



The Indian 10 year benchmark government bond (6.48 2035) yield ended at 6.6290% after closing at 6.6105% on Wednesday. Yields rose on Thursday ahead of debt sale by Government of India in its weekly auction providing cues of demand in the midst of RBI's aggressive bond buying activity.

New Delhi will sell 29000 crore rupees of 15-year and 40-year bonds on Friday. Traders await inflation data, due on Monday, for cues on monetary policy, after India projected fiscal year GDP growth at 7.4% while also awaiting inclusion of Indian bonds in Bloomberg Aggregate Index. The announcement is due as early as next week.

India's overnight index swap rates rose on Thursday, in line with bond yields, the one-year OIS ended 1.5 bps higher at 5.48%, while the two-year OIS rate rose 2 bps to 5.57%. The five-year OIS rate was also up 2 bps at 5.9375%. The Rupee ended at 90.0175 per U.S. dollar, down 0.15% 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.

Market Observations

G-sec

- Gsec switches were reported in 40 year maturity (7.34 2064 vs 6.90 2065) at 2.50bps, where 7.34 2064 traded higher due to being more illiquid. This switch was dealt between Insurance Companies and Foreign Banks.
- 6 year maturity (2032) high yielding states saw buying demand by PSU Banks at 7.50 centric levels, where Mutual Fund was major seller. For example, 7.73 PN 03/09/2032 - 250crs was dealt at 7.49 levels.
- 1 year T-Bill (12 Nov 2026) saw buying demand by Insurance Companies at 5.5650 levels, where Private Sector Bank was major seller.

Corp Bond

- Trading volumes were primarily concentrated in the medium term segment, followed by the longer end segment and the short term MMY. AAA-rated PSU Indicative bond yields stood at 7.03% for 1 year, 6.9850% for 3 years, 7.08% for 5 years, and 7.32% for 10 years.

CP/CD

- Yields showed mixed movements across segments, remaining steady for the 3-month at 6.50%, rising for the 6-month to 6.70% from 6.60%, and dipping slightly for the 1-year to 6.85% from 6.90%. Trading activity was primarily concentrated in the 1M, 2M and the 6M segment with MF being the major market participants.

GOI Yield	8-Jan	7-Jan	29-Dec	9-Dec
1 Year	5.57	5.56	5.52	5.47
5 Year	6.35	6.34	6.34	6.30
10 Year	6.63	6.61	6.59	6.62

AAA Bmk	8-Jan	7-Jan	29-Dec	9-Dec
1 Year	7.03	7.03	6.86	6.65
5 Year	7.08	7.12	7.07	6.95
10 Year	7.32	7.35	7.28	7.18

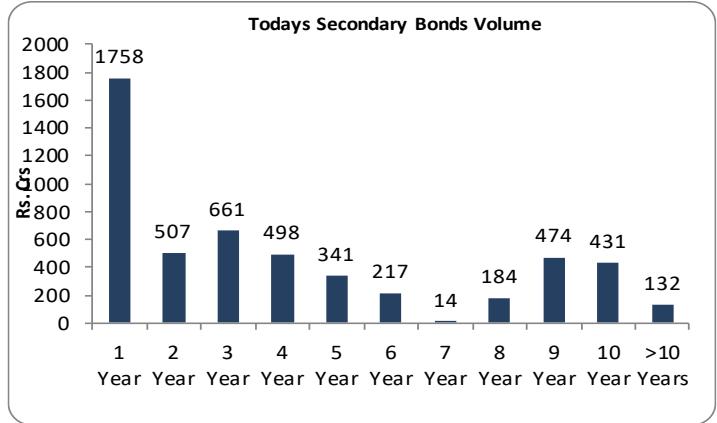
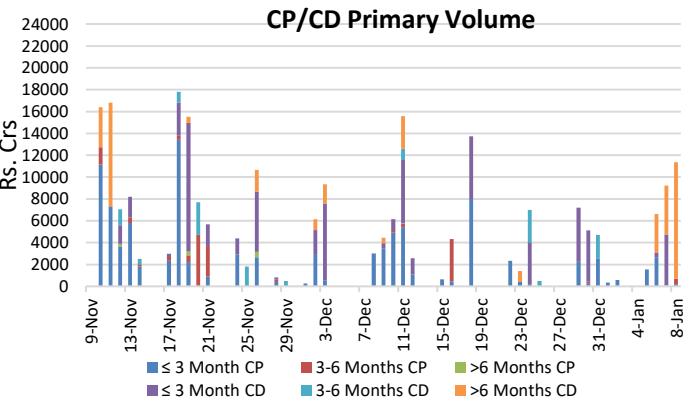
CD	8-Jan	7-Jan	29-Dec	9-Dec
3 Month	6.50	6.50	6.05	6.00
6 Month	6.70	6.60	6.45	6.33
1 Year	6.85	6.90	6.70	6.55

CP	8-Jan	7-Jan	29-Dec	9-Dec
3 Month	6.55	6.55	6.10	6.05
6 Month	6.75	6.65	6.50	6.38
1 Year	6.90	6.95	6.75	6.60

OIS Rate	8-Jan	7-Jan	29-Dec	9-Dec
1 Year	5.48	5.46	5.48	5.48
2 Year	5.57	5.55	5.58	5.60
3 Year	5.72	5.71	5.74	5.74
5 Year	5.94	5.92	5.94	5.96

	8-Jan	7-Jan	29-Dec	9-Dec
Sensex	84,181	84,961	84,696	84,666
Nifty	25,877	26,141	25,942	25,840
USD/INR	90.02	89.88	89.98	89.88
Gold (USD)	4,413	4,453	4,332	4,209
Oil (USD)	60.80	59.96	61.94	61.94

NDF	8-Jan	7-Jan	29-Dec	9-Dec
3 Month	90.68	90.58	90.71	90.56
1 Year	92.47	92.36	92.42	92.32
2 Year	95.14	95.54	95.56	95.10
3 Year	98.08	97.98	98.08	98.03



10 Year Benchmarks	8-Jan	7-Jan	29-Dec	9-Dec
India	6.63	6.61	6.59	6.62
US	4.17	4.14	4.12	4.19
South Korea	3.35	3.35	3.35	3.41
Brazil	13.70	13.70	13.81	13.77
Germany	2.84	2.81	2.83	2.85
China	1.89	1.87	1.87	1.87

Top Traded Securities	Volume	8-Jan	7-Jan	29-Dec	9-Dec
6.75 2029	0	6.21	6.17	6.19	6.14
6.79 2034	865	6.67	6.65	6.64	6.64
6.33 2035	1590	6.63	6.62	6.65	6.62
6.92 2039	295	7.01	7.02	6.99	6.99
7.09 2054	150	7.35	7.34	7.29	7.39
7.34 2064	325	7.43	7.41	7.37	7.48

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
8-Jan-26	1883	1200	682.99

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	15080	16919	(1,839.01)

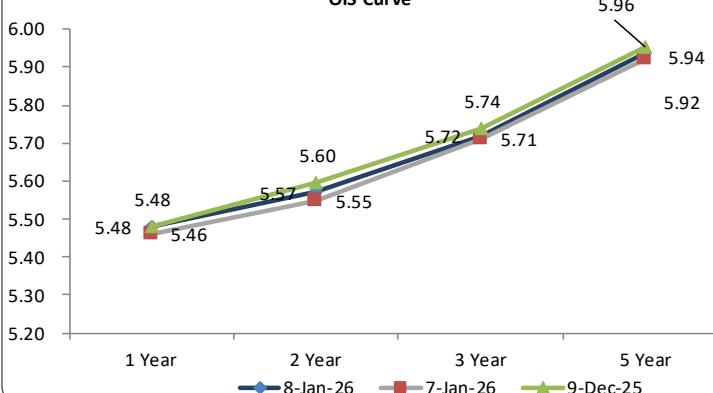
TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
	16963	18119	(1,156.02)

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

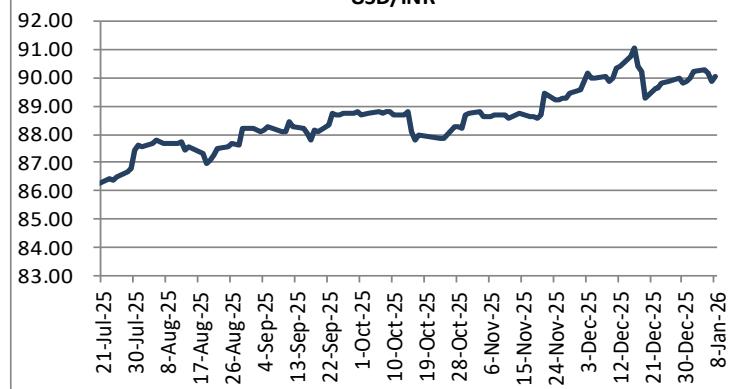
Economic Calender	Country	Date	Poll	Prior
Initial Jobless Claims	U.S.	08-Jan-26	216K	199K
FX Reserves, USD	INDIA	09-Jan-26	0	0
Average Hourly Earnings (MoM) (Dec)	U.S.	09-Jan-26	0.3	0.1
Nonfarm Payrolls (Dec)	U.S.	09-Jan-26	57K	64K
Unemployment Rate (Dec)	U.S.	09-Jan-26	4.6	



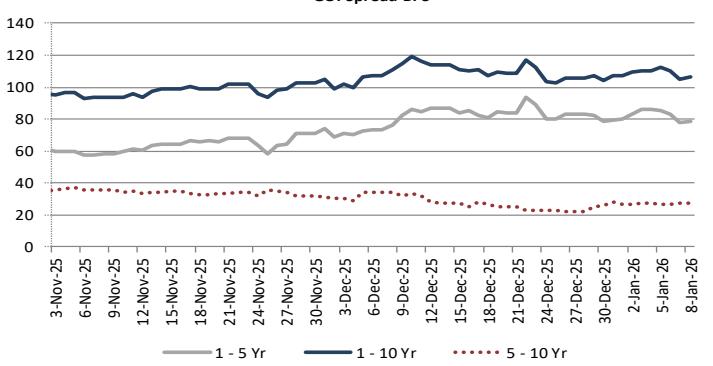
OIS Curve



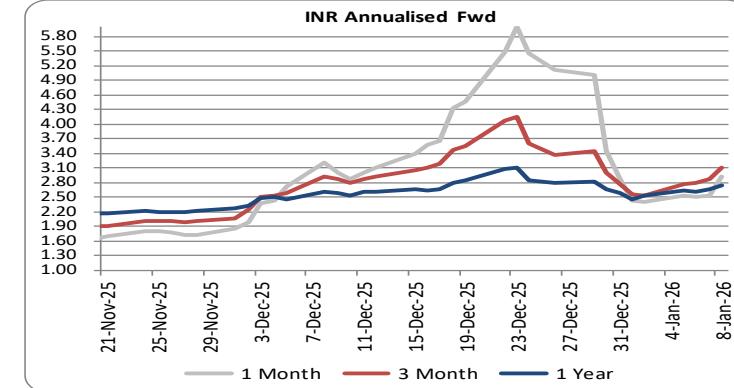
USD/INR



GOI Spread BPS



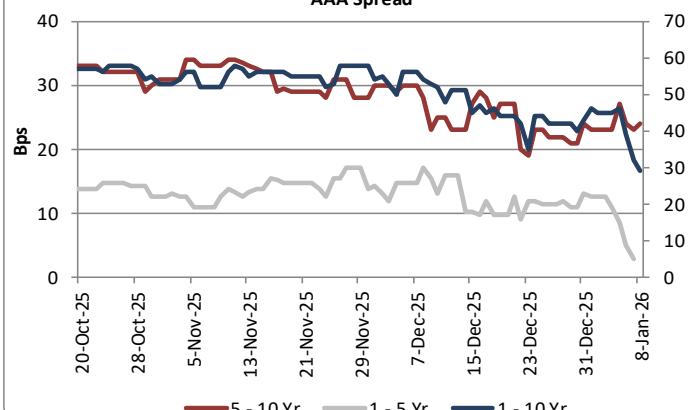
INR Annualised Fwd



AAA/Gsec Spread (BPS)

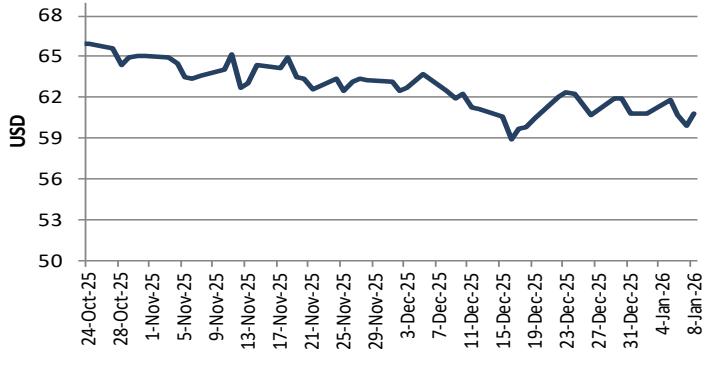


AAA Spread





Brent Crude



GOLD



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

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