Bond Street

BondWatch

INDIA

Daily

17-07-2026

The benchmark 6.94 2036 bond yield closed at 6.7799% on Friday from 6.7478% on Thursday, rising 6.5 bps this week after staying range-bound last week and declining in the previous six.

Renewed Middle East tensions lifted oil prices, pushing G-sec yields higher at the start of the week with the benchmark yield at 6.73% from 6.71% last week. India's Q1 CPI at 3.9% undershot the RBI's estimate of 4.2%, while yields continued to firm on Tuesday in line with rising crude. Midweek, yields eased to 6.75% on Thursday from 6.77% on Wednesday tracking lower U.S. yields as softer U.S. CPI and PPI data reduced rate hike concerns, though elevated oil prices capped gains. By week's end, yields edged back towards 6.78% as crude prices jumped 2% on Friday.

The rupee ended the week at 96.28 per dollar, slipping about 1% as Brent crude surged 13% on renewed U.S.–Iran clashes. Both Brent and WTI surged nearly 13% this week, with Brent heading for a third straight weekly gain and WTI for its second.

Foreign investors bought ₹16.5B of Indian bonds under FAR this week, backed by Bloomberg index inclusion hopes.

Market Observations.

G-sec

Gsec cut-off came In-Line with market expectations, where cut off for 6.03% GS 2029 came in at 99.61 (6.1988%), 6.68% GS 2033 came in at 100.31 (6.6203%) and for 7.24% GS 2055 came in at 98.16 (7.3941%). RBI received competitive bids for a total stipulated amount of 82,530crs vs the notified amount of 32,000crs.

40 yr maturity Gsec switch (7.34 2064 vs 6.90 2065) was traded at 1bps, where 7.34 2064 traded higher. Here Mutual Fund acted as the payer, where a total quantum of 1,000crs was dealt.

6 yr maturity good state sdls was actively traded at 7.10 and 7.14 centric levels, where Mutual Funds, Pension Funds acted as sellers and Private Banks as buyers.

Corp Bond

Corp Bond yields rose over the week tracking higher G-sec yield on war led oil spike with benchmark indicative levels at 7.45% for the 1-year vs 7.25 last week, 7.37% for the 5-year vs 7.27 and 7.45% for the 10 year. Trading activity was largely concentrated in the medium-term segment, followed by the short term MMY segment.

CP/CD

Liquidity surplus eased over the week to 83K crores, lowest since July 8, overnight rates rose for the last two sessions, RBI infused 75.8K crores through combination of two VRRs today. CD rates remained volatile over the week with the 3M CD (Oct Maturity) at 6.75% vs 6.60% last week, 6M (Jan Maturity) at 6.95% vs 6.90% and 1Y (Jul 27 Mat) at 7.10%. Activity was concentrated in JFM segment, led by banks and mutual funds.

GOI Yield	17-Jul	16-Jul	10-Jul	17-Jun
1 Year	5.61	5.62	5.61	5.75
5 Year	6.46	6.43	6.39	6.48
10 Year	6.78	6.75	6.71	6.86

AAA Bmk	17-Jul	16-Jul	10-Jul	17-Jun
1 Year	7.45	7.45	7.25	7.53
5 Year	7.37	7.44	7.27	7.37
10 Year	7.45	7.50	7.40	7.60

CD	17-Jul	16-Jul	10-Jul	17-Jun
3 Month	6.75	6.80	6.60	6.60
6 Month	6.95	7.10	6.90	7.05
1 Year	7.10	7.25	7.10	7.40

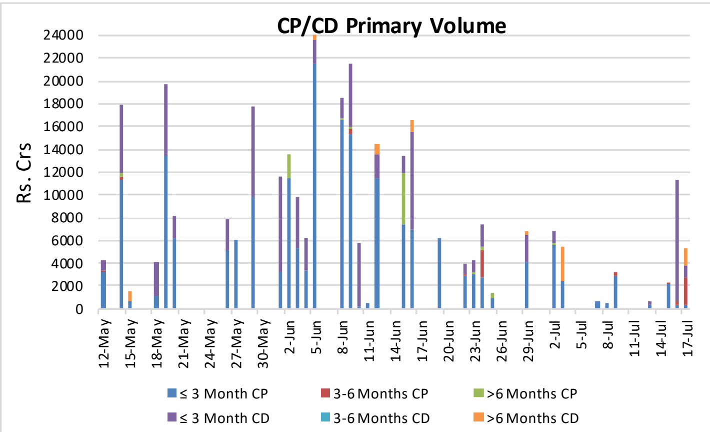
CP	17-Jul	16-Jul	10-Jul	17-Jun
3 Month	6.80	6.85	6.65	6.65
6 Month	7.00	7.15	6.95	7.10
1 Year	7.15	7.30	7.15	7.45

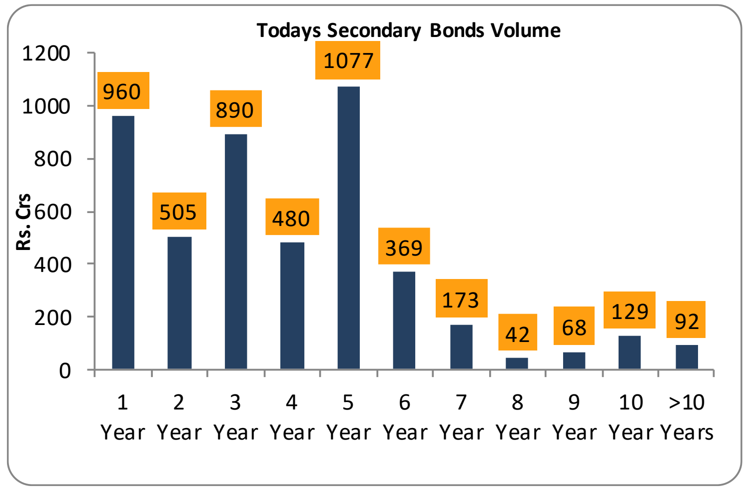
OIS Rate	17-Jul	16-Jul	10-Jul	17-Jun
1 Year	5.93	5.89	5.77	5.88
2 Year	6.09	6.07	5.92	6.04
3 Year	6.20	6.16	6.01	6.15
5 Year	6.38	6.34	6.17	6.30

	17-Jul	16-Jul	10-Jul	17-Jun
Sensex	78,151	77,187	77,569	77,156
Nifty	24,334	24,073	24,207	24,086
USD/INR	96.28	96.35	95.33	94.53
Gold (USD)	3,969	3,970	4,120	4,258
Oil (USD)	86.25	84.23	76.01	79.55

NDF	17-Jul	16-Jul	10-Jul	17-Jun
3 Month	97.15	97.21	96.19	95.49
1 Year	99.37	99.39	98.28	97.67
2 Year	102.14	102.14	100.88	100.54
3 Year	105.64	105.64	104.38	103.89

Bond Street





10 Year Benchmarks	17-Jul	16-Jul	10-Jul	17-Jun
India	6.78	6.75	6.71	6.86
US	4.54	4.57	4.57	4.46
South Korea	4.29	4.29	4.22	4.08
Brazil	14.56	14.56	14.34	14.45
Germany	3.12	3.14	3.03	2.93
China	1.73	1.74	1.73	1.75

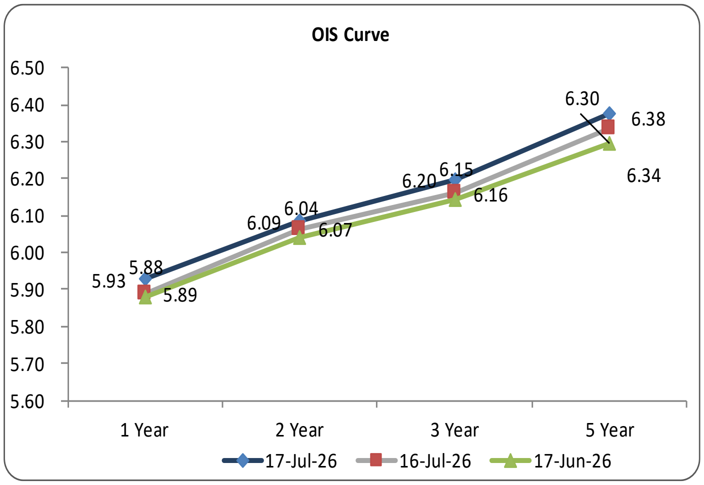
Top Traded Securities	Volume	17-Jul	16-Jul	10-Jul	17-Jun
6.75 2029	0	6.32	6.32	6.30	6.30
6.79 2034	0	6.79	6.72	6.69	6.85
6.33 2035	30	6.73	6.71	6.69	6.82
6.92 2039	5	7.00	6.94	6.90	7.17
7.09 2054	0	7.41	7.39	7.34	7.53
7.34 2064	65	7.53	7.51	7.46	7.65

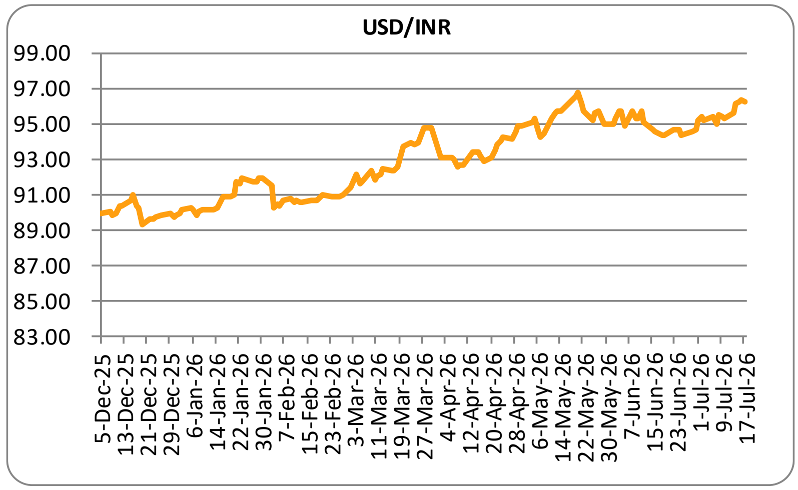
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
10-Jul-26	14,425	15,093	(667.48)	13,248	11,173	2,075.44	27,674	26,266	1,407.96

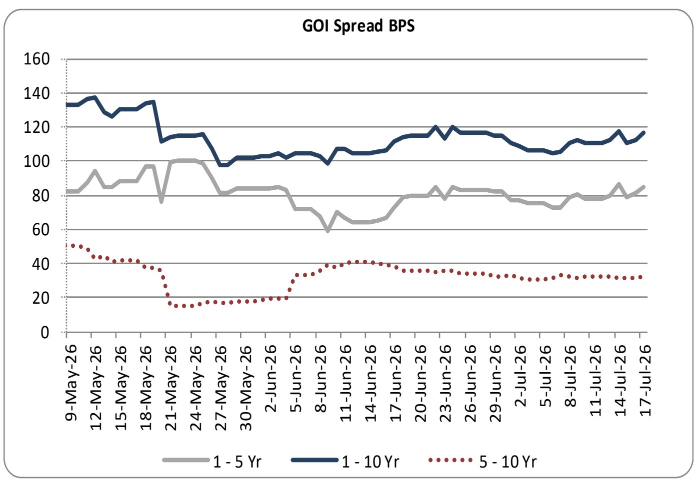
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
17-Jul-26	752	661	91.18	14823	18003	(3,179.96)	15576	18664	(3,088.78)

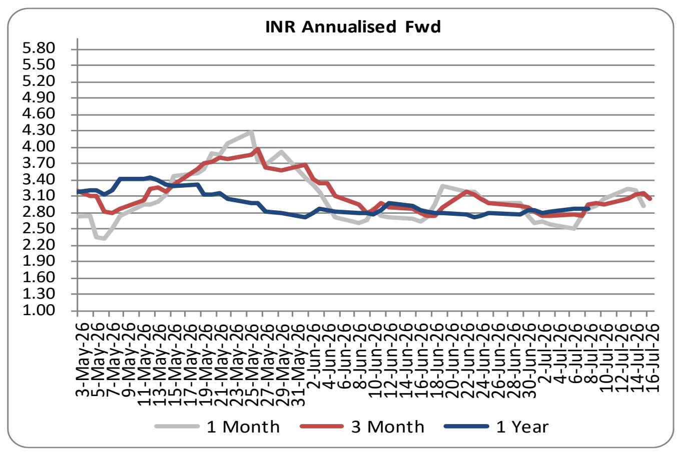
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Mar-26	7.10	(15.50)
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	Jun-26	9.87	9.68
CPI (%)	Jun-26	4.38	3.94
IIP (%)	May-26	5.10	4.90
PMI Manufacturing	Jun-26	54.20	55.00
PMI Service	Jun-26	57.40	59.80

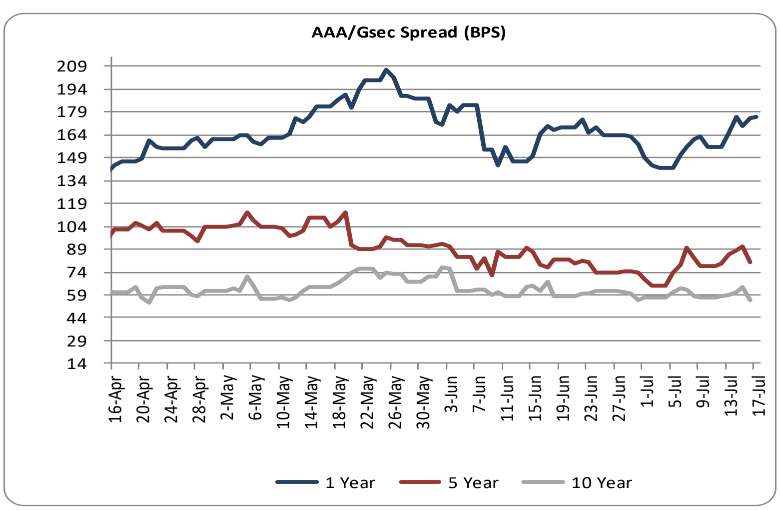
Economic Calender	Country	Date	Poll	Prior
CPI (YoY) (Jun)	UK	22-Jul-26		2.8
Crude Oil Inventories	US	22-Jul-26		(1.692) M
ECB Interest Rate Decision (Jul)	EU	23-Jul-26		2.4
Deposit Facility Rate (Jul)	EU	23-Jul-26		2.25
Initial Jobless Claims	US	23-Jul-26		208K
ECB Press Conference	EU	23-Jul-26		0
S&P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

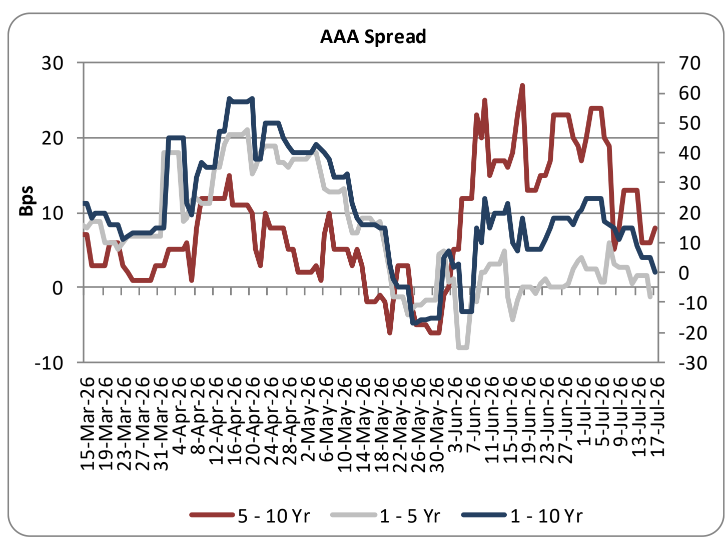

OIS Curve
6.50
6.40
6.30
6.20
6.10
6.00
5.90
5.80
5.70
5.60
5.93
5.88
5.89
6.09
6.04
6.07
6.20
6.15
6.16
6.30
6.38
6.34
1 Year
2 Year
3 Year
5 Year
17-Jul-26
16-Jul-26
17-Jun-26

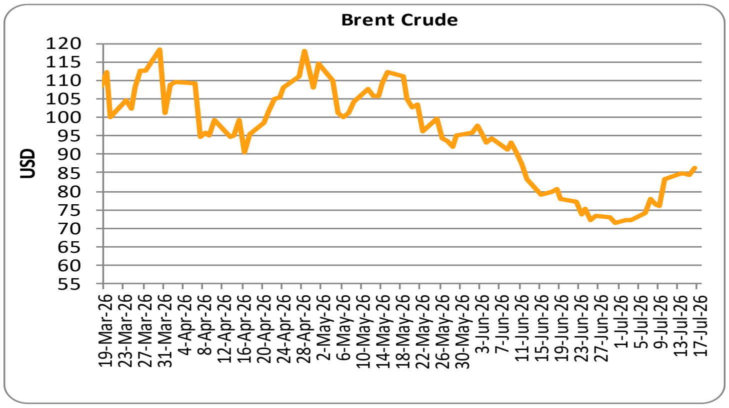

USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00
85.00
83.00
5-Dec-25
13-Dec-25
21-Dec-25
29-Dec-25
6-Jan-26
14-Jan-26
22-Jan-26
30-Jan-26
7-Feb-26
15-Feb-26
23-Feb-26
3-Mar-26
11-Mar-26
19-Mar-26
27-Mar-26
4-Apr-26
12-Apr-26
20-Apr-26
28-Apr-26
6-May-26
14-May-26
22-May-26
30-May-26
7-Jun-26
15-Jun-26
23-Jun-26
1-Jul-26
9-Jul-26
17-Jul-26

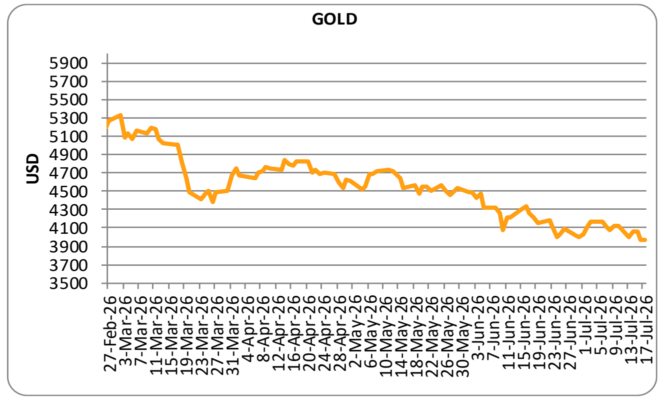

GOI Spread BPS
160
140
120
100
80
60
40
20
0
9-May-26
12-May-26
15-May-26
18-May-26
21-May-26
24-May-26
27-May-26
30-May-26
2-Jun-26
5-Jun-26
8-Jun-26
11-Jun-26
14-Jun-26
17-Jun-26
20-Jun-26
23-Jun-26
26-Jun-26
29-Jun-26
2-Jul-26
5-Jul-26
8-Jul-26
11-Jul-26
14-Jul-26
17-Jul-26
1 - 5 Yr
1 - 10 Yr
5 - 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
1 Month
3 Month
1 Year


AAA/Gsec Spread (BPS)
209
194
179
164
149
134
119
104
89
74
59
44
29
14
16-Apr
20-Apr
24-Apr
28-Apr
2-May
6-May
10-May
14-May
18-May
22-May
26-May
30-May
3-Jun
7-Jun
11-Jun
15-Jun
19-Jun
23-Jun
27-Jun
1-Jul
5-Jul
9-Jul
13-Jul
17-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
15-Mar-26
19-Mar-26
23-Mar-26
27-Mar-26
31-Mar-26
4-Apr-26
8-Apr-26
12-Apr-26
16-Apr-26
20-Apr-26
24-Apr-26
28-Apr-26
2-May-26
6-May-26
10-May-26
14-May-26
18-May-26
22-May-26
26-May-26
30-May-26
3-Jun-26
7-Jun-26
11-Jun-26
15-Jun-26
19-Jun-26
23-Jun-26
27-Jun-26
1-Jul-26
5-Jul-26
9-Jul-26
13-Jul-26
17-Jul-26
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/