BONDWATCH

Daily

INDIA

29-10-2026

The benchmark 6.94 2036 bond yield closed at 7.3902% vs 7.44% in the previous session.

A US Treasury rally and fall in oil pushed India's 10-year yield down 5 bps to 7.39%. Longer tenor OIS rates eased with US Treasuries, with the 5Y down 2.75 bps to 6.85%, while the 1Y held at 6.68% amid tight liquidity.

The Fed held rates at 3.75%–4.00%, with two members wanting a hike. Markets trimmed their December hike bets slightly to 78% after Warsh sounded less hawkish than feared.

India Bond markets have been weak since the RBI raised rates, changed its stance and Governor Sanjay Malhotra signaled more tightening could follow.

Oil fell about 1%, with Brent at $114.05, on hopes for US-Iran peace talks. The decline was capped by fresh Houthi attacks and tanker blasts near Hormuz.

Globally, ECB President Lagarde resigned on Thursday, effective February 7, though markets barely moved on the news. Germany's 10-year yield fell 2.5 bps to 3.36% as oil eased ahead of today's ECB decision. Japan's 10-year yield edged up 0.5 bp to 2.83% after a strong auction ahead of Friday's BOJ decision.

Market Observations

G-sec

6yr and 8yr maturity Illiquid Gsec (7.95 2032, 7.50 2034) witnessed buying demand by Pension Funds at 7.43 and 7.40 levels, where Insurance Companies acted as sellers.

40yr maturity Gsec (7.63 2056) witnessed buying demand by Insurance Companies at 7.86 levels, where Pension Funds acted as sellers.

10yr maturity good state SDLs (2036) was sought after by Mutual Funds, Pension Funds at 8.05 centric levels, where Insurance Companies acted as sellers.

Corp Bond

AAA rated PSU bond yields remained more or less flattish in the 1Y and the 10Y segment while eased slightly by 1-2 bps in the 5Y segment, with the benchmark indicative levels at 8.22% for the 1-year, 8.32% for the 5-year and 8.26% for the 10-year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

CP/CD

CD rates remained more or less flattish across the curve, with the 3M (Jan maturity) at 7.58% 6M (Apr maturity) at 7.90% and 1Y (Oct maturity) at 8.15%. Trading activity was concentrated in JFM and 2–3M segment.

GOI Yield	29-Oct	28-Oct	22-Oct	29-Sep
1 Year	6.65	6.68	6.46	6.10
5 Year	7.17	7.20	7.21	6.85
10 Year	7.39	7.44	7.46	7.16

AAA Bmk	29-Oct	28-Oct	22-Oct	29-Sep
1 Year	8.22	8.22	8.12	7.73
5 Year	8.32	8.40	8.28	7.92
10 Year	8.26	8.26	8.22	7.93

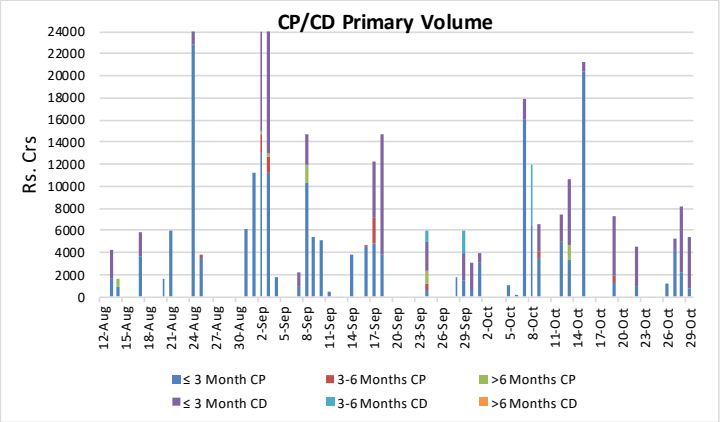
CD	29-Oct	28-Oct	22-Oct	29-Sep
3 Month	7.58	7.58	7.55	6.30
6 Month	7.90	7.90	7.80	6.92
1 Year	8.15	8.15	8.05	7.42

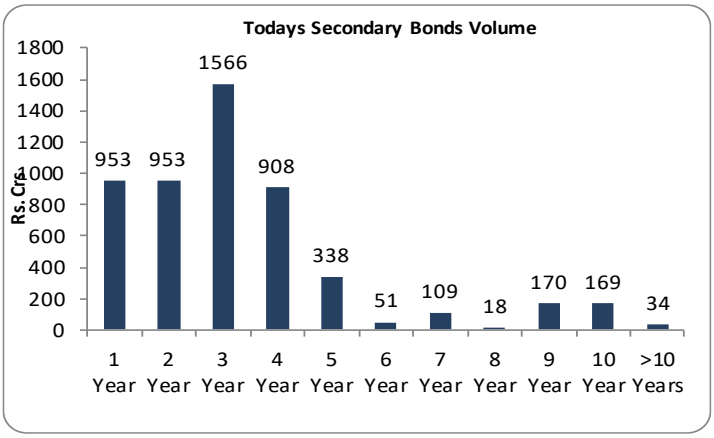
CP	29-Oct	28-Oct	22-Oct	29-Sep
3 Month	7.63	7.63	7.60	6.35
6 Month	7.95	7.95	7.85	6.97
1 Year	8.20	8.20	8.10	7.47

OIS Rate	29-Oct	28-Oct	22-Oct	29-Sep
1 Year	6.68	6.68	6.56	6.19
2 Year	6.73	6.74	6.63	6.39
3 Year	6.77	6.79	6.68	6.50
5 Year	6.85	6.88	6.80	6.65

	29-Oct	28-Oct	22-Oct	29-Sep
Sensex	74,151	73,246	73,249	72,529
Nifty	22,937	22,699	22,688	22,716
USD/INR	95.26	95.22	94.82	95.98
Gold (USD)	4,033	4,067	4,024	4,181
Oil (USD)	113.87	115.32	113.17	102.59

NDF	29-Oct	28-Oct	22-Oct	29-Sep
3 Month	96.47	96.51	96.23	97.04
1 Year	99.36	99.39	99.00	99.29
2 Year	102.63	102.49	102.06	102.06
3 Year	105.78	105.34	105.09	104.96





10 Year Benchmarks	29-Oct	28-Oct	22-Oct	29-Sep
India	7.39	7.44	7.46	7.16
US	5.00	5.05	4.95	5.26
South Korea	4.10	4.11	4.14	4.47
Brazil	15.35	15.35	13.09	14.14
Germany	3.37	3.38	3.34	3.61
China	1.61	1.62	1.59	1.67

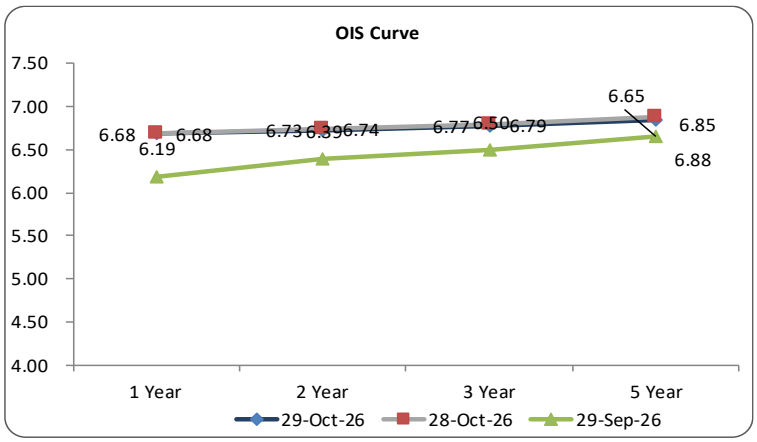
Top Traded Securities	Volume	29-Oct	28-Oct	22-Oct	29-Sep
6.75 2029	0	7.12	7.25	7.18	6.82
6.79 2034	240	7.43	7.51	7.40	7.16
6.33 2035	0	#N/A	7.40	7.38	7.11
6.92 2039	15	7.51	7.56	7.53	7.28
7.09 2054	90	7.87	7.90	7.87	7.67
7.34 2064	50	7.94	7.91	7.91	7.73

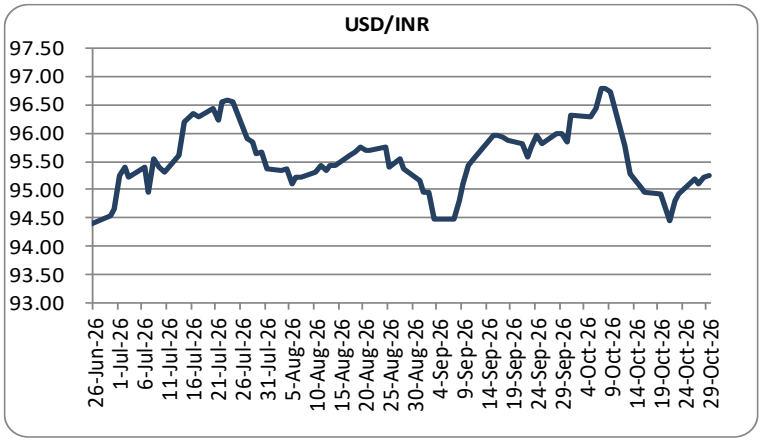
DEBT				EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
23-Oct-26	20,320	29,940	(9,620.30)	15,209	12,406	2,802.33	35,529	42,347	(6,817.97)

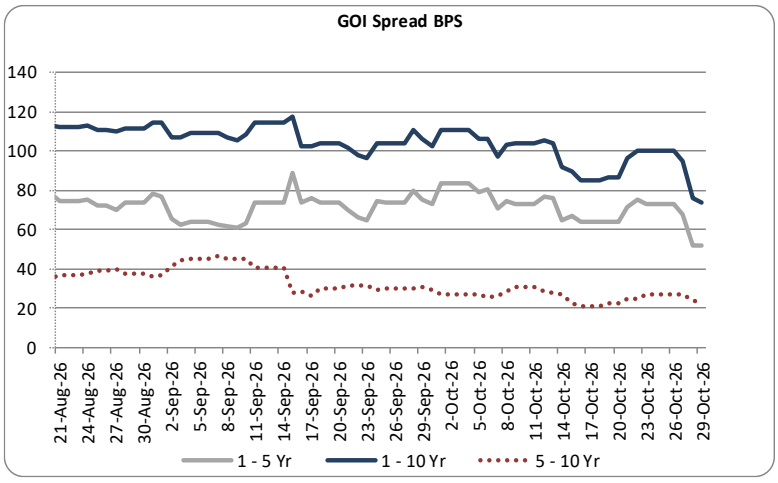
DEBT				EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
29-Oct-26	1563	51	1,511.76	19096	16972	2,124.48	20659	17023	3,636.24

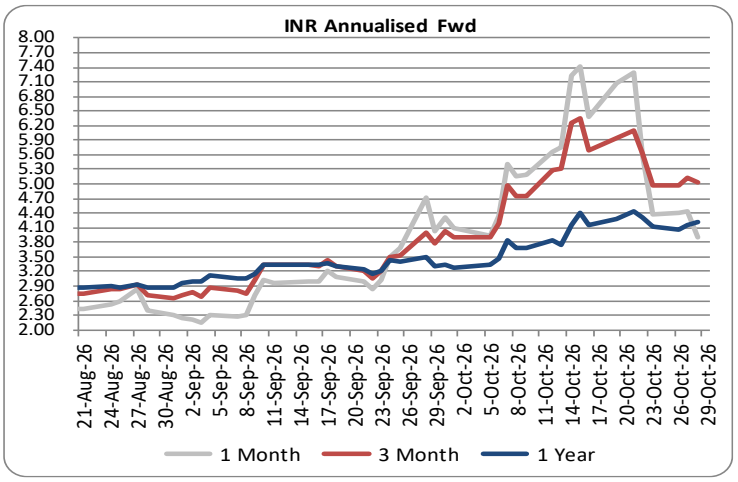
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-26	7.80	8.60
CAD ($ Bn)	Jun-26	(4.20)	6.50
Trade Deficit ($ Bn)	Jun-26	(86.10)	(83.40)
WPI (%)	Sep-26	11.39	9.92
CPI (%)	Sep-26	5.54	4.82
IIP (%)	Sep-26	6.70	7.80
PMI Manufacturing	Sep-26	55.10	52.80
PMI Service	Sep-26	55.20	54.10

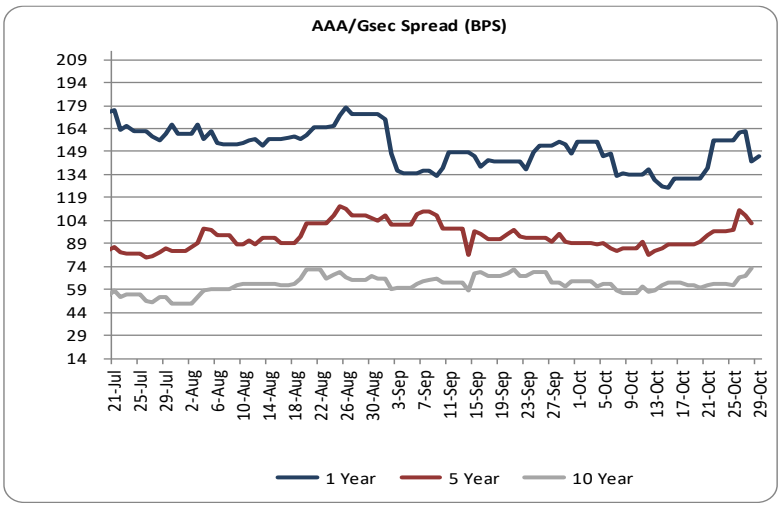
Economic Calender	Country	Date	Poll	Prior
Core PCE Price Index (MoM) (Sep)	US	29-Oct-26		
Core PCE Price Index (YoY) (Sep)	US	29-Oct-26		3.0%
GDP (QoQ) (Q3) P	US	29-Oct-26	3.0%	2.2%
Initial Jobless Claims	US	29-Oct-26		
Deposit Facility Rate (Oct)	EU	29-Oct-26		
ECB Interest Rate Decision (Oct)	EU	29-Oct-26	2.65%	2.65%
ECB Press Conference	EU	29-Oct-26		
BoJ Interest Rate Decision	JP	30-Oct-26	1.25%	1.25%

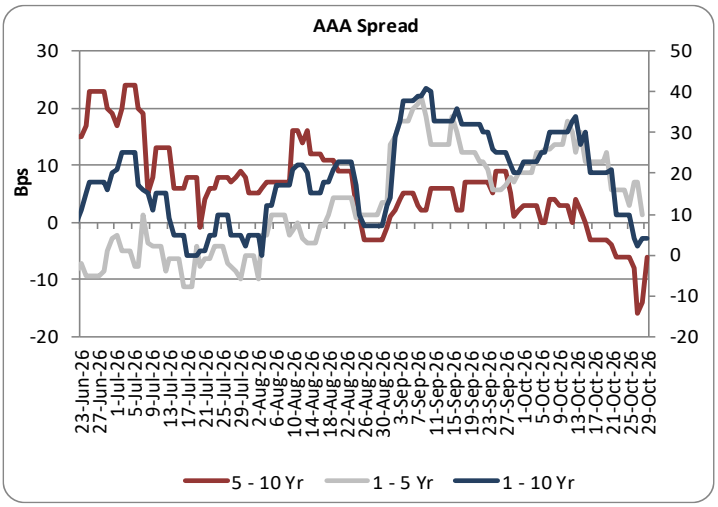

OIS Curve
7.50
7.00
6.50
6.00
5.50
5.00
4.50
4.00
6.68
6.68
6.73
6.74
6.77
6.79
6.65
6.85
6.19
6.88
1 Year
2 Year
3 Year
5 Year
29-Oct-26
28-Oct-26
29-Sep-26

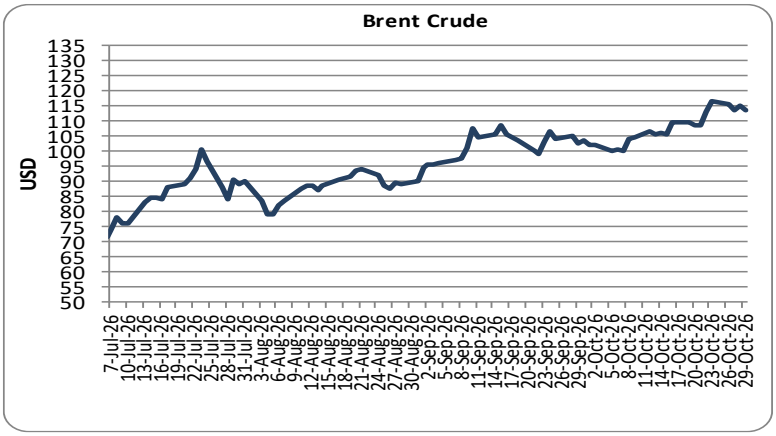

USD/INR
97.50
97.00
96.50
96.00
95.50
95.00
94.50
94.00
93.50
93.00
26-Jun-26
1-Jul-26
6-Jul-26
11-Jul-26
16-Jul-26
21-Jul-26
26-Jul-26
31-Jul-26
5-Aug-26
10-Aug-26
15-Aug-26
20-Aug-26
25-Aug-26
30-Aug-26
4-Sep-26
9-Sep-26
14-Sep-26
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19-Oct-26
24-Oct-26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

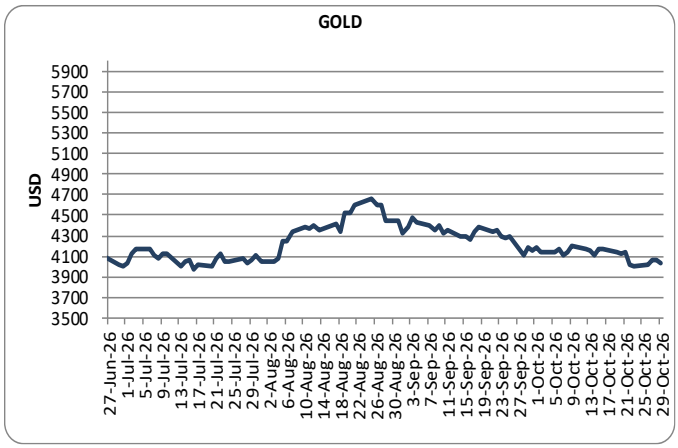

GOI Spread BPS
140
120
100
80
60
40
20
0
21-Aug-26
24-Aug-26
27-Aug-26
30-Aug-26
2-Sep-26
5-Sep-26
8-Sep-26
11-Sep-26
14-Sep-26
17-Sep-26
20-Sep-26
23-Sep-26
26-Sep-26
29-Sep-26
2-Oct-26
5-Oct-26
8-Oct-26
11-Oct-26
14-Oct-26
17-Oct-26
20-Oct-26
23-Oct-26
26-Oct-26
29-Oct-26
1 - 5 Yr
1 - 10 Yr
5 - 10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


AAA Spread
Bps
30
20
10
0
-10
-20
50
40
30
20
10
0
-10
-20
23-Jun-26
27-Jun-26
1-Jul-26
5-Jul-26
9-Jul-26
13-Jul-26
17-Jul-26
21-Jul-26
25-Jul-26
29-Jul-26
2-Aug-26
6-Aug-26
10-Aug-26
14-Aug-26
18-Aug-26
22-Aug-26
26-Aug-26
30-Aug-26
3-Sep-26
7-Sep-26
11-Sep-26
15-Sep-26
19-Sep-26
23-Sep-26
27-Sep-26
1-Oct-26
5-Oct-26
9-Oct-26
13-Oct-26
17-Oct-26
21-Oct-26
25-Oct-26
29-Oct-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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