BONDWATCH

INDIA

Daily

06-07-2026

The benchmark 6.94 2036 bond yield closed at 6.6851% on Monday from 6.7108% on Friday.

Indian benchmark bond yield eased, tracking the decline in U.S. Treasury yields. Softer crude prices added support, while domestic sentiment stayed positive on the back of improved monsoon conditions, steady foreign inflows, and rising expectations of India's inclusion in the Bloomberg Index. OIS rates dropped led by receding rate hike bets with the 5Y OIS at 6.1325%.

U.S. yields eased as June payrolls rose just 57k vs 110k expected, cutting July Fed hike odds to 19.8% and pulling the 2 yr down to 4.13%, while the 10-yr held near 4.48%.

Oil slips to $71.71 (Brent) and $68.32 (WTI) as OPEC+ boosts August output by 188,000 bpd.

Improved rainfall has eased near term worries, but El Niño still poses food

Market Observations.

G-sec

Switches were visible in 5-year maturity Gsec (6.10 2031 vs 6.36 2031) at 6bps, where 6.10 2031 traded higher. This switch was aggressively sought after by Primary Dealers.

Switches were visible in 10-year maturity Gsec (6.48 2035 vs 6.94 2036) at 3bps, where 6.48 2035 traded higher. This switch was predominantly dealt between Mutual Funds and Foreign Banks.

Corp Bond

Corporate bond yields rose slightly, with benchmark indicative levels at 7.23% for the 1 year, 7.20% for the 5 year and 7.40% for the 10 year. Trading activity was largely concentrated in the medium-term segment, followed by the short term MMY segment.

CP/CD

CD rates rose across segments with the 3M CD (Oct Maturity) at 6.40%, 6M (Jan Maturity) at 6.75% and 1Y (Jul 27 Mat) at 7.05%. Activity was concentrated in JFM and 2M–3M segments, led by banks and mutual funds.

GOI Yield	6-Jul	3-Jul	29-Jun	5-Jun
1 Year	5.64	5.65	5.60	5.93
5 Year	6.37	6.41	6.43	6.65
10 Year	6.69	6.71	6.75	6.98

AAA Bmk	6-Jul	3-Jul	29-Jun	5-Jun
1 Year	7.23	7.15	7.31	7.85
5 Year	7.20	7.16	7.27	7.60
10 Year	7.40	7.40	7.47	7.72

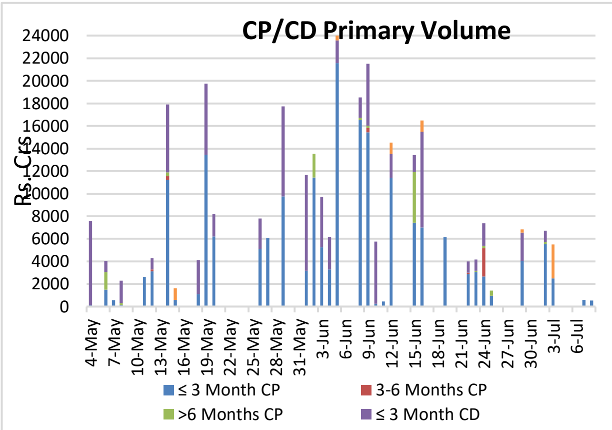
CD	6-Jul	3-Jul	29-Jun	5-Jun
3 Month	6.40	6.26	6.55	7.13
6 Month	6.75	6.65	6.90	7.50
1 Year	7.05	7.00	7.30	7.75

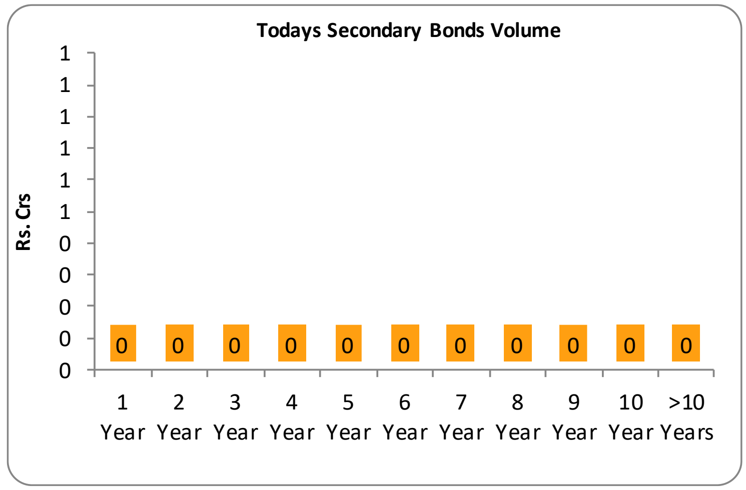
CP	6-Jul	3-Jul	29-Jun	5-Jun
3 Month	6.45	6.31	6.60	7.18
6 Month	6.80	6.70	6.95	7.55
1 Year	7.10	7.05	7.35	7.80

OIS Rate	6-Jul	3-Jul	29-Jun	5-Jun
1 Year	5.73	5.78	5.77	6.04
2 Year	5.88	5.91	5.92	6.23
3 Year	5.98	6.01	6.03	6.35
5 Year	6.13	6.18	6.19	6.54

	6-Jul	3-Jul	29-Jun	5-Jun
Sensex	78,285	77,764	76,728	74,243
Nifty	24,430	24,271	23,946	23,367
USD/INR	95.40	95.21	94.54	94.95
Gold (USD)	4,164	4,175	4,016	4,329
Oil (USD)	71.99	72.12	73.15	93.09

NDF	6-Jul	3-Jul	29-Jun	5-Jun
3 Month	96.13	95.97	95.37	96.17
1 Year	98.21	97.97	97.41	98.52
2 Year	100.88	100.54	100.00	101.58
3 Year	104.38	104.04	103.50	104.20





10 Year Benchmarks	6-Jul	3-Jul	29-Jun	5-Jun
India	6.69	6.71	6.75	6.98
US	4.48	4.48	4.37	4.54
South Korea	4.20	4.20	4.12	4.24
Brazil	14.49	14.54	14.42	14.76
Germany	2.95	2.93	2.86	3.04
China	1.73	1.74	1.73	1.76

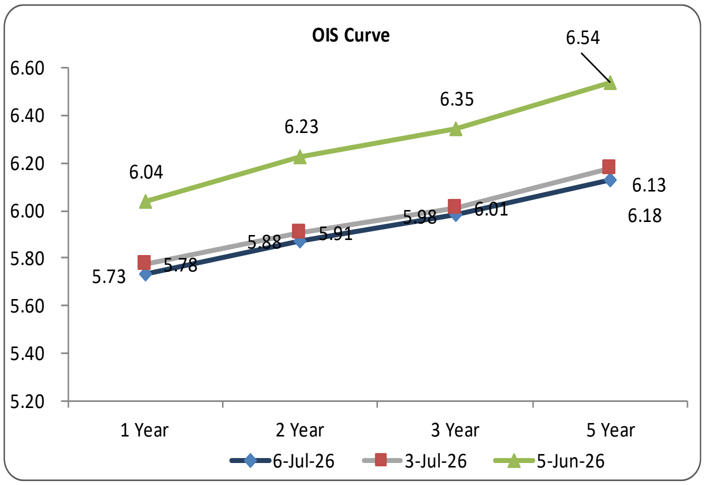
Top Traded Securities	Volume	6-Jul	3-Jul	29-Jun	5-Jun
6.75 2029	0	6.28	6.20	6.31	6.43
6.79 2034	0	6.68	6.72	6.73	7.00
6.33 2035	10	6.68	6.70	6.72	6.88
6.92 2039	5	6.91	6.92	6.97	7.17
7.09 2054	0	7.33	7.33	7.34	7.58
7.34 2064	0	7.44	7.44	7.45	7.65

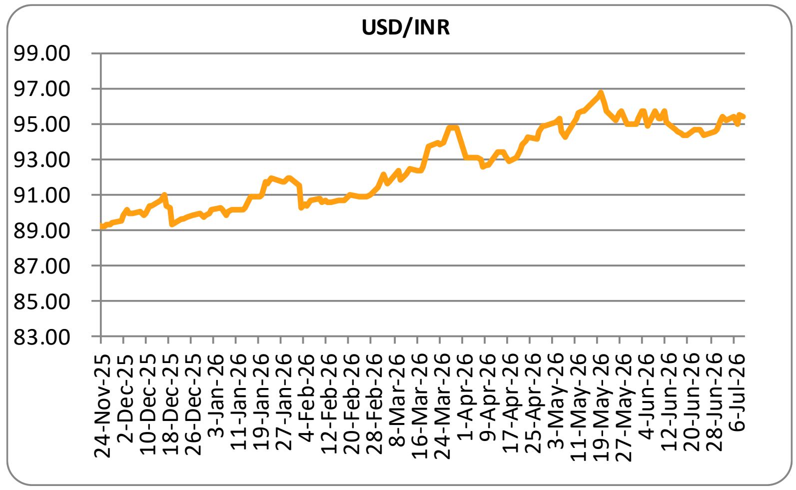
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
6-Jul-26	16,115	26,481	(10,366.58)	16,016	12,627	3,388.81	32,131	39,108	(6,977.77)

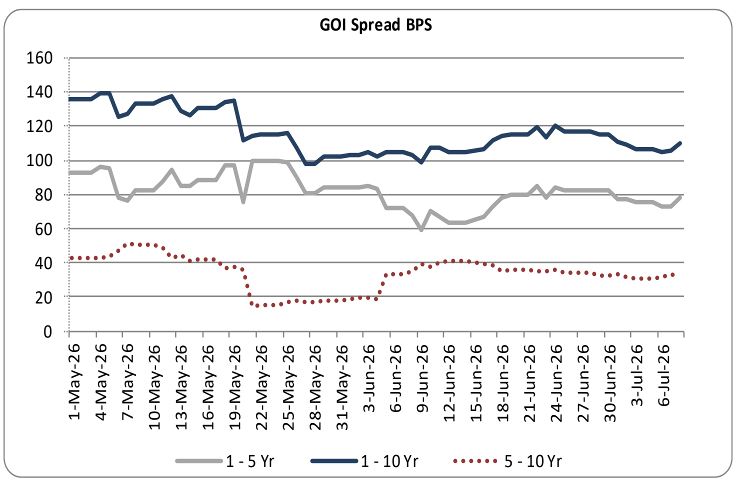
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
8-Jul-26	927	361	566.37	20247	18676	1,570.71	21174	19037	2,137.08

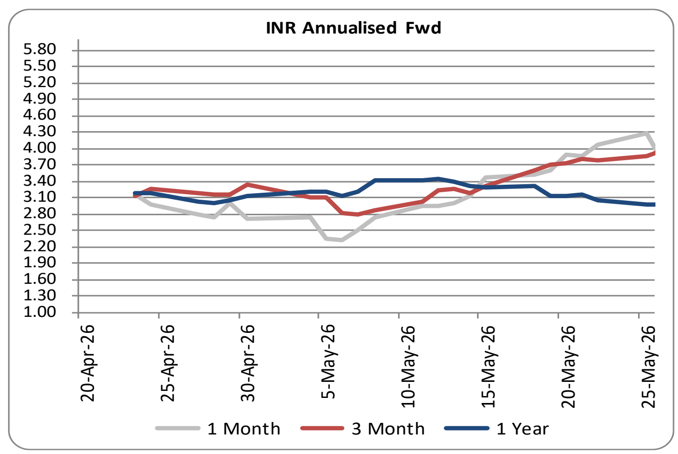
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Mar-26	7.10	(15.50)
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	May-26	9.68	8.26
CPI (%)	May-26	3.93	3.48
IIP (%)	May-26	5.10	4.90
PMI Manufacturing	Jun-26	54.20	55.00
PMI Service	Jun-26	57.40	59.80

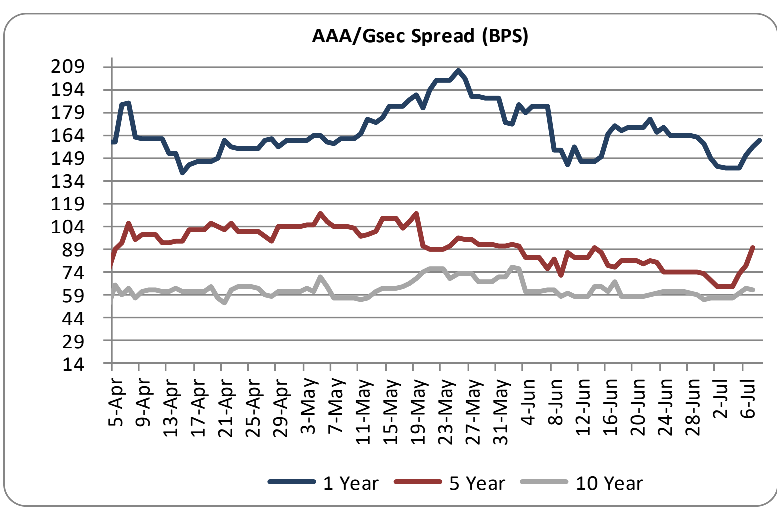
Economic Calender	Country	Date	Poll	Prior
Crude Oil Inventories	U.S.	08-07-2026		(3.775)M
FOMC Meeting Minutes	U.S.	08-07-2026		
Initial Jobless Claims	U.S.	09-07-2026		215K
Existing Home Sales (Jun)	U.S.	09-07-2026		4.17M
FX Reserves, USD	INDIA	10-07-2026		

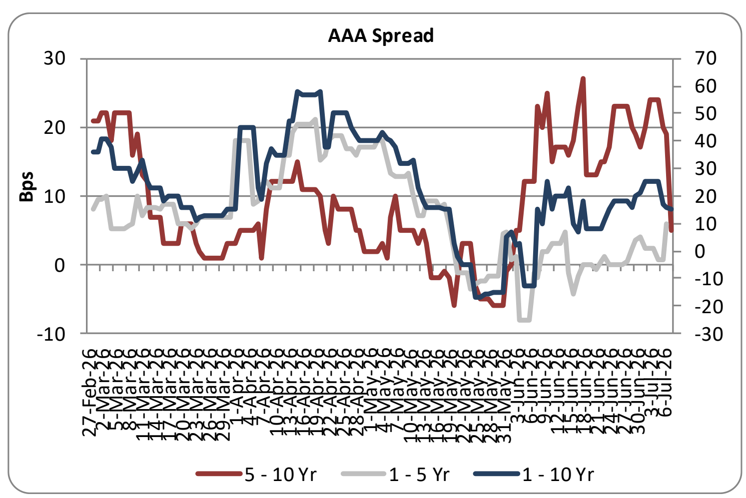

OIS Curve
6.60
6.40
6.20
6.00
5.80
5.60
5.40
5.20
6.04
6.23
6.35
6.54
5.73
5.78
5.88
5.91
5.98
6.01
6.13
6.18
1 Year
2 Year
3 Year
5 Year
6-Jul-26
3-Jul-26
5-Jun-26

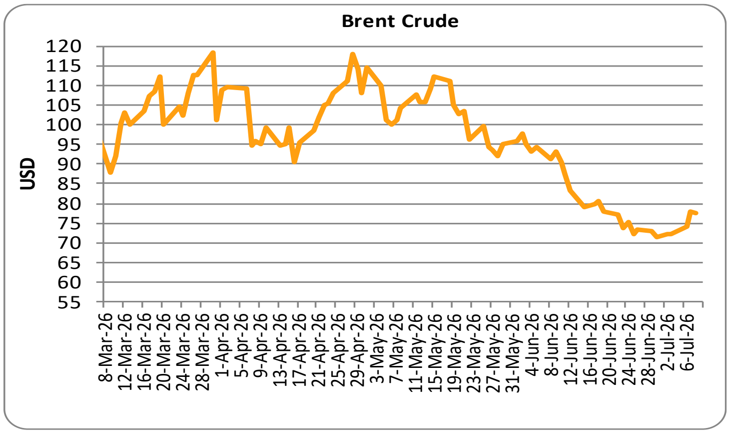

USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00
85.00
83.00
24-Nov-25
2-Dec-25
10-Dec-25
18-Dec-25
26-Dec-25
3-Jan-26
11-Jan-26
19-Jan-26
27-Jan-26
4-Feb-26
12-Feb-26
20-Feb-26
28-Feb-26
8-Mar-26
16-Mar-26
24-Mar-26
1-Apr-26
9-Apr-26
17-Apr-26
25-Apr-26
3-May-26
11-May-26
19-May-26
27-May-26
4-Jun-26
12-Jun-26
20-Jun-26
28-Jun-26
6-Jul-26

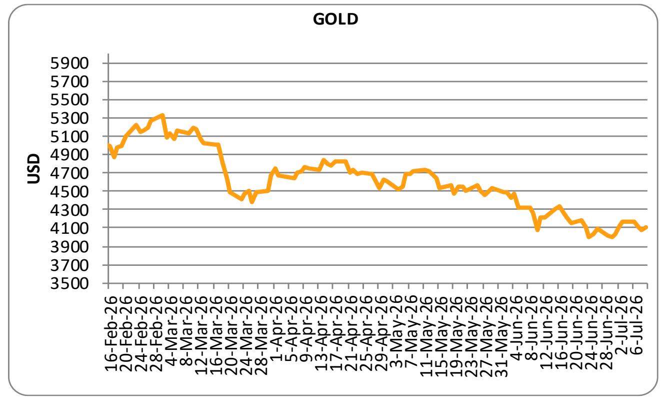

GOI Spread BPS
160
140
120
100
80
60
40
20
0
1-May-26
4-May-26
7-May-26
10-May-26
13-May-26
16-May-26
19-May-26
22-May-26
25-May-26
28-May-26
31-May-26
3-Jun-26
6-Jun-26
9-Jun-26
12-Jun-26
15-Jun-26
18-Jun-26
21-Jun-26
24-Jun-26
27-Jun-26
30-Jun-26
3-Jul-26
6-Jul-26
1 - 5 Yr
1 - 10 Yr
5 - 10 Yr


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
20-Apr-26
25-Apr-26
30-Apr-26
5-May-26
10-May-26
15-May-26
20-May-26
25-May-26
1 Month
3 Month
1 Year


AAA/Gsec Spread (BPS)
209
194
179
164
149
134
119
104
89
74
59
44
29
14
5-Apr
9-Apr
13-Apr
17-Apr
21-Apr
25-Apr
29-Apr
3-May
7-May
11-May
15-May
19-May
23-May
27-May
31-May
4-Jun
8-Jun
12-Jun
16-Jun
20-Jun
24-Jun
28-Jun
2-Jul
6-Jul
1 Year
5 Year
10 Year


AAA Spread
Bps
30
20
10
0
-10
70
60
50
40
30
20
10
0
-10
-20
-30
5 - 10 Yr
1 - 5 Yr
1 - 10 Yr





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

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