



The Indian 10 year benchmark government bond (6.48 2035) yield ended at 6.6105% after closing at 6.6137% on Tuesday. Yields were on a slightly upward bias since early trading after the central bank went ahead with a set of illiquid papers for next week's OMO debt purchase. Yields had eased on Tuesday after states successfully raised ₹30,100 crores in SDL auctions with cutoffs largely in line with market expectations.

India's overnight index swap rates eased on Wednesday. The one-year OIS inched lower to 5.4625%, while the two-year OIS rate fell 2 bps to 5.55%. The five-year OIS rate was down 3.5bps at 5.92%. The Rupee ended at 89.88 per U.S. dollar, up 0.3% from previous close.

The Reserve Bank will be conducting OMO purchase for an aggregate amount of ₹50,000 crore on January 12, 2026, which includes papers maturing in 2029 to 2053, but all the notes are illiquid and not traded frequently. The RBI is set to buy bonds worth ₹50,000 crore again on January 22.

India's economy is expected to grow 7.4% in the fiscal year ending in March as per data released by the National Statistics Office. The Indian economy grew 6.5% in 2024/25 and 9.2% in 2023/24. In nominal terms, the economy is expected to grow 8%, compared with the 10.1% estimate in the annual budget announced last February. Private consumption, which accounts for about 60% of GDP, was seen expanding by 7% year-on-year compared to a 7.2% expansion last fiscal year.

Market Observations

G-sec

- Cut off on 3M T-bill came in line with market expectation. However 6 months and 1 year came above market expectations. Cut off on 1 year bill was way above market expectations @ 5.5807 vs 5.54.
- After T-bill auction size deal reported in Sept and Nov maturity @ 5.60 level.
- Longer end of the curve was also active. Size switches reported in 29 vs 27 maturity G-sec @ parity between foreign banks. For instance 7.24 GOI 2055 & 7.30 GOI 2053 reported @ 7.33.

Corp Bond

- Trading volumes were primarily concentrated in the medium term segment, followed by the short-term money market yield (MMY) and the longer end segments. Short term bond yields traded higher today after SIDBI CD was placed at 6.95% in the primary market above market expectations, AAA-rated PSU indicative bond yields stood at 7.03% for 1 year, 7% for 3 years, 7.12% for 5 years, and 7.35% for 10 years.

CP/CD

- Yields traded higher after SIDBI CD was placed at 6.95% in the primary market above market expectations, with the 3-month CD at 6.50%, the 6-month CD at 6.60% and the 12-month CD at 6.90%. Trading activity was concentrated primarily in the January–March maturities.

07-01-2026

GOI Yield	7-Jan	6-Jan	29-Dec	8-Dec
1 Year	5.56	5.51	5.52	5.46
5 Year	6.34	6.34	6.34	6.23
10 Year	6.61	6.61	6.59	6.57

AAA Bmk	7-Jan	6-Jan	29-Dec	8-Dec
1 Year	7.03	6.93	6.86	6.62
5 Year	7.12	7.08	7.07	6.88
10 Year	7.35	7.32	7.28	7.16

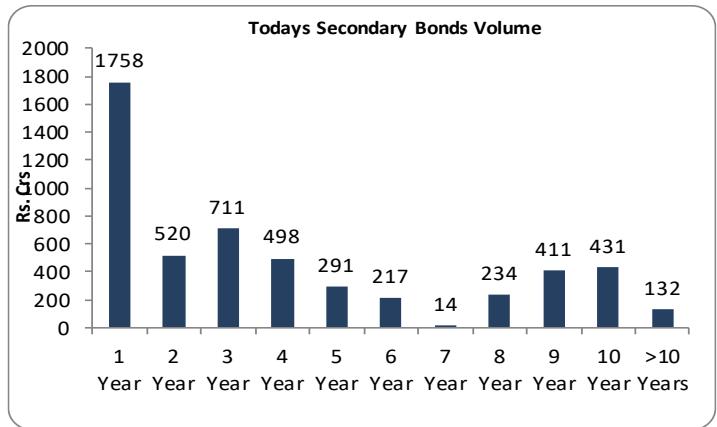
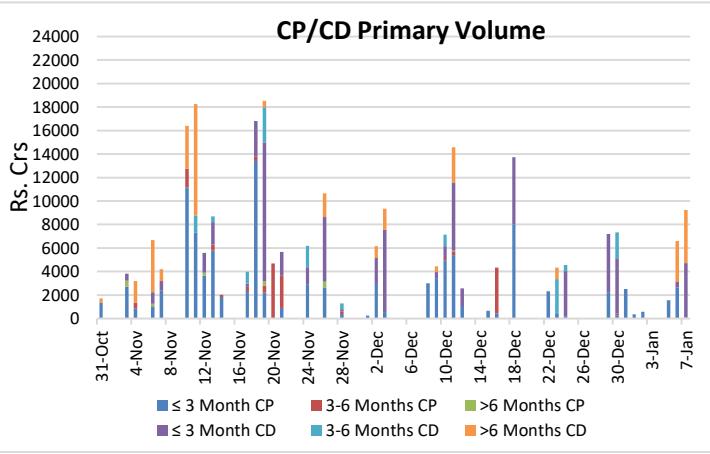
CD	7-Jan	6-Jan	29-Dec	8-Dec
3 Month	6.50	6.30	6.05	5.90
6 Month	6.60	6.45	6.45	6.23
1 Year	6.90	6.78	6.70	6.45

CP	7-Jan	6-Jan	29-Dec	8-Dec
3 Month	6.55	6.35	6.10	5.95
6 Month	6.65	6.50	6.50	6.28
1 Year	6.95	6.83	6.75	6.50

OIS Rate	7-Jan	6-Jan	29-Dec	8-Dec
1 Year	5.46	5.48	5.48	5.47
2 Year	5.55	5.58	5.58	5.57
3 Year	5.71	5.75	5.74	5.70
5 Year	5.92	5.95	5.94	5.91

	7-Jan	6-Jan	29-Dec	8-Dec
Sensex	84,961	85,063	84,696	85,103
Nifty	26,141	26,179	25,942	25,961
USD/INR	89.88	90.17	89.98	90.07
Gold (USD)	4,451	4,497	4,332	4,189
Oil (USD)	60.58	60.70	61.94	62.49

NDF	7-Jan	6-Jan	29-Dec	8-Dec
3 Month	90.62	90.82	90.71	90.79
1 Year	92.37	92.60	92.42	92.57
2 Year	95.55	95.79	95.56	95.25
3 Year	98.31	98.19	98.08	98.46



10 Year Benchmarks		7-Jan	6-Jan	29-Dec	8-Dec
India		6.61	6.62	6.59	6.57
US		4.14	4.18	4.12	4.17
South Korea		3.35	3.40	3.35	3.40
Brazil		13.67	13.67	13.86	13.66
Germany		2.80	2.85	2.83	2.87
China		1.87	1.89	1.87	1.88

Top Traded Securities	Volume	7-Jan	6-Jan	29-Dec	8-Dec
		7-Jan	6-Jan	29-Dec	8-Dec
6.75 2029	10	6.17	6.21	6.19	6.12
6.79 2034	445	6.66	6.65	6.64	6.60
6.33 2035	3320	6.62	6.60	6.65	6.57
6.92 2039	0	7.02	6.97	6.99	6.92
7.09 2054	30	7.34	7.34	7.29	7.32
7.34 2064	215	7.40	7.40	7.37	7.42

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
5-Jan-26	15,829	20,409	(4,579.69)

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	11,831	11,427	403.58

TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
	27,660	31,836	(4,176.11)

DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
7-Jan-26	1544	1678	(133.79)

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	15512	15529	(16.44)

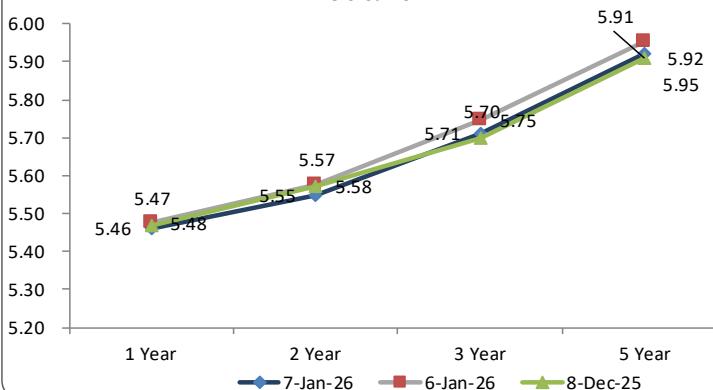
TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
	17057	17207	(150.23)

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Sep-25	8.20	7.80
CAD (\$ Bn)	Sep-25	(12.30)	(2.70)
Trade Deficit (\$ Bn)	Jun-25	(87.40)	(59.30)
WPI (%)	Nov-25	(0.32)	(1.21)
CPI (%)	Nov-25	0.71	0.25
IIP (%)	Nov-25	6.70	0.50
PMI Manufacturing	Dec-25	55.00	56.60
PMI Service	Dec-25	58.00	59.80

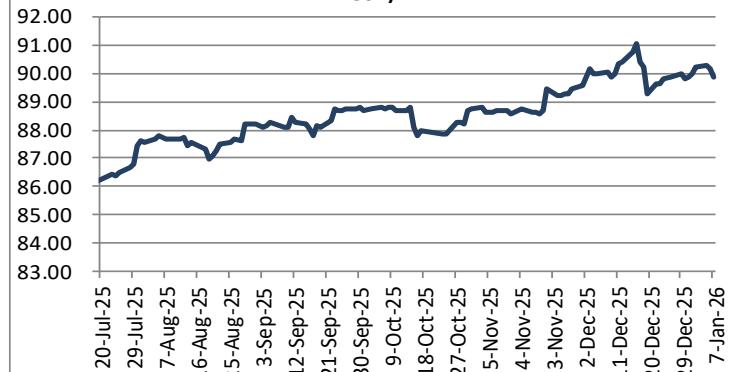
Economic Calender	Country	Date	Poll	Prior
CPI (YoY) (Dec)	EU	07-Jan-26	2.1	2.1
ADP Nonfarm Employment Change (Dec)	U.S.	07-Jan-26	47K	(32)K
ISM Non-Manufacturing PMI (Dec)	U.S.	07-Jan-26	52.2	52.6
JOLTS Job Openings (Nov)	U.S.	07-Jan-26	7.65	7.67
Crude Oil Inventories	U.S.	07-Jan-26		(1.934)M
Initial Jobless Claims	U.S.	08-Jan-26		199K
FX Reserves, USD	INDIA	09-Jan-26		



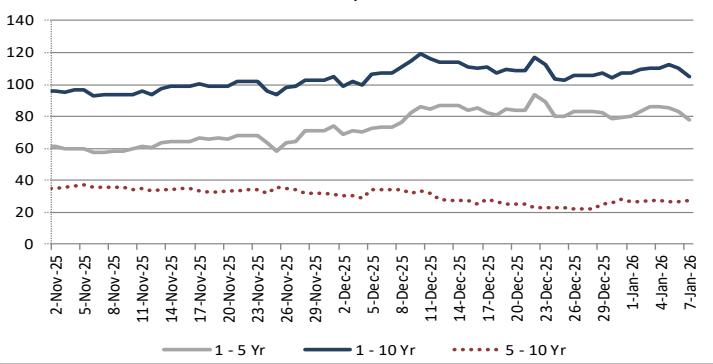
OIS Curve



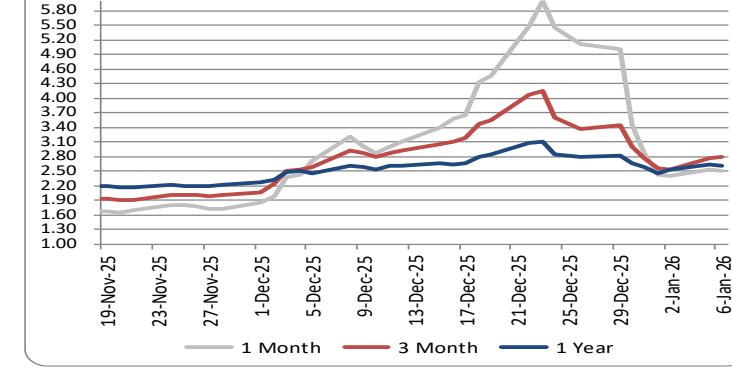
USD/INR



GOI Spread BPS



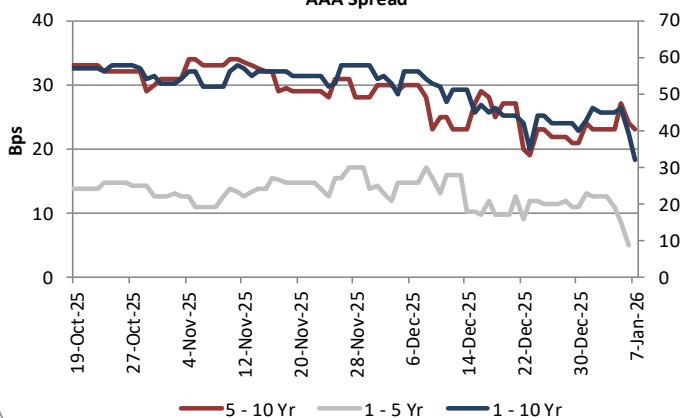
INR Annualised Fwd



AAA/Gsec Spread (BPS)

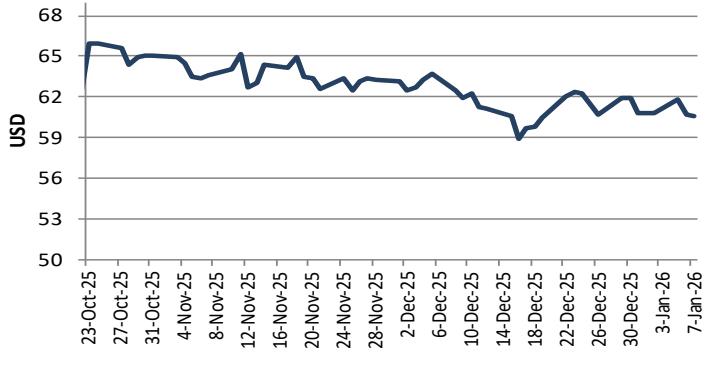


AAA Spread

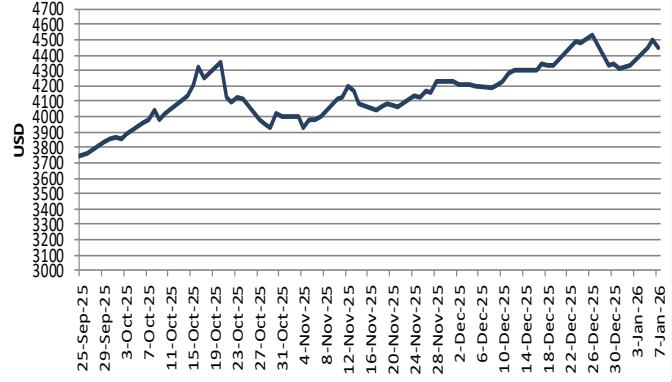




Brent Crude



GOLD



Sources: Reserve Bank of India, Bloomberg, Reuters, CCIL and FIMMDA.

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