct
11-Oct
15-Oct
1 Year
5 Year
10 Year


AAA Spread
30
20
10
0
-10
50
40
30
20
10
0
-10
-20
Bps
9-Jun-26
13-Jun-26
17-Jun-26
21-Jun-26
25-Jun-26
29-Jun-26
3-Jul-26
7-Jul-26
11-Jul-26
15-Jul-26
19-Jul-26
23-Jul-26
27-Jul-26
31-Jul-26
4-Aug-26
8-Aug-26
12-Aug-26
16-Aug-26
20-Aug-26
24-Aug-26
28-Aug-26
1-Sep-26
5-Sep-26
9-Sep-26
13-Sep-26
17-Sep-26
21-Sep-26
25-Sep-26
29-Sep-26
3-Oct-26
7-Oct-26
11-Oct-26
15-Oct-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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