BONDWATCH

INDIA

Daily

22-10-2026

The benchmark 6.94 2036 bond yield closed at 7.4596% vs 7.4427% in the previous session.

The 10-year bond yield rose for a third straight session, as oil hit fresh highs while RBI minutes signalled more rate hikes. OIS rates ended flattish, with the 1-year at 6.56%, and the 5-year at 6.80% with most of the rate hike already priced in.

RBI minutes showed MPC members see more hikes ahead after the 25 bps hike to 5.50%, with September CPI at 5.54% and markets pricing a little over 100 bps of hikes over 12 months.

Brent rose $3.06 (2.81%) to $111.88 after hitting $112.55, its highest since May 18, as Houthi strikes on Saudi Arabia and vessel attacks near Hormuz escalated the Middle East conflict.

Globally, France's 10-year yield rose 11.5 bps to 5.11%, pushing the OAT-Bund spread to 173.58 bps, its widest since 2011. The 10-year JGB yield fell 1 bp to 2.88%, a near seven-week low, on safe haven demand. The US 10-year Treasury yield slipped 0.6 bp to 5.111% on AI-stock worries.

Market Observations

G-sec

12 to 22-year maturity SDLs (2038 to 2048) witnessed buying demand by Pension Funds at 8.18 and 8.22 levels, where Mutual Funds, Primary Dealers acted as sellers.

Size buying demand was visible in 6-year maturity Gsec (6.54 2032) by Foreign Banks at 7.36 levels, where Pension Funds acted as sellers.

Up to 3m maturity TBill (Dec 2026 / Jan 2027) was actively traded at 5.76 and 5.84 levels, where Mutual Funds acted as both sellers and buyers.

Corp Bond

AAA rated PSU bond yields rose by 7-8 bps across the curve, with the benchmark indicative levels at 8.12% for the 1-year, 8.28% for the 5-year and 8.22% for the 10 year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

Sun Pharma accepted bids worth ₹7,816 crore for two bond tranches maturing in five years and one day, ₹2,003 crore at an 8.05% coupon with a 17-month put option and ₹5,813 crore at 8.20%.

CP/CD

CD rates rose across the curve with the 3M (Jan maturity) at 7.55%, 6M (Apr maturity) at 7.80% and 1Y (Oct maturity) at 8.05%. Trading activity was concentrated in JFM and 2–3M segment.

GOI Yield	22-Oct	21-Oct	15-Oct	22-Sep
1 Year	6.46	6.48	6.50	6.03
5 Year	7.21	7.19	7.17	6.69
10 Year	7.46	7.44	7.39	7.01

AAA Bmk	22-Oct	21-Oct	15-Oct	22-Sep
1 Year	8.12	7.97	7.85	7.55
5 Year	8.28	8.22	8.15	7.78
10 Year	8.22	8.18	8.15	7.85

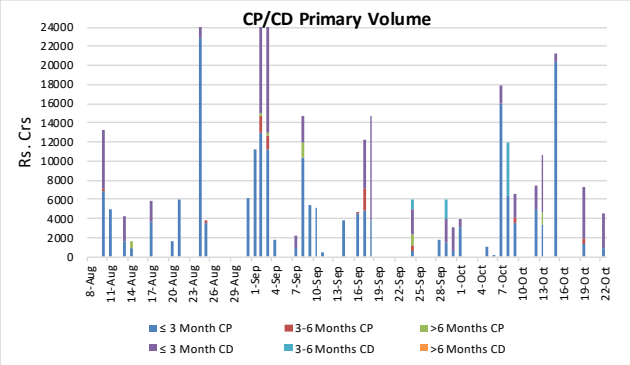
CD	22-Oct	21-Oct	15-Oct	22-Sep
3 Month	7.55	7.38	6.90	6.00
6 Month	7.80	7.70	7.45	6.75
1 Year	8.05	8.00	7.85	7.35

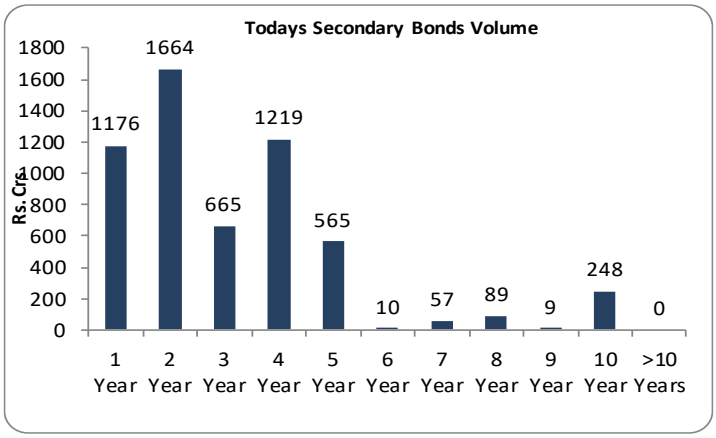
CP	22-Oct	21-Oct	15-Oct	22-Sep
3 Month	7.60	7.43	6.95	6.05
6 Month	7.85	7.75	7.50	6.80
1 Year	8.10	8.05	7.90	7.40

OIS Rate	22-Oct	21-Oct	15-Oct	22-Sep
1 Year	6.56	6.59	6.55	6.06
2 Year	6.63	6.66	6.64	6.26
3 Year	6.68	6.73	6.69	6.33
5 Year	6.80	6.84	6.78	6.51

	22-Oct	21-Oct	15-Oct	22-Sep
Sensex	73,249	73,710	74,316	74,529
Nifty	22,688	22,811	22,997	23,329
USD/INR	94.82	94.46	95.06	95.59
Gold (USD)	4,081	4,140	4,170	4,355
Oil (USD)	111.78	108.82	105.92	99.25

NDF	22-Oct	21-Oct	15-Oct	22-Sep
3 Month	96.27	95.98	96.05	96.32
1 Year	99.03	98.72	98.77	98.59
2 Year	102.10	101.61	101.84	101.31
3 Year	105.16	104.51	104.74	104.25





10 Year Benchmarks	22-Oct	21-Oct	15-Oct	22-Sep
India	7.45	7.44	7.39	7.01
US	5.09	5.15	5.09	4.97
South Korea	4.14	4.17	4.20	4.46
Brazil	13.03	13.03	12.95	14.13
Germany	3.42	3.42	3.41	3.45
China	1.63	1.64	1.66	1.68

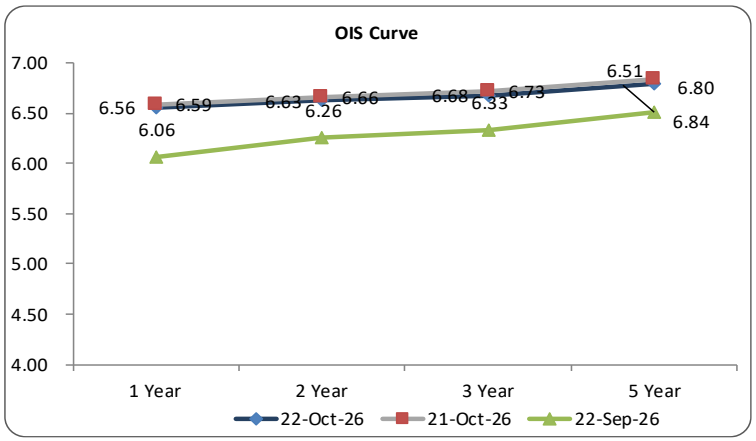
Top Traded Securities	Volume	22-Oct	21-Oct	15-Oct	22-Sep
6.75 2029	0	#N/A	7.15	7.16	6.61
6.79 2034	0	#N/A	#N/A	7.37	7.09
6.33 2035	0	#N/A	7.40	7.34	6.98
6.92 2039	0	7.53	7.45	7.46	7.16
7.09 2054	20	#N/A	7.80	7.81	7.58
7.34 2064	275	#N/A	7.87	7.85	7.64

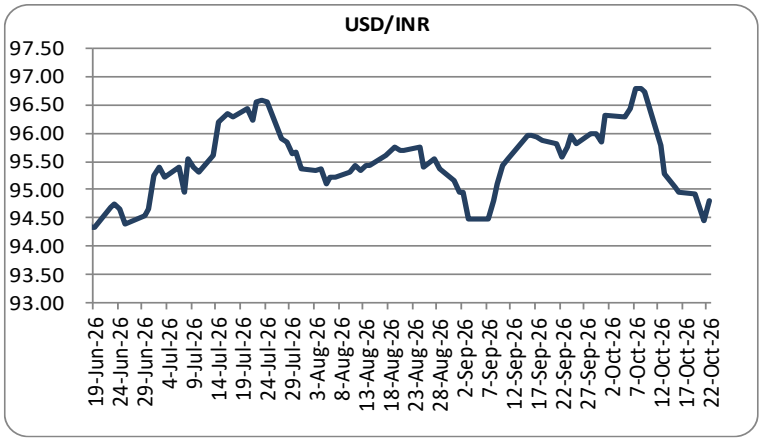
DEBT				EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
13-Oct-26	13,528	13,891	(363.09)	12,444	9,499	2,944.93	25,972	23,390	2,581.84

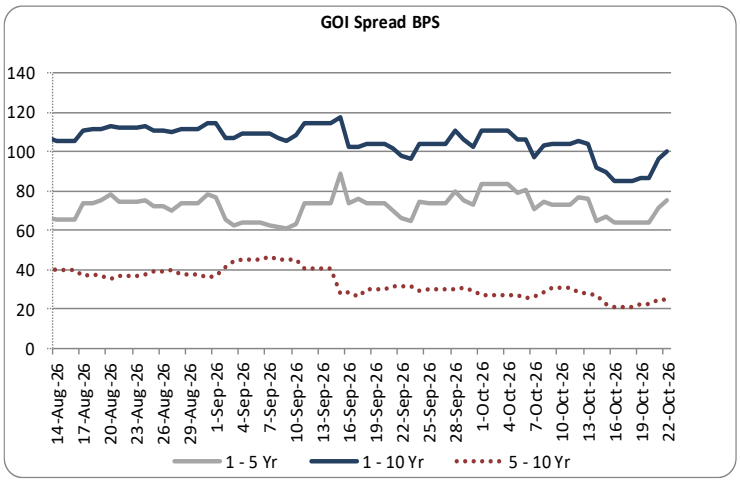
DEBT				EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
22-Oct-26	376	508	(131.63)	17899	16240	1,659.07	18275	16747	1,527.44

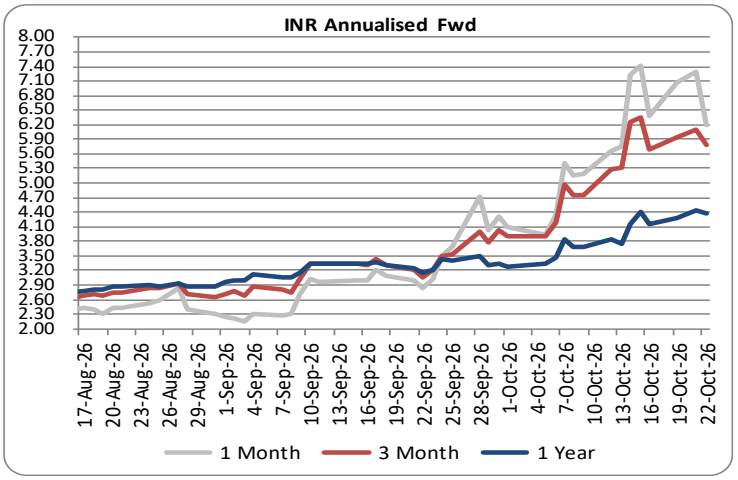
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-26	7.80	8.60
CAD ($ Bn)	Jun-26	(4.20)	6.50
Trade Deficit ($ Bn)	Jun-26	(86.10)	(83.40)
WPI (%)	Sep-26	11.39	9.92
CPI (%)	Sep-26	5.54	4.82
IIP (%)	Aug-26	8.00	7.40
PMI Manufacturing	Sep-26	55.10	52.80
PMI Service	Sep-26	55.20	54.10

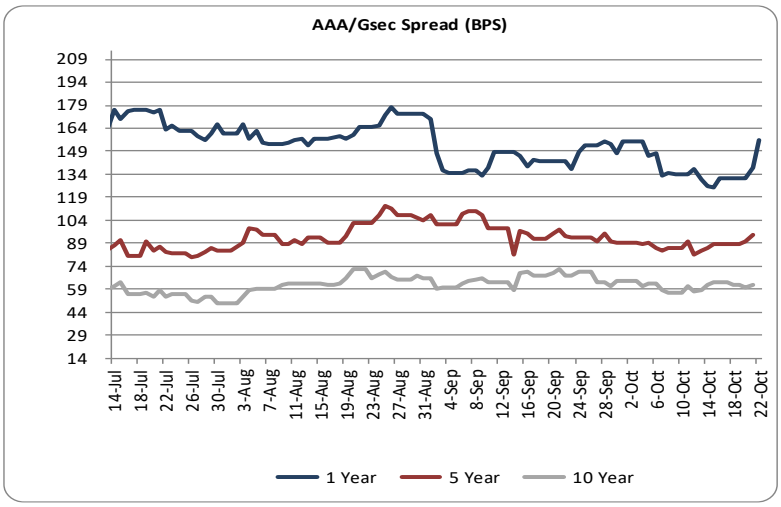
Economic Calender	Country	Date	Poll	Prior
Initial Jobless Claims	US	22-Oct-26	200K	199K
S&P Global Services PMI (Oct) P	IN	23-Oct-26		55.2
S&P Global Manufacturing PMI (Oct) P	IN	23-Oct-26		55.1
S&P Global Services PMI (Oct) P	US	23-Oct-26	58.0	58.8
S&P Global Manufacturing PMI (Oct) P	US	23-Oct-26	55.5	55.9

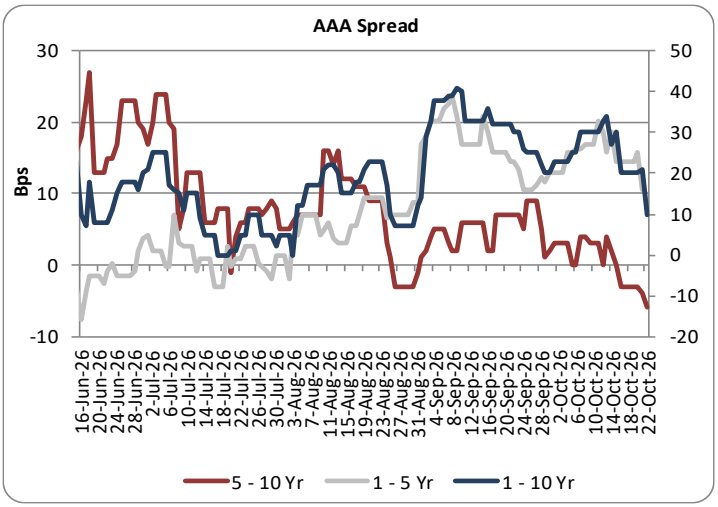

OIS Curve
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.56
6.59
6.63
6.66
6.68
6.73
6.51
6.80
6.06
6.26
6.33
6.84
1 Year
2 Year
3 Year
5 Year
22-Oct-26
21-Oct-26
22-Sep-26

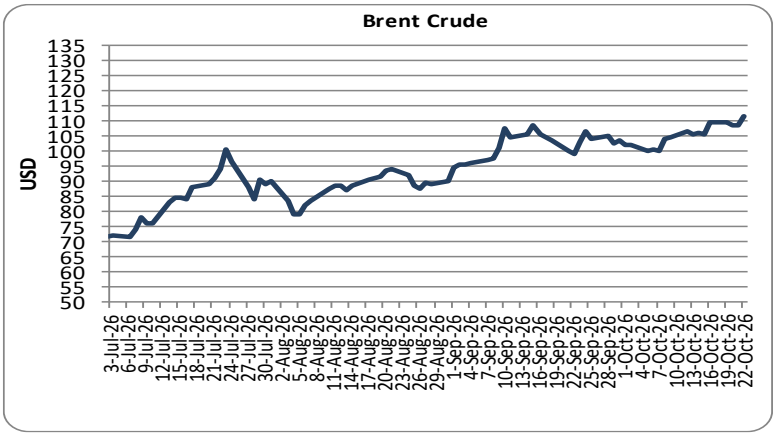

USD/INR
97.50
97.00
96.50
96.00
95.50
95.00
94.50
94.00
93.50
93.00
19-Jun-26
24-Jun-26
29-Jun-26
4-Jul-26
9-Jul-26
14-Jul-26
19-Jul-26
24-Jul-26
29-Jul-26
3-Aug-26
8-Aug-26
13-Aug-26
18-Aug-26
23-Aug-26
28-Aug-26
2-Sep-26
7-Sep-26
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12-Oct-26
17-Oct-26
22-Oct-26

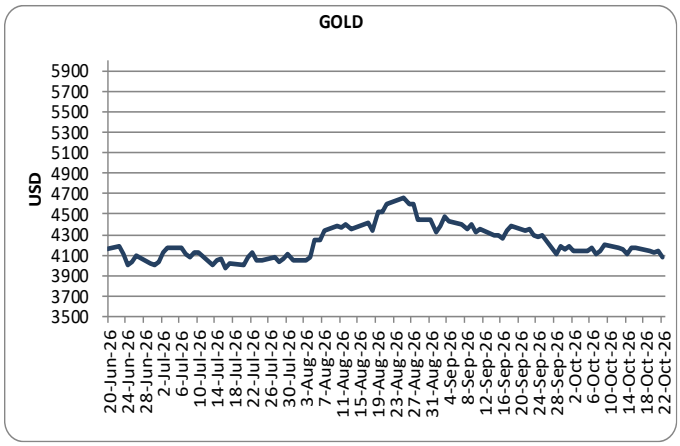

GOI Spread BPS
140
120
100
80
60
40
20
0
14-Aug-26
17-Aug-26
20-Aug-26
23-Aug-26
26-Aug-26
29-Aug-26
1-Sep-26
4-Sep-26
7-Sep-26
10-Sep-26
13-Sep-26
16-Sep-26
19-Sep-26
22-Sep-26
25-Sep-26
28-Sep-26
1-Oct-26
4-Oct-26
7-Oct-26
10-Oct-26
13-Oct-26
16-Oct-26
19-Oct-26
22-Oct-26
1 - 5 Yr
1 - 10 Yr
5 - 10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


AAA Spread
Bps
30
20
10
0
-10
50
40
30
20
10
0
-10
-20
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
23-Aug-26
27-Aug-26
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
18-Oct-26
22-Oct-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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