Bond Street

BONDWATCH

INDIA

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The benchmark 6.94 2036 bond yield closed at 6.7478% on Thursday from 6.7738% on Wednesday.

The 10Y benchmark yield eased for a second straight session as oil prices steadied below $85 a barrel and U.S. Fed rate hike bets faded. Domestically Investors await Bloomberg's decision on Indian bond index inclusion this month. OIS rates eased tracking steady oil prices with the 5Y OIS down 4.5bps at 6.3375%.

Iran said on Thursday that the Strait of Hormuz was an inviolable "red line", warning that if U.S. President Donald Trump carried out his threat to attack Iran's infrastructure, it would strike all infrastructure across the Gulf region while oil prices eased slightly, Brent slips 27c to 84.68, WTI down 11c to 79.49, both still near one-month highs.

FAR-eligible Indian government bonds are already part of three emerging-market bond indices and the Bloomberg inclusion would mark their first entry into a global investment-grade debt benchmark.

Globally, Euro zone yields rose on Gulf energy fears, with Germany's 10-yr at 3.13% and U.S. 10-yr at 4.56%, the gap narrowed to 144 bps, its tightest in a month. Japan bond yields rose on US-Iran tensions and inflation worries, with the 10-yr at 2.69%,30-yr at 3.80%, and 40-yr at 3.815%. BOJ may need to boost bond-buying if yields jump, ex-policymaker warns. U.S. yields slipped after soft PPI, with the 10-yr at 4.545% and 2-yr at 4.124%, markets price just 10.2% chance of July Fed hike.

Market Observations.
G-sec

5-year maturity Gsec (7.02 2031) witnessed size deals at 6.43 centric levels, where Foreign Banks acted as both sellers and buyers.

5-year maturity Gsec Strips (2031) was actively traded at 7.04 levels. Here Insurance Companies acted as sellers and Foreign Banks acted as buyers to the combined tune of 450crs.

JFM 2027 sdls was actively traded at 5.80 centric levels, where Mutual Funds acted as both buyers and sellers.

Corp Bond

Corp Bond yields remained more or less flattish with benchmark indicative levels at 7.45% for the 1-year, 7.44% for the 5-year and 7.50% 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 remained more or less flattish with the 3M CD (Oct Maturity) at 6.80%, 6M (Jan Maturity) at 7.10% and 1Y (Jul 27 Mat) at 7.25%. Activity was concentrated in JFM segment, led by banks and mutual funds

GOI Yield	16-Jul	15-Jul	9-Jul	16-Jun
1 Year	5.62	5.67	5.63	5.80
5 Year	6.43	6.46	6.43	6.47
10 Year	6.75	6.77	6.75	6.87

AAA Bmk	16-Jul	15-Jul	9-Jul	16-Jun
1 Year	7.45	7.45	7.34	7.53
5 Year	7.44	7.44	7.37	7.45
10 Year	7.50	7.50	7.45	7.63

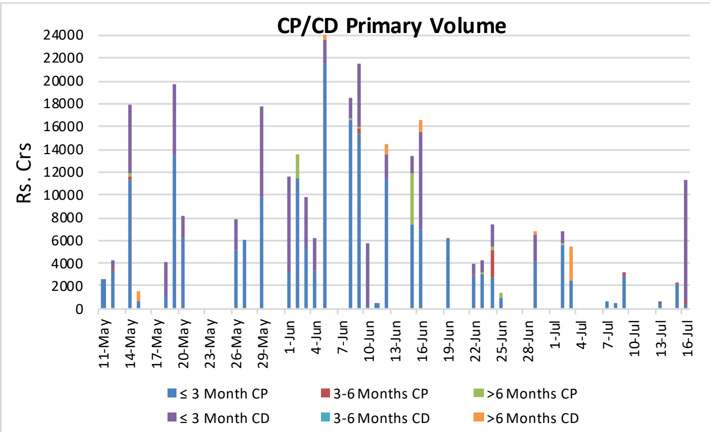
CD	16-Jul	15-Jul	9-Jul	16-Jun
3 Month	6.80	6.85	6.65	6.55
6 Month	7.10	7.15	6.90	7.20
1 Year	7.25	7.30	7.10	7.55

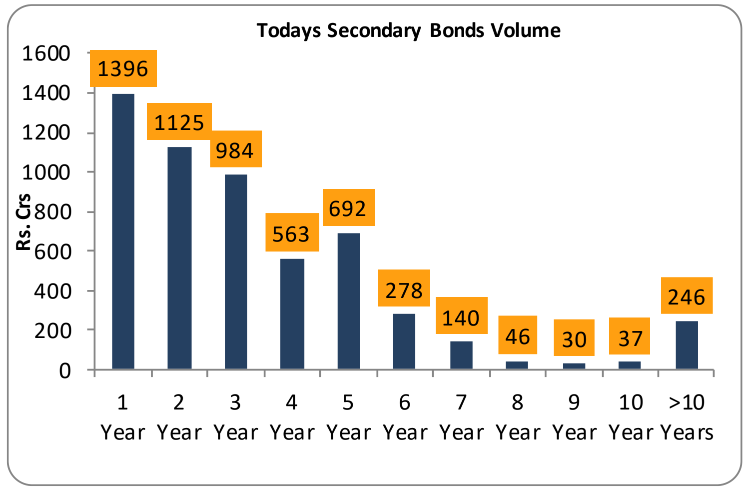
CP	16-Jul	15-Jul	9-Jul	16-Jun
3 Month	6.85	6.90	6.70	6.60
6 Month	7.15	7.20	6.95	7.25
1 Year	7.30	7.35	7.15	7.60

OIS Rate	16-Jul	15-Jul	9-Jul	16-Jun
1 Year	5.89	5.94	5.81	5.89
2 Year	6.07	6.12	5.96	6.05
3 Year	6.16	6.21	6.06	6.16
5 Year	6.34	6.38	6.21	6.31

	16-Jul	15-Jul	9-Jul	16-Jun
Sensex	77,187	77,185	76,742	76,808
Nifty	24,073	24,079	23,963	23,989
USD/INR	96.35	96.26	95.39	94.56
Gold (USD)	3,970	4,060	4,121	4,330
Oil (USD)	84.23	84.95	76.30	78.96

NDF	16-Jul	15-Jul	9-Jul	16-Jun
3 Month	97.21	97.16	96.15	95.20
1 Year	99.39	99.33	98.21	97.36
2 Year	102.14	102.08	100.88	100.07
3 Year	105.64	105.58	104.38	103.57





10 Year Benchmarks	16-Jul	15-Jul	9-Jul	16-Jun
India	6.75	6.77	6.75	6.87
US	4.57	4.55	4.54	4.43
South Korea	4.29	4.31	4.24	4.11
Brazil	14.56	14.49	14.55	14.33
Germany	3.14	3.09	3.05	2.94
China	1.74	1.74	1.75	1.73

Top Traded Securities	Volume	16-Jul	15-Jul	9-Jul	16-Jun
6.75 2029	0	6.32	6.34	6.31	6.32
6.79 2034	0	6.72	6.77	6.73	6.86
6.33 2035	0	6.71	6.74	6.73	6.82
6.92 2039	5	6.94	6.92	6.93	7.13
7.09 2054	0	7.39	7.41	7.35	7.53
7.34 2064	0	7.51	7.52	7.50	7.66

	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
11-Jul-26	-	-	-	-	-	-	-	-	-

	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
17-Jul-26	0	0	-	0	0	-	0	0	-

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 (%)	Jun-26	9.87	9.68
CPI (%)	Jun-26	4.38	3.94
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
CPI (YoY) (Jun)	UK	22-Jul-26		2.8
Crude Oil Inventories	US	22-Jul-26		(1.692) M
ECB Interest Rate Decision (Jul)	EU	23-Jul-26		2.4
Deposit Facility Rate (Jul)	EU	23-Jul-26		2.25
Initial Jobless Claims	US	23-Jul-26		208K
ECB Press Conference	EU	23-Jul-26		0
S&P Global Services PMI (Jul) P	IN	24-Jul-26		57.4
S&P Global Manufacturing PMI (Jul) P	IN	24-Jul-26		54.2

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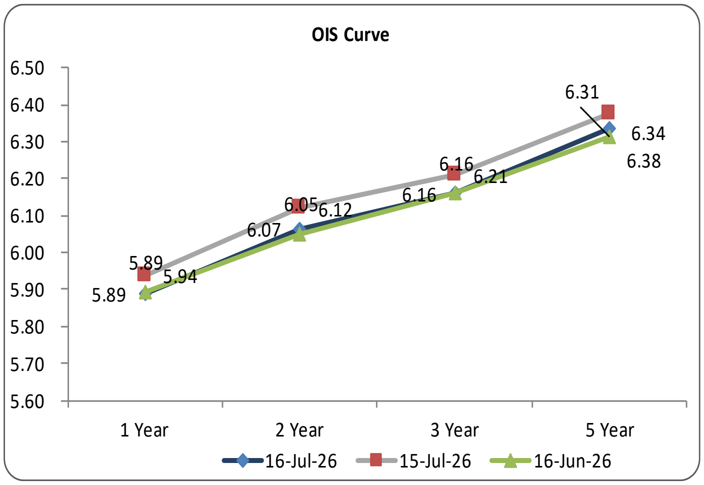

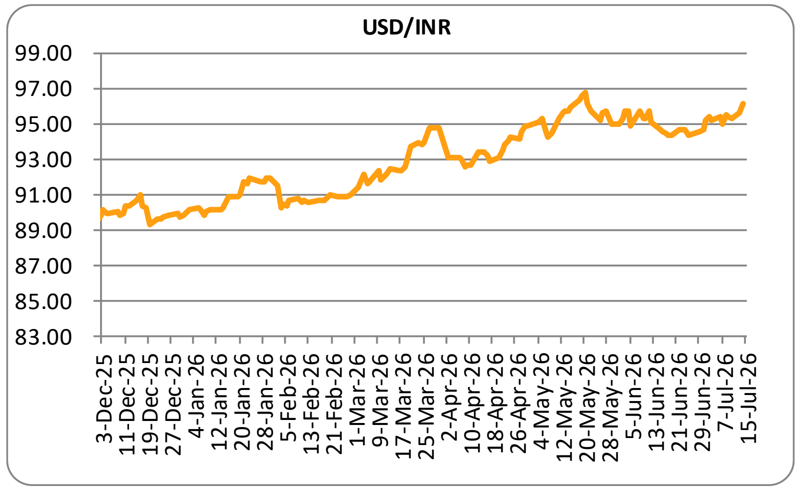

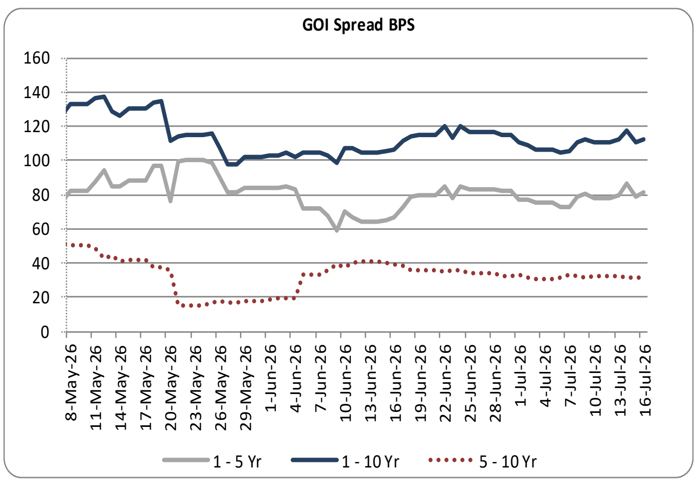

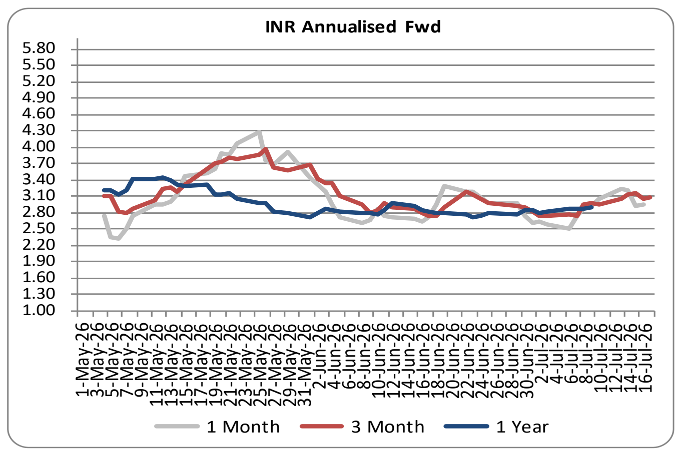

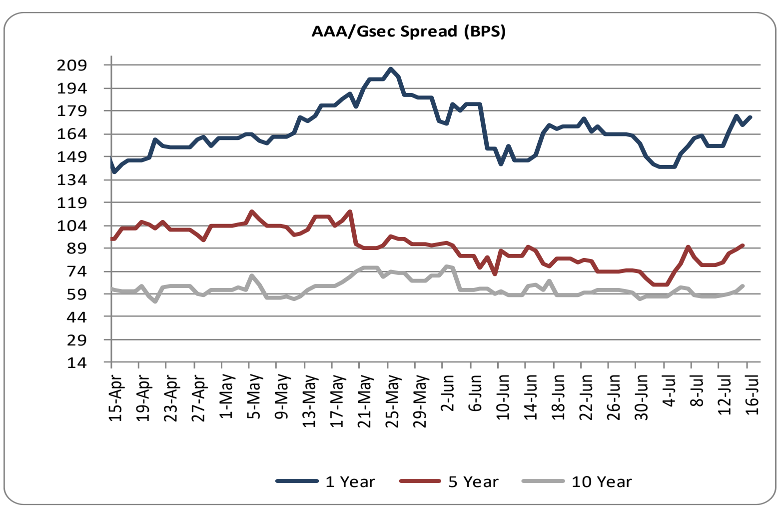

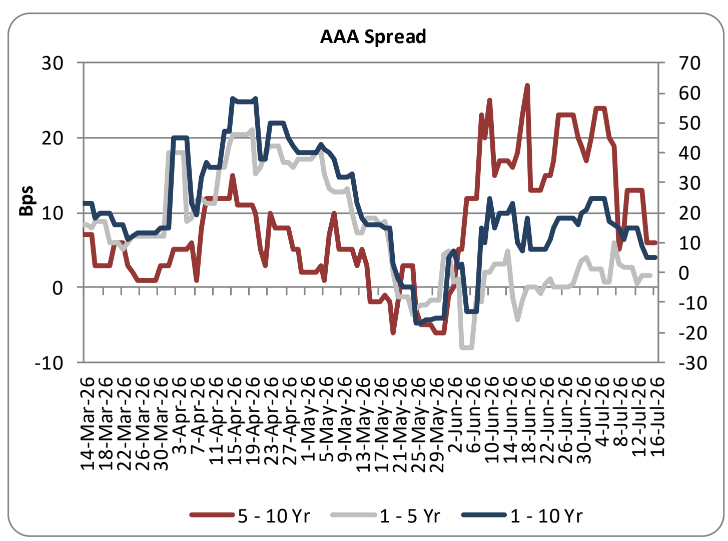

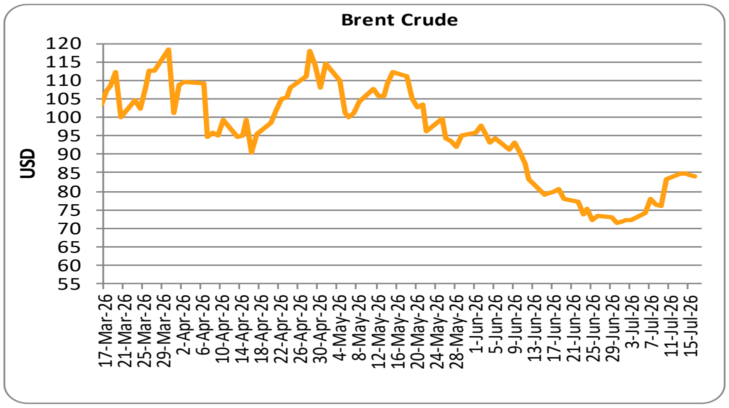

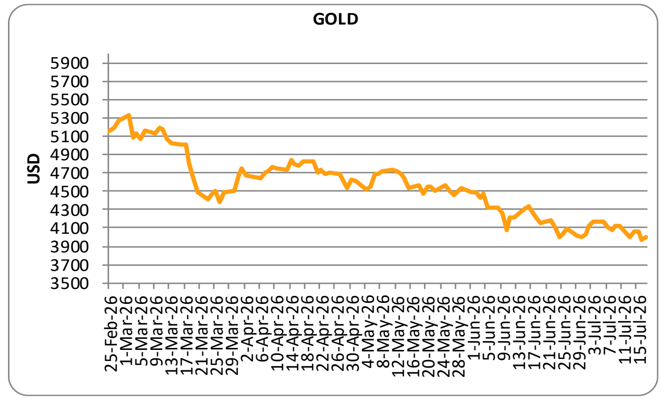

Sources: Reserve Bank of India, Bloomberg, Reuters, CCIL and FIMMDA.

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