Bond Street
BONDWATCH
INDIA
Daily
07-04-2026

The Indian 10-year benchmark government bond (6.48 2035) yield ended flat at 7.0458%

Benchmark bond yield ended flattish today ahead of MPC decision due tomorrow in the midst of fear of war being extended further. OIS rates eased unwinding previous rate hike bets.

Iran showed no sign of agreeing to U.S. President Donald Trump's ultimatum to open the Strait of Hormuz by the end of Tuesday or face bombing of civilian infrastructure in what would be the biggest escalation yet of the war.

No immediate risk to India's FY27 fiscal deficit goal, no budget revision unless crisis lasts 2-3 months, two government sources says.

We expect the policy repo rate to be maintained at 5.25 percent, alongside a neutral stance, the communication is likely to remain cautious, while balancing growth and inflation with the path ahead depending on which weighs more.

Market Observations.
G-sec

In the first SDL auction for FY 2026-27, states were able to successfully raise Rs 18,159crs worth of bonds, where cut-off came In-Line with market expectations. Post cut-off, buying demand was visible in 17-year maturity SDLs at 7.95 levels.

Size switches was visible in 30-year maturity Gsec (7.09 2054 vs 7.24 2055) at parity (7.74 marking). This switch was predominantly dealt between Primary Dealers ad Foreign Banks to the combined tune of 600crs.

20-year maturity Illiquid Gsec (8.17 2044 / 8.13 2045) witnessed buying demand by Insurance Companies at 7.60 levels, where Pension Funds and Foreign Banks acted as major sellers.

Corp Bond

Trading volumes were largely concentrated in the medium-term segment followed by the short term MMY segment. AAA rated PSU bond yields traded at 1Y (7.57%), 5Y (7.75%), 10Y (7.75%), with mutual funds and banks being the major participant.

CP/CD

Yields remained more or less flattish today, with the 3M CD trading lower at 7.10 levels while 6M at 7.33 and the 1Y at 7.33. Trading volumes were concentrated in the 2M, 3M and the 1Y segment with mutual funds being the major participants.

GOI Yield	7-Apr	6-Apr	30-Mar	6-Mar
1 Year	5.64	5.68	5.70	5.60
5 Year	6.70	6.77	6.77	6.29
10 Year	7.05	7.05	7.03	6.69

AAA Bmk	7-Apr	6-Apr	30-Mar	6-Mar
1 Year	7.57	7.60	7.48	7.15
5 Year	7.75	7.77	7.60	7.23
10 Year	7.76	7.83	7.63	7.45

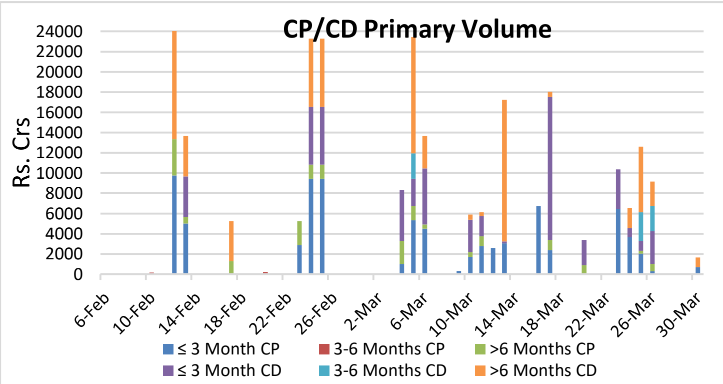
CD	7-Apr	6-Apr	30-Mar	6-Mar
3 Month	7.10	7.25	7.40	7.15
6 Month	7.33	7.33	7.30	7.15
1 Year	7.33	7.33	7.25	7.00

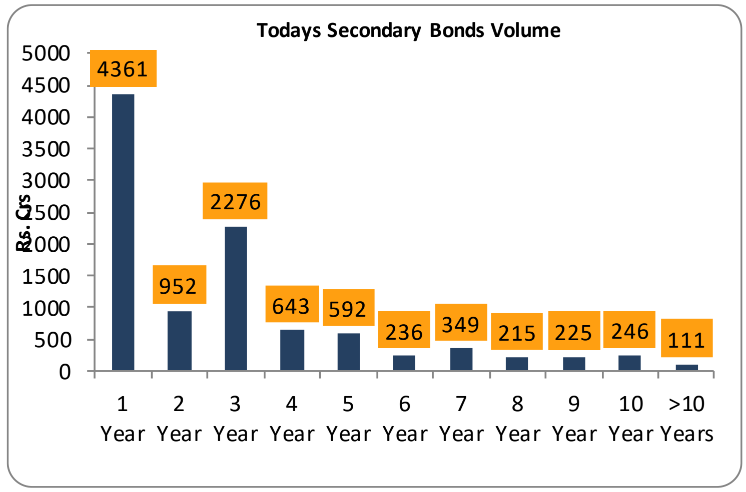
CP	7-Apr	6-Apr	30-Mar	6-Mar
3 Month	7.15	7.30	7.45	7.20
6 Month	7.38	7.38	7.35	7.20
1 Year	7.38	7.38	7.30	7.05

OIS Rate	7-Apr	6-Apr	30-Mar	6-Mar
1 Year	6.15	6.18	6.24	5.61
2 Year	6.36	6.40	6.48	5.78
3 Year	6.48	6.53	6.60	5.96
5 Year	6.66	6.70	6.80	6.22

	7-Apr	6-Apr	30-Mar	6-Mar
Sensex	74,617	74,107	71,948	78,919
Nifty	23,124	22,968	22,331	24,450
USD/INR	93.01	93.06	94.83	91.74
Gold (USD)	4,703	4,647	4,510	5,170
Oil (USD)	109.27	109.77	112.78	92.69

NDF	7-Apr	6-Apr	30-Mar	6-Mar
3 Month	94.84	95.10	95.98	92.74
1 Year	97.51	97.99	98.42	94.56
2 Year	100.86	100.96	100.14	97.35
3 Year	103.83	105.20	105.02	100.87





10 Year Benchmarks	7-Apr	6-Apr	30-Mar	6-Mar
India	7.05	7.05	7.04	6.70
US	4.34	4.34	4.34	4.13
South Korea	3.74	3.72	3.89	3.62
Brazil	14.08	13.97	14.26	14.00
Germany	3.08	3.00	3.04	2.86
China	1.82	1.82	1.81	1.80

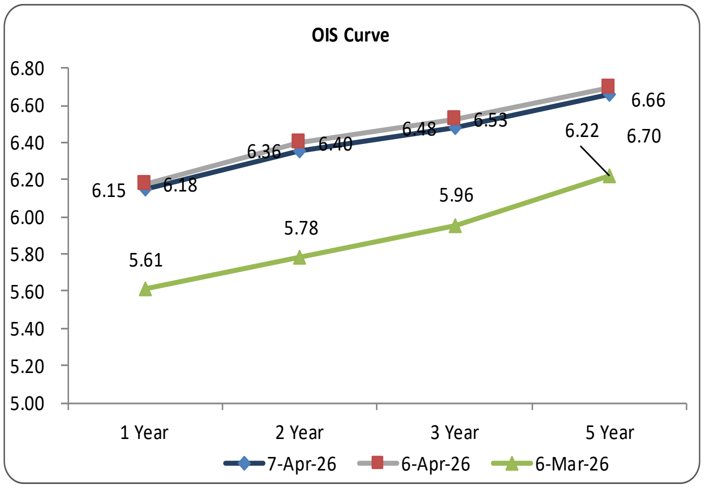
Top Traded Securities	Volume	7-Apr	6-Apr	30-Mar	6-Mar
6.75 2029	0	6.61	6.67	6.63	6.10
6.79 2034	365	7.08	7.07	7.05	6.70
6.33 2035	295	6.94	6.94	6.92	6.60
6.92 2039	0	#N/A	7.32	7.19	7.00
7.09 2054	105	7.75	7.81	7.66	7.45
7.34 2064	90	7.76	7.78	7.73	7.48

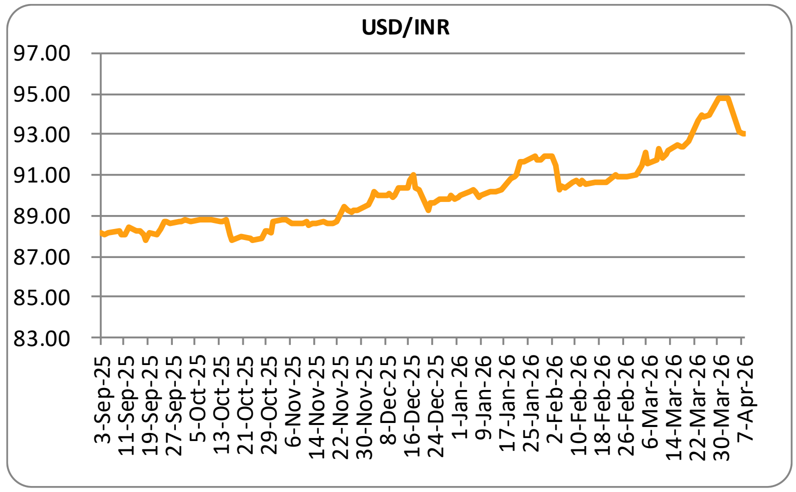
DEBT				EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
2-Apr-26	15,453	9,507	5,946.16	13,801	10,116	3,684.36	29,254	19,623	9,630.52

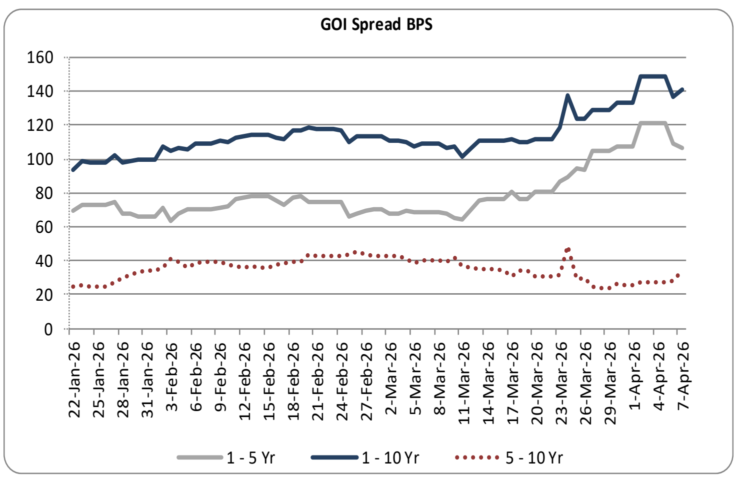
DEBT				EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
7-Apr-26	443	1631	(1,187.35)	8963	17600	(8,636.75)	9407	19231	(9,824.10)

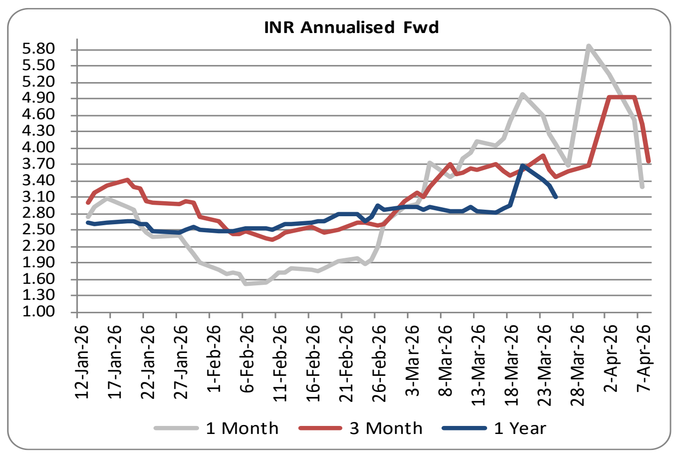
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-25	7.80	8.40
CAD ($ Bn)	Dec-25	(13.20)	(14.10)
Trade Deficit ($ Bn)	Dec-25	(93.60)	(89.10)
WPI (%)	Feb-26	2.13	1.81
CPI (%)	Feb-26	3.21	2.73
IIP (%)	Feb-26	5.20	5.10
PMI Manufacturing	Mar-26	53.90	56.90
PMI Service	Mar-26	57.50	58.10

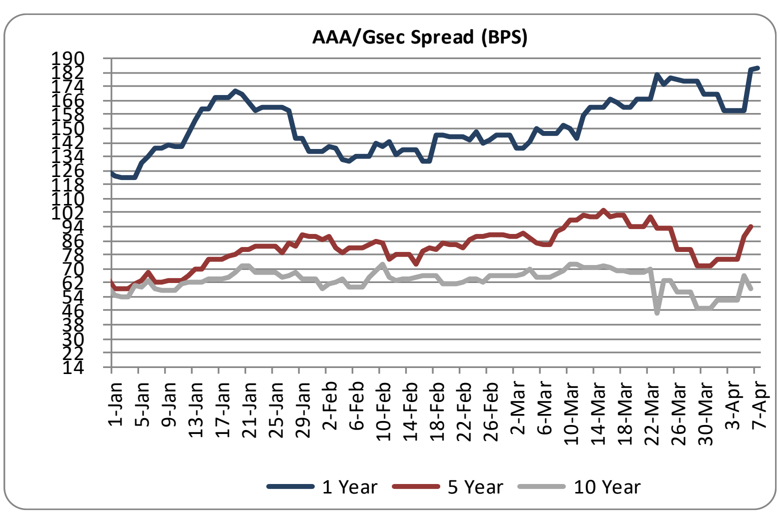
Economic Calender	Country	Date	Poll	Prior
Core PCE Price Index (MoM) (Feb)	U.S.	09-04-2026	0.4	0.4
Core PCE Price Index (YoY) (Feb)	U.S.	09-04-2026		3.1
GDP (QoQ) (Q4)	U.S.	09-04-2026		
Initial Jobless Claims	U.S.	09-04-2026	210	202
FX Reserves, USD	INDIA	10-04-2026	0	0
CPI (MoM) (Mar)	U.S.	10-04-2026		0.3
Core CPI (MoM) (Mar)	U.S.	10-04-2026	0.3	0.2
CPI (YoY) (Mar)	U.S.	10-04-2026		

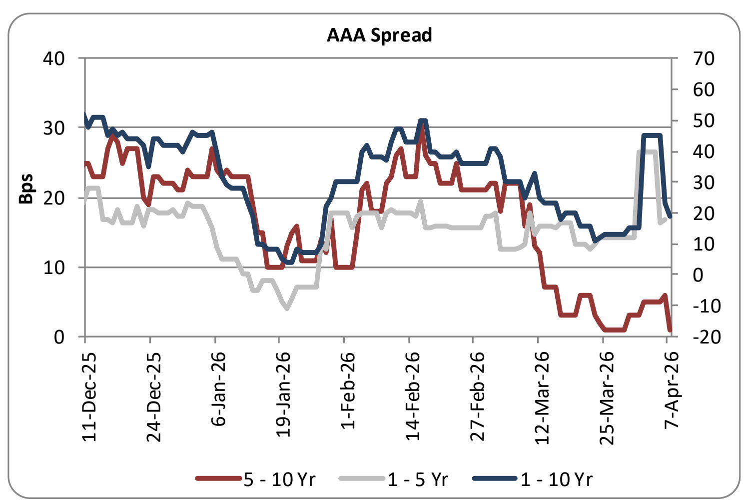

OIS Curve
6.80
6.60
6.40
6.20
6.00
5.80
5.60
5.40
5.20
5.00
6.15
6.18
6.36
6.40
6.48
6.53
6.22
6.66
6.70
5.61
5.78
5.96
1 Year
2 Year
3 Year
5 Year
7-Apr-26
6-Apr-26
6-Mar-26

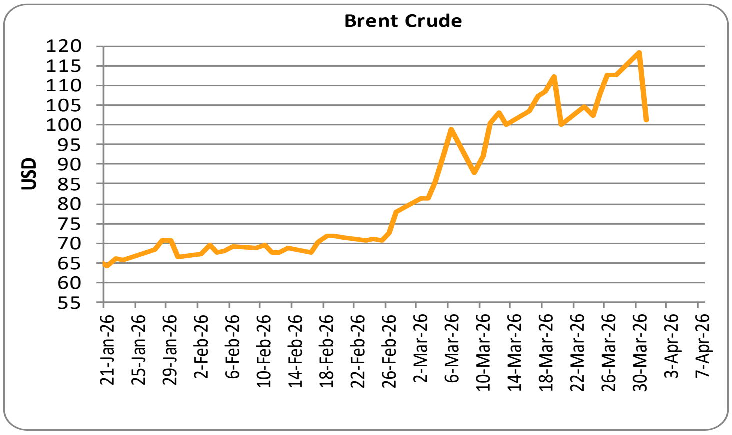

USD/INR
97.00
95.00
93.00
91.00
89.00
87.00
85.00
83.00
3-Sep-25
11-Sep-25
19-Sep-25
27-Sep-25
5-Oct-25
13-Oct-25
21-Oct-25
29-Oct-25
6-Nov-25
14-Nov-25
22-Nov-25
30-Nov-25
8-Dec-25
16-Dec-25
24-Dec-25
1-Jan-26
9-Jan-26
17-Jan-26
25-Jan-26
2-Feb-26
10-Feb-26
18-Feb-26
26-Feb-26
6-Mar-26
14-Mar-26
22-Mar-26
30-Mar-26
7-Apr-26

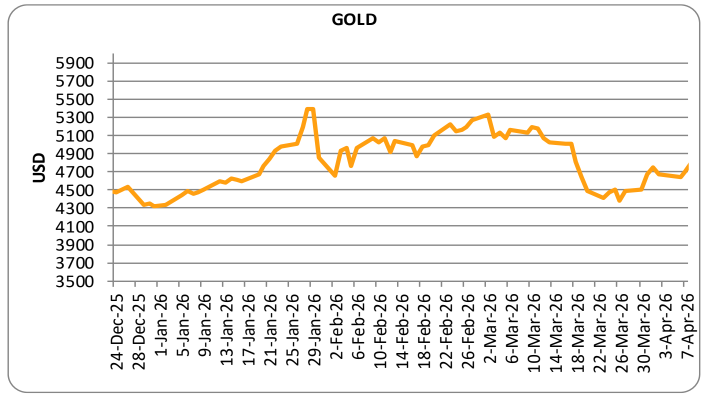

GOI Spread BPS
160
140
120
100
80
60
40
20
0
22-Jan-26
25-Jan-26
28-Jan-26
31-Jan-26
3-Feb-26
6-Feb-26
9-Feb-26
12-Feb-26
15-Feb-26
18-Feb-26
21-Feb-26
24-Feb-26
27-Feb-26
2-Mar-26
5-Mar-26
8-Mar-26
11-Mar-26
14-Mar-26
17-Mar-26
20-Mar-26
23-Mar-26
26-Mar-26
29-Mar-26
1-Apr-26
4-Apr-26
7-Apr-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


INR Annualised Fwd
5.80
5.50
5.20
4.90
4.60
4.30
4.00
3.70
3.40
3.10
2.80
2.50
2.20
1.90
1.60
1.30
1.00
12-Jan-26
17-Jan-26
22-Jan-26
27-Jan-26
1-Feb-26
6-Feb-26
11-Feb-26
16-Feb-26
21-Feb-26
26-Feb-26
3-Mar-26
8-Mar-26
13-Mar-26
18-Mar-26
23-Mar-26
28-Mar-26
2-Apr-26
7-Apr-26
1 Month
3 Month
1 Year


AAA/Gsec Spread (BPS)
190
182
174
166
158
150
142
134
126
118
110
102
94
86
78
70
62
54
46
38
30
22
14
1-Jan
5-Jan
9-Jan
13-Jan
17-Jan
21-Jan
25-Jan
29-Jan
2-Feb
6-Feb
10-Feb
14-Feb
18-Feb
22-Feb
26-Feb
2-Mar
6-Mar
10-Mar
14-Mar
18-Mar
22-Mar
26-Mar
30-Mar
3-Apr
7-Apr
1 Year
5 Year
10 Year


AAA Spread
Bps
40
30
20
10
0
70
60
50
40
30
20
10
0
-10
-20
11-Dec-25
24-Dec-25
6-Jan-26
19-Jan-26
1-Feb-26
14-Feb-26
27-Feb-26
12-Mar-26
25-Mar-26
7-Apr-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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

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