Bond Street

BONDWATCH

INDIA

Daily

06-05-2026

The benchmark 6.48% 2035 bond yield closed at 6.9219% on Wednesday from 7.0184% on Tuesday.

Benchmark bond yield eased sharply sliding 10 basis points in its biggest single-session plunge since April 8, as oil prices slid around $100 per barrel led by hopes of a possible deal between the U.S. and Iran to end the war while the Rupee rose 0.7% versus the U.S. Dollar to 94.61 posting its best single-day gain in a month on Wednesday over rising hopes of US-Iran deal. OIS rates also eased significantly with most liquid 5Y OIS at 6.4950%.

The United States and Iran are closing in on an agreement on a one-page memorandum to end the war in the Gulf, a source from mediator Pakistan familiar with the negotiations said. Benchmark Brent crude slumped 7% to about $102 per barrel after declining 4% on Tuesday.

New Delhi will sell Rs.34,000 crs of a new 10-year paper on Friday. This note will replace the existing 10-year benchmark 6.48% 2035 bond.

Globally, yields on government bonds fell along with oil prices, Euro zone yields drop on report of possible US-Iran peace deal. Germany's 10-year yield, was down 7.5 bps at 2.99%. It touched 3.133% last week, its highest since 2011. The 10-year U.S. Treasury yield fell 7 basis points to 4.35%.

GOI Yield	6-May	5-May	29-Apr	6-Apr
1 Year	5.67	5.63	5.66	5.68
5 Year	6.45	6.59	6.60	6.77
10 Year	6.92	7.02	6.99	7.05

AAA Bmk	6-May	5-May	29-Apr	6-Apr
1 Year	7.35	7.35	7.30	7.60
5 Year	7.68	7.75	7.65	7.77
10 Year	7.75	7.76	7.70	7.83

CD	6-May	5-May	29-Apr	6-Apr
3 Month	6.50	6.50	6.45	7.25
6 Month	7.00	7.00	6.90	7.33
1 Year	7.45	7.40	7.35	7.33

CP	6-May	5-May	29-Apr	6-Apr
3 Month	6.55	6.55	6.50	7.30
6 Month	7.05	7.05	6.95	7.38
1 Year	7.50	7.45	7.40	7.38

OIS Rate	6-May	5-May	29-Apr	6-Apr
1 Year	5.90	6.06	5.99	6.18
2 Year	6.10	6.28	6.24	6.40
3 Year	6.30	6.48	6.43	6.53
5 Year	6.50	6.67	6.62	6.70

	6-May	5-May	29-Apr	6-Apr
Sensex	77,959	77,018	77,496	74,107
Nifty	24,331	24,033	24,178	22,968
USD/INR	94.61	95.28	94.85	93.06
Gold (USD)	4,709	4,556	4,542	4,647
Oil (USD)	100.41	109.87	118.03	109.77

NDF	6-May	5-May	29-Apr	6-Apr
3 Month	95.74	96.35	95.97	95.10
1 Year	98.19	99.14	98.53	97.99
2 Year	101.44	102.43	101.72	100.96
3 Year	105.04	106.01	105.20	105.20

Market Observations.
G-sec

RBI was able to successfully conduct its Tbill auction, where cut off for 3 months (5.29%) and 6 months (5.4963%) came In-Line with market expectations, however cut-off for 1 yr. tbill (5.6903%) came in higher by 4-5bps. Post cut-off, size buying demand was visible by Mutual Funds in 3 months maturity Tbill at 5.29 levels, where Primary Dealers and Private Banks acted as major sellers.

Buying demand was visible in 50-year maturity Gsec (7.43 2076) at 7.63 centric levels by Pension Funds, where Insurance Companies acted as sellers.

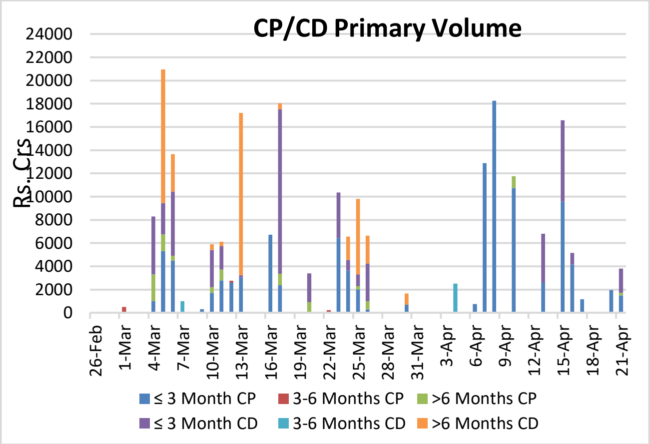
Switches was visible in 4-year vs 5-year maturity Gsec (6.01 2030 vs 6.36 2031) at 15.50bps. This was predominantly traded between Foreign Banks to the combined tune of 200crs.

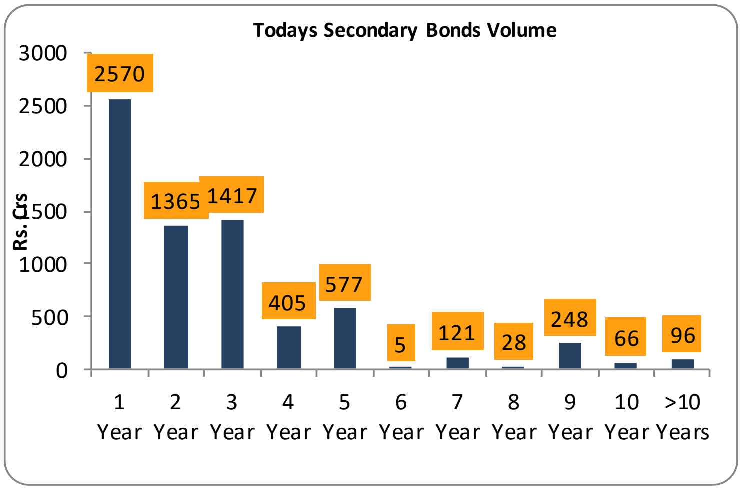
Corp Bond

Trading activity was concentrated in the short MMY segment, followed by medium term segment. AAA-rated indicative yields eased significantly tracking ease in G-sec yields as oil prices slid around $100 per barrel led by hopes of a possible deal between the U.S. and Iran to end the war with the 1Y at 7.35%, 3Y at 7.60%, 5Y at 7.68 and the 10Y at 7.75% Mutual funds and banks were the major market participants.

CP/CD

Yields were trading more or less flattish with the 3-month CD trading at 6.50%, the 6-month at 7% and the 1-year slightly higher at 7.45%. Trading volumes were concentrated across segments, with banks and mutual funds being the major market participants.





10 Year Benchmarks	6-May	5-May	29-Apr	6-A
India	6.93	7.02	6.99	7.0
US	4.35	4.42	4.42	4.3
South Korea	3.94	3.93	3.84	3.7
Brazil	14.03	14.03	14.04	13.9
Germany	2.99	3.07	3.10	3.0
China	1.76	1.75	1.75	1.8

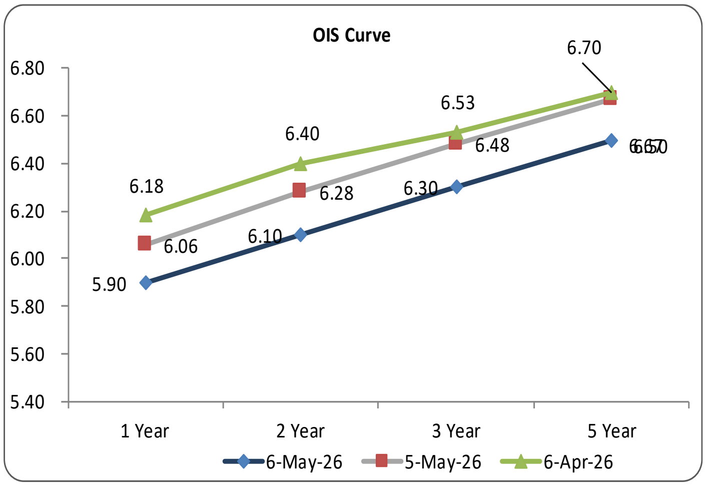
Top Traded Securities	Volume	6-May	5-May	29-Apr	6-Apr
6.75 2029	0	#N/A	6.49	6.47	6.67
6.79 2034	210	6.95	7.03	6.99	7.07
6.33 2035	295	6.82	6.93	6.87	6.94
6.92 2039	10	7.18	7.18	7.18	7.32
7.09 2054	30	7.55	7.58	7.57	7.81
7.34 2064	190	7.61	7.68	7.67	7.78

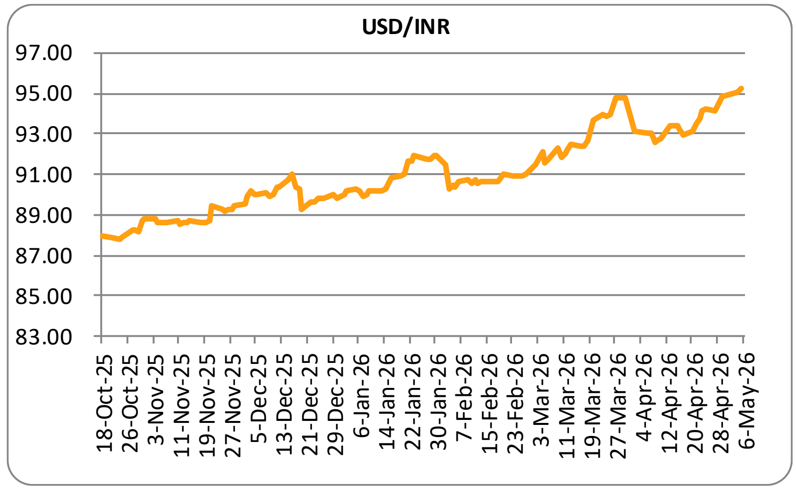
DEBT				EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investm
4-May-26	179	778	(599.70)	1,104	808	296.84	1,283	1,586	(30

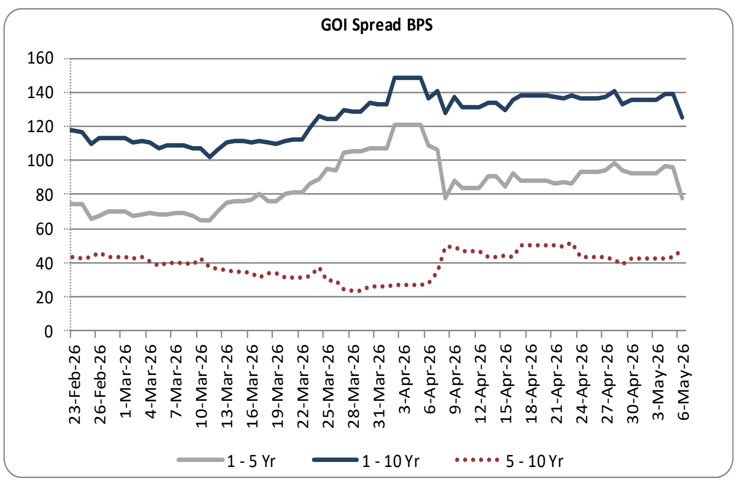
DEBT				EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investm
6-May-26	18	503	(485.72)	10459	13878	(3,419.48)	10476	14382	(3,90

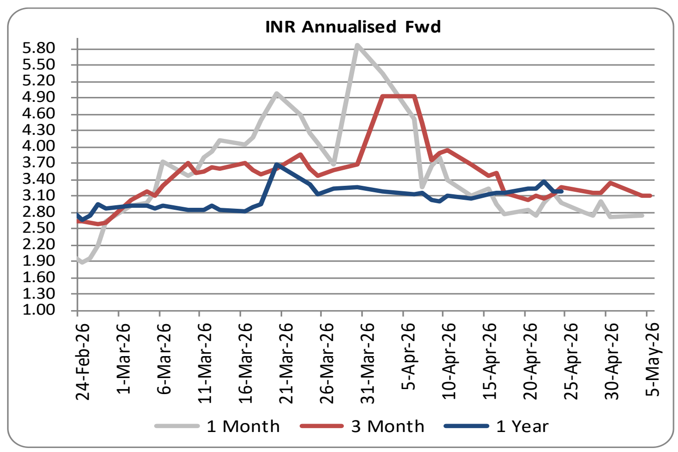
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Dec-25	7.80	8.40
CAD ($ Bn)	Dec-25	(13.20)	(14.10)
Trade Deficit ($ Bn)	Dec-25	(93.60)	(89.10)
WPI (%)	Mar-26	3.88	2.13
CPI (%)	Mar-26	3.40	3.21
IIP (%)	Mar-26	4.10	5.10
PMI Manufacturing	Apr-26	54.70	53.90
PMI Service	Apr-26	58.80	57.50

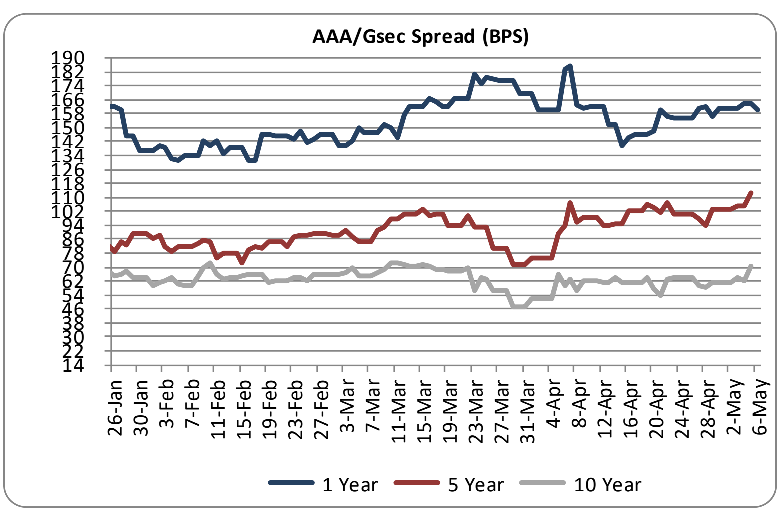
Economic Calender	Country	Date	Poll	Prior
ADP Nonfarm Employment Change (Apr)	U.S.	06-05-2026	90K	62K
Crude Oil Inventories	U.S.	06-05-2026	0	(6.23)M
Initial Jobless Claims	U.S.	07-05-2026	203K	189K
FX Reserves, USD	INDIA	08-05-2026	0	0
Average Hourly Earnings (MoM) (Apr)	U.S.	08-05-2026	0.3	0.2
Nonfarm Payrolls (Apr)	U.S.	08-05-2026	73K	178K
Unemployment Rate (Apr)	U.S.	08-05-2026		4.3
0	0	00-01-1900	0	0

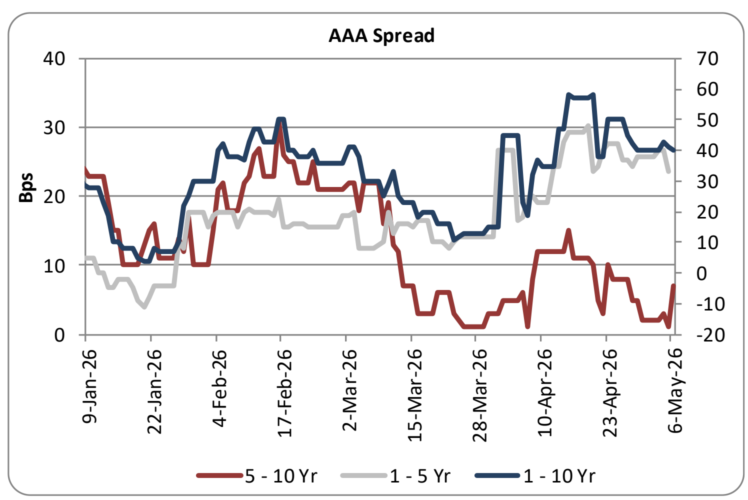

OIS Curve
6.80
6.60
6.40
6.20
6.00
5.80
5.60
5.40
1 Year
2 Year
3 Year
5 Year
5.90
6.10
6.30
6.06
6.28
6.48
6.18
6.40
6.53
6.70
6-May-26
5-May-26
6-Apr-26

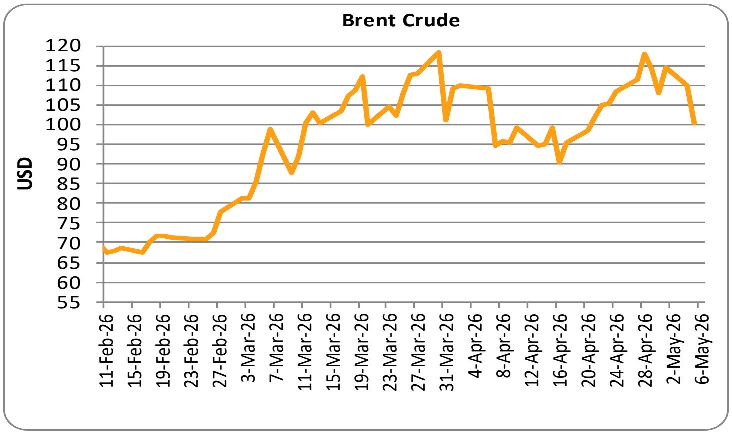

USD/INR
97.00
95.00
93.00
91.00
89.00
87.00
85.00
83.00
18-Oct-25
26-Oct-25
3-Nov-25
11-Nov-25
19-Nov-25
27-Nov-25
5-Dec-25
13-Dec-25
21-Dec-25
29-Dec-25
6-Jan-26
14-Jan-26
22-Jan-26
30-Jan-26
7-Feb-26
15-Feb-26
23-Feb-26
3-Mar-26
11-Mar-26
19-Mar-26
27-Mar-26
4-Apr-26
12-Apr-26
20-Apr-26
28-Apr-26
6-May-26

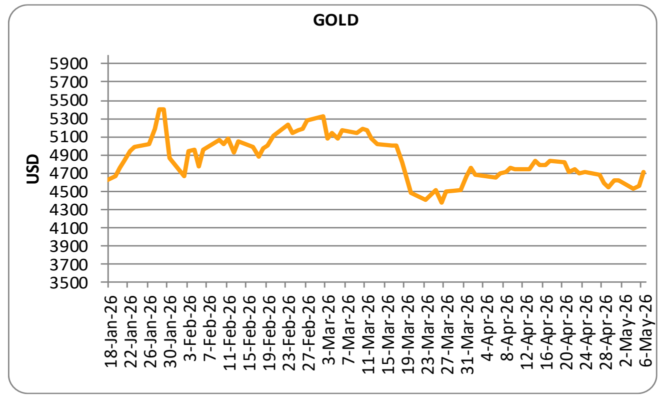

GOI Spread BPS
160
140
120
100
80
60
40
20
0
23-Feb-26
26-Feb-26
1-Mar-26
4-Mar-26
7-Mar-26
10-Mar-26
13-Mar-26
16-Mar-26
19-Mar-26
22-Mar-26
25-Mar-26
28-Mar-26
31-Mar-26
3-Apr-26
6-Apr-26
9-Apr-26
12-Apr-26
15-Apr-26
18-Apr-26
21-Apr-26
24-Apr-26
27-Apr-26
30-Apr-26
3-May-26
6-May-26
1 - 5 Yr
1 - 10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


AAA Spread
Bps
40
30
20
10
0
70
60
50
40
30
20
10
0
-10
-20
9-Jan-26
22-Jan-26
4-Feb-26
17-Feb-26
2-Mar-26
15-Mar-26
28-Mar-26
10-Apr-26
23-Apr-26
6-May-26
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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

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