Bond Street

BONDWATCH

INDIA

Daily

04-05-2026

The benchmark 6.48% 2035 bond yield closed at 7.0194% on Monday from 7.0148% on Thursday.

Benchmark Bond yield ended flattish as traders yet remain concerned over rising Middle east tensions leading to rise in oil prices. Rupee ended at record closing low of 95.0875 down 0.2% led by heightened dollar demand from maturing NDFs coupled with rise in oil prices. OIS rates rose with the 5Y OIS up 6bps to 6.6675%.

Brent crude oil jumped over 5% on Monday and the dollar strengthened after Iran's navy said it had prevented a U.S. warship from entering the Strait of Hormuz.

Separately, traders were also on the lookout for the issuance of another 10-year note, with some traders expecting New Delhi to continue to supply the current benchmark 6.48% 2035 paper for one more week.

HSBC's final India Manufacturing Purchasing Managers' Index compiled by S&P Global, rose to 54.7 last month from March's 53.9, but was lower than a preliminary estimate of 55.9. as weak demand and soaring input costs driven by the Middle East war weighed on activity.

Market Observations.

G-sec

30-year maturity Gsec witnessed size switches (7.30 2053 vs 7.24 2055) at 1bps, where 7.30 2053 traded higher. This could be due to an increase in the spread where last month same switch was dealt at 0.25bps.

FRB 2033 / FRB 2034 witnessed buying demand by Private Sector Banks at 6.03 levels, where Mutual Funds and Foreign Banks acted as major sellers.

3 months maturity tbill (July 2026) witnessed buying demand by Mutual Funds at 5.27 levels, where Primary Dealers acted as major sellers

Corp Bond.

Trading activity was concentrated in the medium-term segment, followed by short term money market yields. AAA rated indicative yields for the 1Y and the 3Y remained flattish to lower at 7.35% and 7.65% while 5Y and the 10Y rose slightly at 7.75% and 7.78%. Mutual funds and banks were the major market participants.

CP/CD

Yields were 3-4 bps higher today with the 3-month CD trading at 6.50%, the 6-month at 6.95% and for the 1-year at 7.40%. Trading volumes were concentrated in the 2M, 3M segment with banks and mutual funds being the major market participant.

GOI Yield	4-May	30-Apr	27-Apr	2-Apr
1 Year	5.63	5.66	5.57	5.65
5 Year	6.59	6.59	6.51	6.86
10 Year	7.02	7.01	6.94	7.13

AAA Bmk	4-May	30-Apr	27-Apr	2-Apr
1 Year	7.35	7.35	7.25	7.33
5 Year	7.75	7.73	7.62	7.73
10 Year	7.78	7.75	7.70	7.78

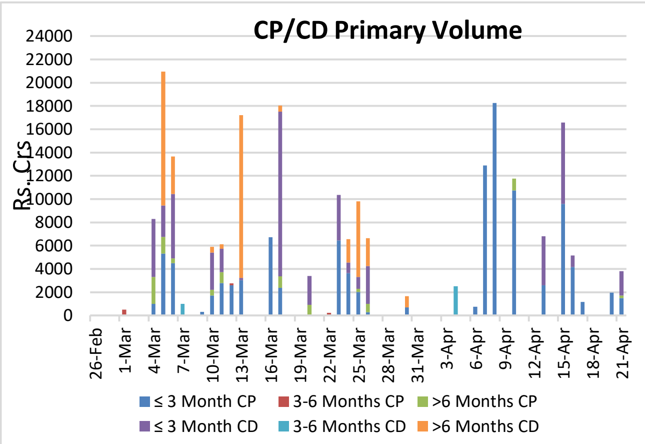
CD	4-May	30-Apr	27-Apr	2-Apr
3 Month	6.50	6.45	6.32	7.33
6 Month	6.95	6.90	6.85	7.33
1 Year	7.40	7.35	7.15	7.33

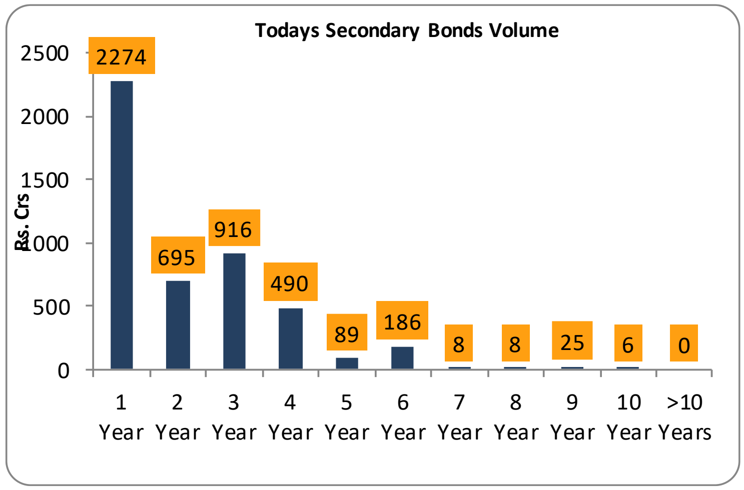
CP	4-May	30-Apr	27-Apr	2-Apr
3 Month	6.55	6.50	6.37	7.38
6 Month	7.00	6.95	6.90	7.38
1 Year	7.45	7.40	7.20	7.38

OIS Rate	4-May	30-Apr	27-Apr	2-Apr
1 Year	6.06	6.00	5.88	6.37
2 Year	6.30	6.23	6.12	6.57
3 Year	6.48	6.42	6.29	6.66
5 Year	6.67	6.61	6.49	6.87

	4-May	30-Apr	27-Apr	2-Apr
Sensex	77,269	76,914	77,304	73,320
Nifty	24,119	23,998	24,093	22,713
USD/INR	95.09	94.91	94.19	93.10
Gold (USD)	4,520	4,622	4,682	4,676
Oil (USD)	114.44	114.01	108.23	109.03

NDF	4-May	30-Apr	27-Apr	2-Apr
3 Month	96.61	96.04	95.15	95.25
1 Year	99.25	98.73	97.68	98.31
2 Year	102.61	101.87	100.78	100.98
3 Year	106.25	105.52	104.26	104.64





10 Year Benchmarks	4-May	30-Apr	27-Apr	2-A
India	7.03	7.02	6.94	7.1
US	4.41	4.39	4.34	4.3
South Korea	3.93	3.84	3.82	3.8
Brazil	13.89	13.89	13.81	14.0
Germany	3.07	3.03	3.04	3.0
China	1.75	1.75	1.77	1.8

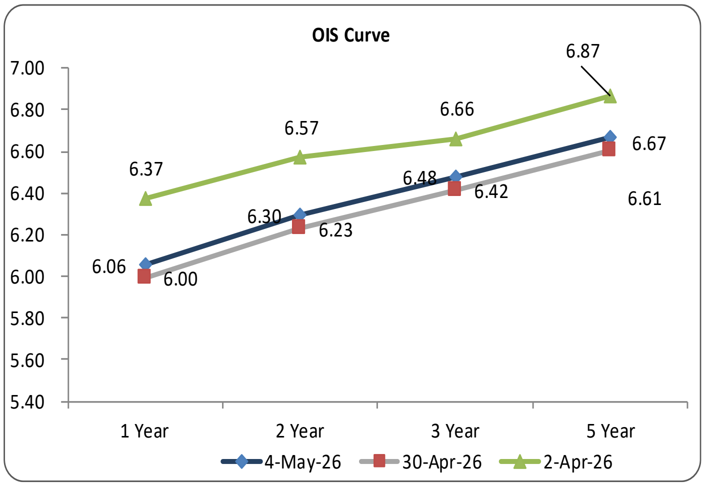
Top Traded Securities	Volume	4-May	30-Apr	27-Apr	2-Apr
6.75 2029	0	6.46	6.47	6.36	6.62
6.79 2034	15	7.04	7.10	6.95	7.15
6.33 2035	0	6.92	6.88	6.82	7.02
6.92 2039	0	#N/A	#N/A	#N/A	7.19
7.09 2054	0	7.56	7.59	7.53	7.84
7.34 2064	0	7.65	7.68	7.64	7.87

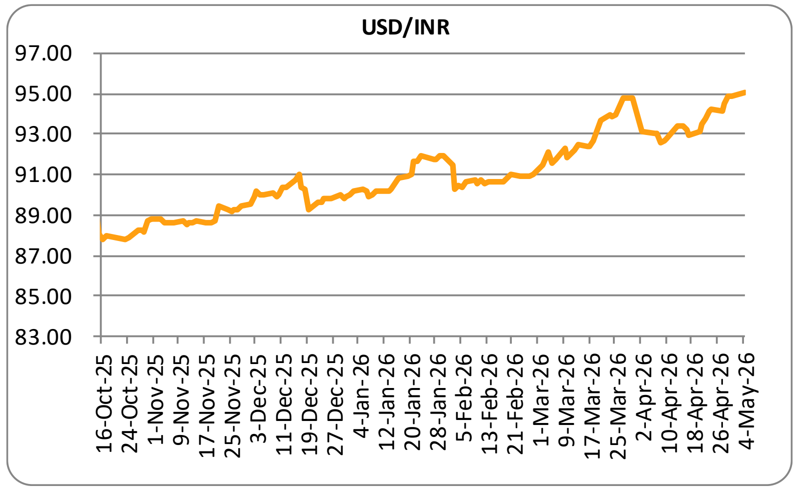
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investm
24-Apr-26	12,103	19,854	(7,750.98)	17,931	12,946	4,985.56	30,035	32,800	(2,76

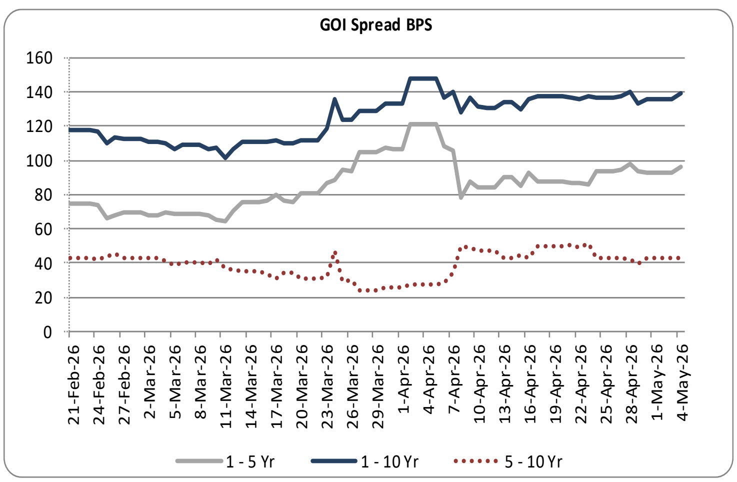
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investm
30-Apr-26	1350	1075	275.28	15637	17615	(1,978.63)	16987	18691	(1,70

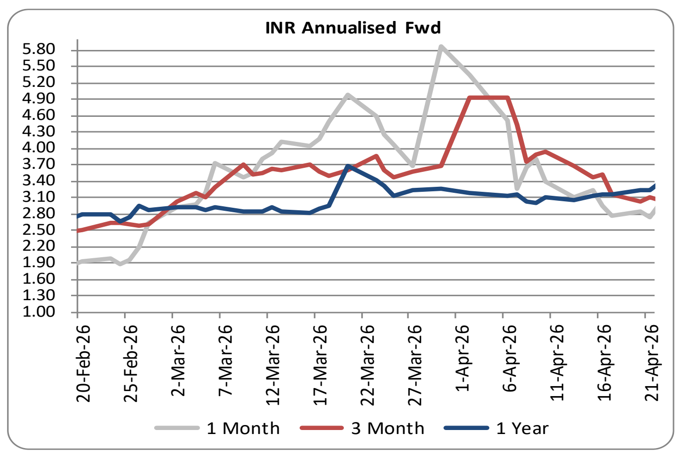
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-25	7.80	8.40
CAD ($ Bn)	Dec-25	(13.20)	(14.10)
Trade Deficit ($ Bn)	Dec-25	(93.60)	(89.10)
WPI (%)	Mar-26	3.88	2.13
CPI (%)	Mar-26	3.40	3.21
IIP (%)	Mar-26	4.10	5.10
PMI Manufacturing	Apr-26	54.70	53.90
PMI Service	Mar-26	57.50	58.10

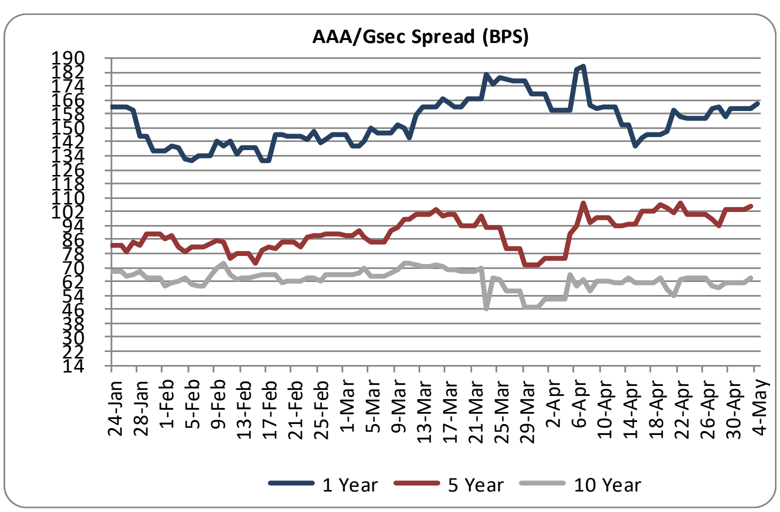
Economic Calender	Country	Date	Poll	Prior
S&P Global Services PMI (Apr)	U.S.	05-05-2026	51.3	49.8
New Home Sales (Mar)	U.S.	05-05-2026	1K	587K
JOLTS Job Openings (Mar)	U.S.	05-05-2026	6.870M	6.882M
ISM Non-Manufacturing PMI (Apr)	U.S.	05-05-2026	53.8	54
S&P Global Services PMI (Apr)	INDIA	06-05-2026	57.9	57.9
ADP Nonfarm Employment Change (Apr)	U.S.	06-05-2026	90K	62K
Crude Oil Inventories	U.S.	06-05-2026		(6.23)M
Initial Jobless Claims	U.S.	07-05-2026	203K	189K

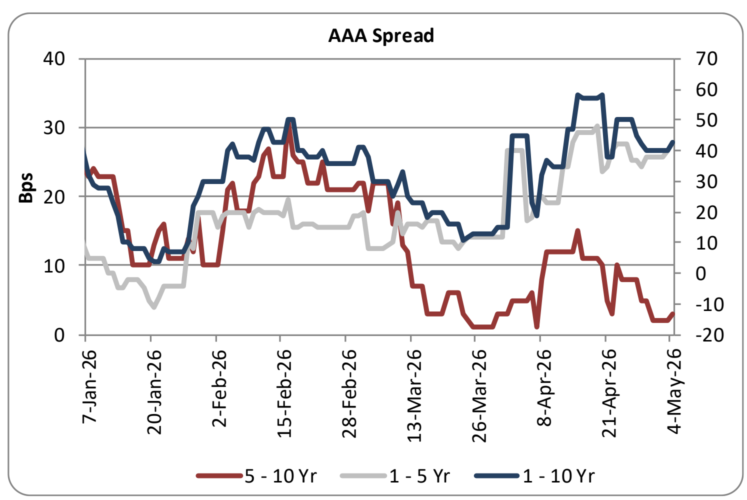

OIS Curve
6.87
6.37
6.57
6.66
6.67
6.06
6.30
6.48
6.00
6.23
6.42
6.61
1 Year
2 Year
3 Year
5 Year
4-May-26
30-Apr-26
2-Apr-26

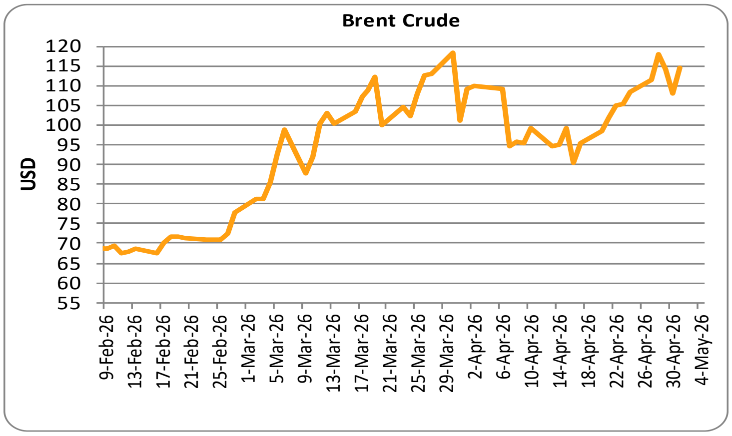

USD/INR

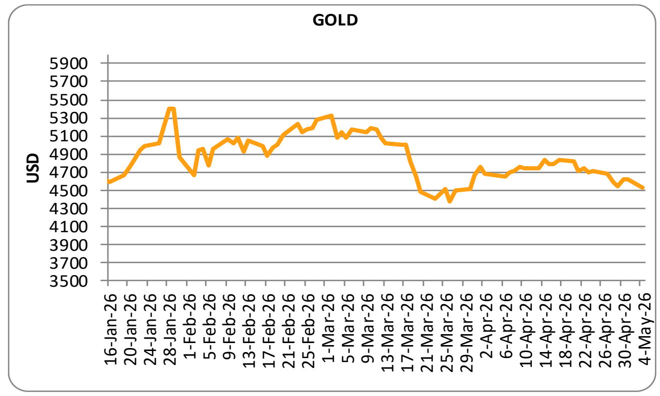

GOI Spread BPS
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


INR Annualised Fwd
1 Month
3 Month
1 Year


AAA/Gsec Spread (BPS)
1 Year
5 Year
10 Year


AAA Spread
Bps
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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

LKP SECURITIES LTD., 203, Embassy Centre, Nariman Point, Mumbai- 400021

For any queries contact - LKP Securities Ltd. Ph: 022-62501149 Fax: (91-22) 2284 2415 E Mail: fixedincomeresearch@lkpsec.com

Visit our website - http://www.lkpsec.com/