



The Indian 10-year benchmark government bond (6.48 2035) yield ended at 6.6050% after closing at 6.6401% on Friday. Yields fell steadily from the open today, posting their biggest three-week drop after states cut this week's auction size amid talk of potential addition to the Bloomberg Global Aggregate Index.

Rupee ends flat at 90.1525, caught between softer dollar and corporate hedging. The dollar slid against major peers amid renewed concerns over the independence of the U.S. Federal Reserve. The greenback was last down 0.4% at 98.8 against a basket of peers, while gold struck a record high of more than \$4,600 an ounce.

RBI purchases bonds worth 500 billion rupees earlier in the day. Other factor supporting bond yields today were India's December Consumer Price-Based Inflation 1.33% Y/Y (Reuters Forecast 1.50% Y/Y), below the central bank's target.

Globally, U.S. Two-year yields rise as near-term rate cut seen less likely, as Jobs growth slows, unemployment rate falls to 4.4%. The two-year note was up 4.6 basis points on Friday at 3.534%. The yield on benchmark U.S. 10-year fell 1.4 basis points to 4.183%, while U.S. 30-year Treasury yields rose sharply on Monday in European trading, after President Donald Trump's team threatened to indict Federal Reserve Chair Jerome Powell over a building renovation project.

Market Observations

G-sec

- 6-year maturity SDLs (2032) witnessed size buying demand by PSU Banks, where Mutual Fund was major seller. PSU Banks opted to buy TIER 1 states (GJ, MH, KA, TN) at 7.24 level and TIER 2, TIER 3 states (PN) at 7.49 levels, to the combined tune of 500crs.
- Switches were visible in 40-year maturity G-sec (7.25 2063 vs 7.34 2064) at 0.75bps, where 7.25 2063 traded higher due to Illiquidity premium. This switch was predominantly dealt between Foreign PDS, MFs and Foreign Banks.
- 3 months maturity G-sec (5.63 2026) witnessed size buying demand by Mutual Funds at 5.35 to 5.38 levels to the combined tune of 1,000crs, where Private Sector Banks and PSUs were major sellers.

Corp Bond

- Trading volumes were primarily concentrated in the short MMY segment followed by medium term and longer-end segments. Yields were more or less flattish however higher for shorter MMY segment. AAA-rated PSU Indicative bond yields stood at 7.10% for 1 year, 6.99% for 3 years, 7.10% for 5 years, and 7.33% for 10 years, with mutual funds and banks being the major participants.

CP/CD

- Yields remained largely flattish compared to Friday's levels, with 3-month CDs maturing in March closing at 6.60%, 6-month CDs maturing in June at 6.70%, and 1-year CDs maturing in January at 6.85%. Trading volumes were concentrated in February and March maturities, with mutual funds being the major participants.

GOI Yield	12-Jan	9-Jan	5-Jan	12-Dec
1 Year	5.55	5.57	5.51	5.45
5 Year	6.37	6.37	6.37	6.32
10 Year	6.61	6.64	6.64	6.59

AAA Bmk	12-Jan	9-Jan	5-Jan	12-Dec
1 Year	7.10	7.05	6.89	6.75
5 Year	7.10	7.10	7.08	7.03
10 Year	7.33	7.33	7.35	7.26

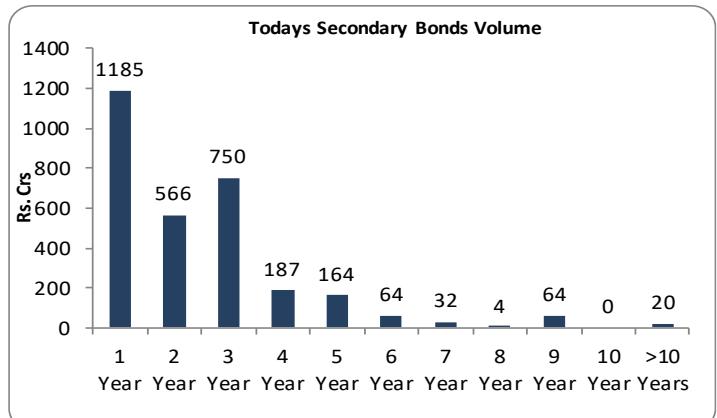
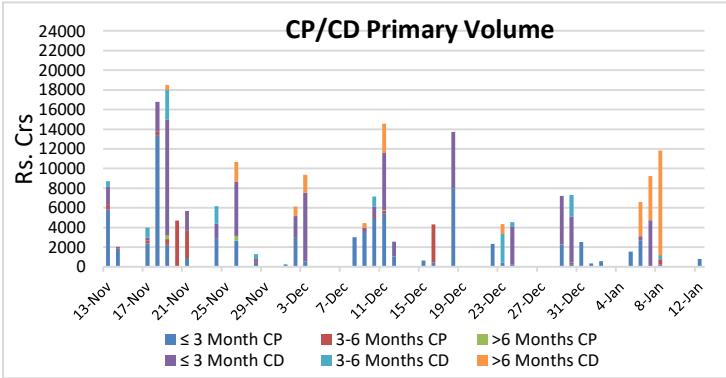
CD	12-Jan	9-Jan	5-Jan	12-Dec
3 Month	6.60	6.60	6.30	6.03
6 Month	6.70	6.70	6.45	6.35
1 Year	6.85	6.85	6.75	6.65

CP	12-Jan	9-Jan	5-Jan	12-Dec
3 Month	6.65	6.65	6.35	6.07
6 Month	6.75	6.75	6.50	6.40
1 Year	6.90	6.90	6.80	6.70

OIS Rate	12-Jan	9-Jan	5-Jan	12-Dec
1 Year	5.49	5.49	5.49	5.46
2 Year	5.58	5.59	5.59	5.56
3 Year	5.73	5.74	5.77	5.70
5 Year	5.94	5.96	5.98	5.92

	12-Jan	9-Jan	5-Jan	12-Dec
Sensex	83,242	83,576	85,440	85,268
Nifty	25,586	25,683	26,250	26,047
USD/INR	90.23	90.16	90.28	90.42
Gold (USD)	4,565	4,510	4,448	4,302
Oil (USD)	63.40	63.34	61.76	61.12

NDF	12-Jan	9-Jan	5-Jan	12-Dec
3 Month	91.01	90.92	90.95	91.20
1 Year	92.76	92.80	92.73	93.05
2 Year	95.59	95.48	95.90	95.69
3 Year	98.32	98.41	98.35	98.71



10 Year Benchmarks		12-Jan	9-Jan	5-Jan	12-Dec
India		6.63	6.64	6.63	6.59
US		4.17	4.17	4.16	4.20
South Korea		3.39	3.39	3.39	3.39
Brazil		13.71	13.71	13.60	13.62
Germany		2.83	2.83	2.87	2.86
China		1.87	1.88	1.87	1.85

Top Traded Securities	Volume	12-Jan	9-Jan	5-Jan	12-Dec
		12-Jan	9-Jan	5-Jan	12-Dec
6.75 2029	0	6.21	6.21	6.20	6.15
6.79 2034	610	6.67	6.68	6.67	6.65
6.33 2035	3390	6.62	6.62	6.63	6.61
6.92 2039	655	6.98	6.98	6.97	6.98
7.09 2054	105	7.38	7.33	7.32	7.39
7.34 2064	20	7.44	7.43	7.37	7.45

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
12-Jan-26	271	399	(128.22)

EQUITY			
	Gross Purchase	Gross Sales	Net Investment
	12001	15688	(3,686.99)

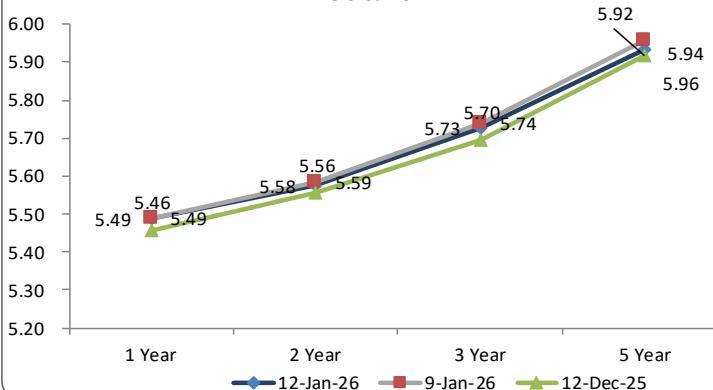
TOTAL (Rs. Crs)			
	Gross Purchase	Gross Sales	Net Investment
	12272	16087	(3,815.21)

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

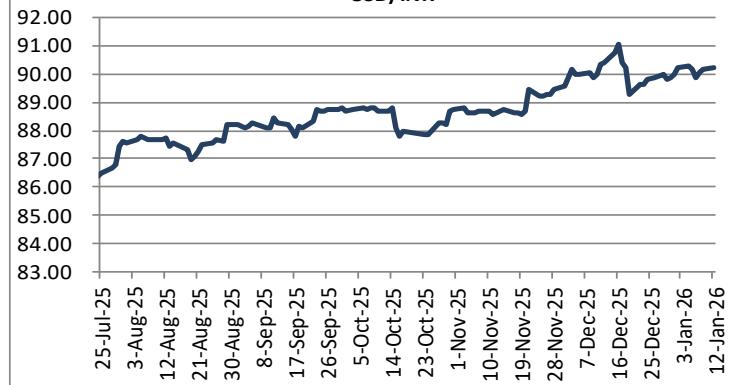
Economic Calendar	Country	Date	Poll	Prior
CPI (YoY) (Dec)	U.S.	13-Jan-26	2.7	2.7
Core CPI (MoM) (Dec)	U.S.	13-Jan-26	0.3	0.2
New Home Sales (Oct)	U.S.	13-Jan-26	715K	800K
WPI Inflation (YoY) (Dec)	INDIA	14-Jan-26	0.3	-0.32
PPI (MoM) (Nov)	U.S.	14-Jan-26	0	0.3
Retail Sales (MoM) (Nov)	U.S.	14-Jan-26	0.4	0
Core Retail Sales (MoM) (Nov)	U.S.	14-Jan-26	0.4	0.4
Existing Home Sales (Dec)	U.S.	14-Jan-26	4.24M	4.13M



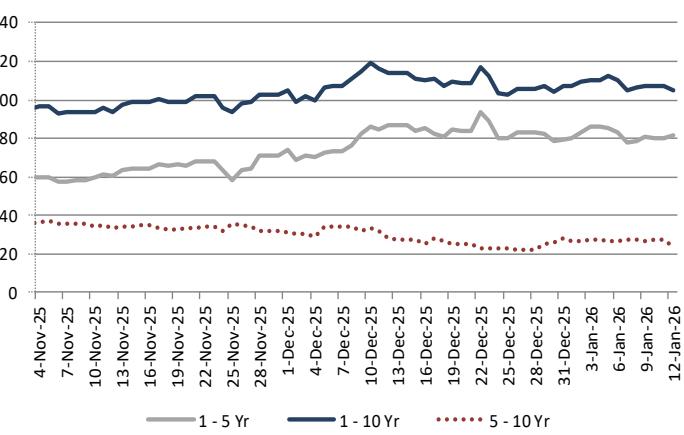
OIS Curve



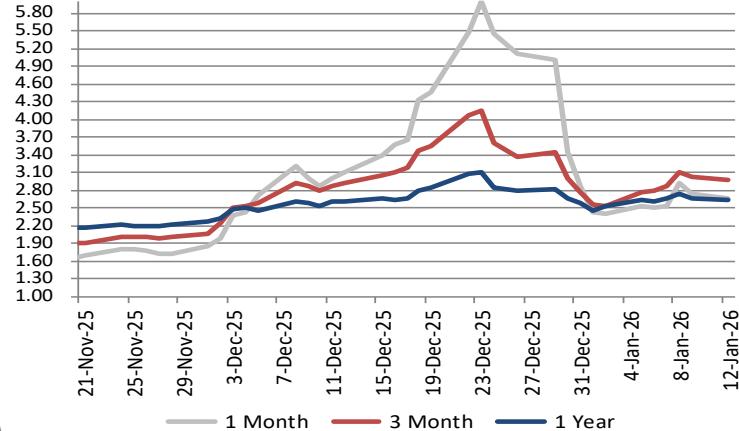
USD/INR



GOI Spread BPS



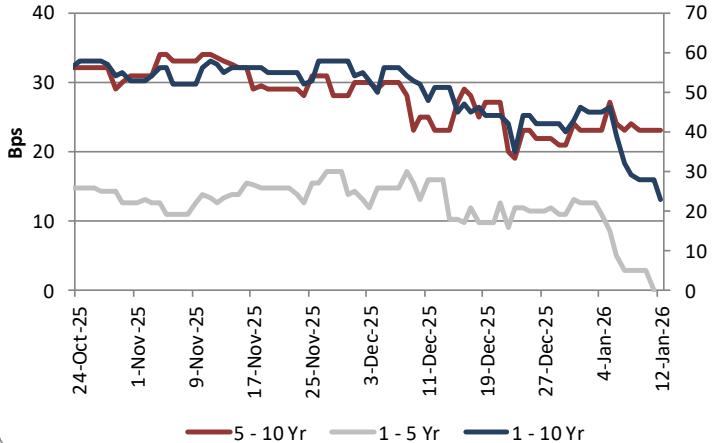
INR Annualised Fwd

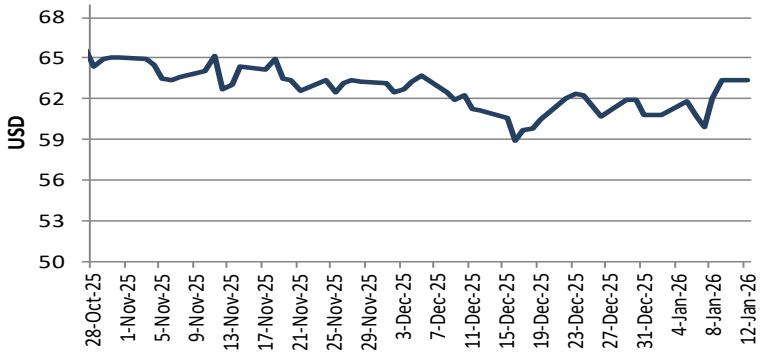


AAA/Gsec Spread (BPS)



AAA Spread



**Brent Crude****GOLD**

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

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