Bond Street

BONDWATCH

INDIA

Daily

24-07-2026

The benchmark 6.94 2036 bond yield closed at 6.8253% on Friday from 6.8413% on Thursday.

For the week, the yield rose four basis points, after rising seven bps last week, 5Y OIS jumped 11bps to settle at 6.49%, after jumping 21 bps last week.

The 10Y benchmark bond yield was flattish early in the week at 6.78%, oil was hovering at $90 amid ME tensions, Midweek yields kept rising with the 10Y rising to 6.84% on Thursday as oil prices rose thus raising supply concerns that would reignite inflation. Global yields like U.S. Euro yields also rose on U.S. Iran clashes lifting inflationary expectations and rate hike bets that also kept pressure on sentiments. India OIS rates jumped to 6.53% in line with rise in oil prices coupled with caution over the conflict. While towards the end of the week yield eased to 6.83% ending three days of losing streak as oil prices retreated to $98 from above $100.

Brent eased on Friday but was still on track for a gain of more than 10% this week, after rising 16% and 5.4% over the previous two weeks.

Market Observations.
G-sec

The 2–7-year segment of the curve saw the strongest activity, with mutual funds, foreign banks, private banks & pension funds being the most active counterparties. 2028,2029 and 2030 G-sec were highly traded.

Liquidity among mutual funds remained tight, Mutual funds, banks, and pension funds were active in shorter-tenor SDLs, particularly 2032 and 2033, where spreads were attractive.

Longer maturities continued to face demand-supply imbalances, Trader participation in the long end remained muted.

Corp Bond

Over the week yields ended mixed with 1Y saw slight easing while 5Y and 10Y yields rose, with benchmark indicative levels at 7.40% for the 1-year vs 7.45, 7.42% for the 5-year vs 7.37 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

Banking system liquidity from Rs.70.8K crores last week eased to 2.9K crores on Wednesday, while improving on Thursday to 57K crores, led by govt spending and FCNR deposits. Since the FCNR scheme launch in early June, RBI reported inflows of $20.72 billion through July 17. CD rates rose slightly over the week with the 3M (Oct maturity) at 6.80% vs 6.75%, 6M (Jan maturity) at 7% vs 6.95%, and 1Y (Jul maturity) at 7.20% vs 7.10%. Trading was concentrated in JFM and 2–3M segments, led by banks and mutual funds.

GOI Yield	24-Jul	23-Jul	17-Jul	24-Jun
1 Year	5.70	5.71	5.61	5.58
5 Year	6.49	6.50	6.46	6.42
10 Year	6.83	6.84	6.78	6.78

AAA Bmk	24-Jul	23-Jul	17-Jul	24-Jun
1 Year	7.40	7.45	7.45	7.35
5 Year	7.42	7.44	7.37	7.33
10 Year	7.50	7.50	7.45	7.50

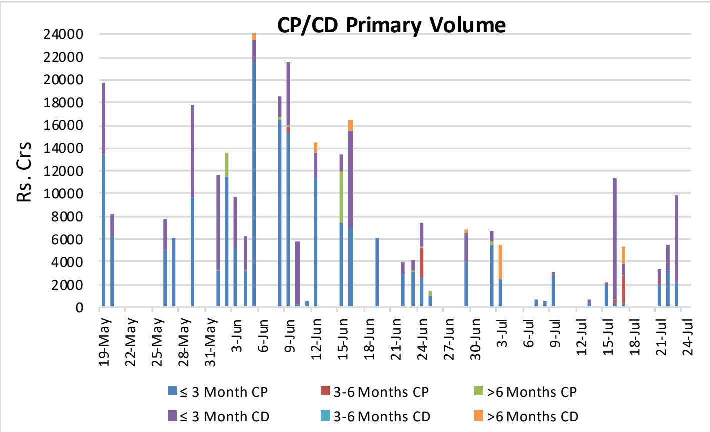
CD	24-Jul	23-Jul	17-Jul	24-Jun
3 Month	6.80	6.85	6.75	6.65
6 Month	7.00	7.02	6.95	7.03
1 Year	7.20	7.15	7.10	7.40

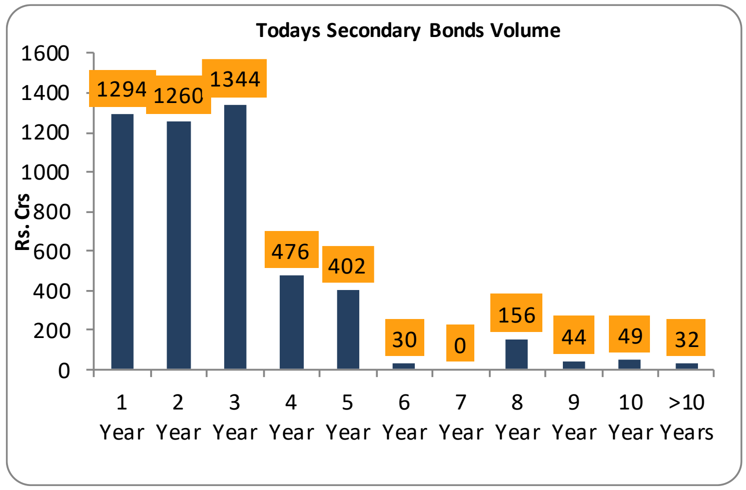
CP	24-Jul	23-Jul	17-Jul	24-Jun
3 Month	6.85	6.90	6.80	6.70
6 Month	7.05	7.07	7.00	7.08
1 Year	7.25	7.20	7.15	7.45

OIS Rate	24-Jul	23-Jul	17-Jul	24-Jun
1 Year	6.00	6.04	5.93	5.78
2 Year	6.19	6.23	6.09	5.91
3 Year	6.30	6.33	6.20	6.03
5 Year	6.49	6.53	6.38	6.18

	24-Jul	23-Jul	17-Jul	24-Jun
Sensex	76,082	76,391	78,151	76,991
Nifty	23,773	23,870	24,334	24,022
USD/INR	96.56	96.57	96.28	94.67
Gold (USD)	4,060	4,047	4,017	4,000
Oil (USD)	96.95	100.69	88.10	73.74

NDF	24-Jul	23-Jul	17-Jul	24-Jun
3 Month	97.44	97.82	97.37	95.04
1 Year	99.78	100.17	99.59	97.15
2 Year	102.61	103.11	102.39	99.72
3 Year	106.11	106.46	105.75	103.25





10 Year Benchmarks	24-Jul	23-Jul	17-Jul	24-Jun
India	6.82	6.84	6.78	6.78
US	4.68	4.70	4.54	4.40
South Korea	4.45	4.38	4.29	4.17
Brazil	15.00	15.00	14.69	14.37
Germany	3.18	3.21	3.12	2.87
China	1.72	1.75	1.73	1.77

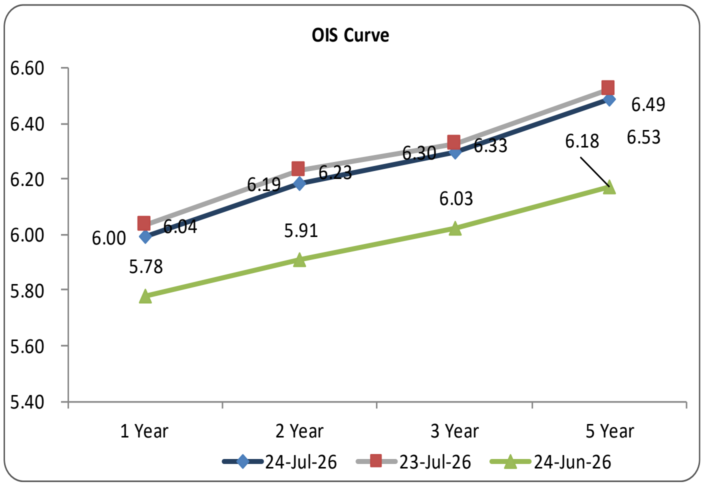
Top Traded Securities	Volume	24-Jul	23-Jul	17-Jul	24-Jun
6.75 2029	0	#N/A	6.43	6.32	6.31
6.79 2034	30	6.79	6.80	6.79	6.78
6.33 2035	210	6.76	6.79	6.73	6.76
6.92 2039	0	#N/A	7.04	7.00	7.12
7.09 2054	25	#N/A	7.48	7.41	7.40
7.34 2064	20	7.60	7.59	7.53	7.51

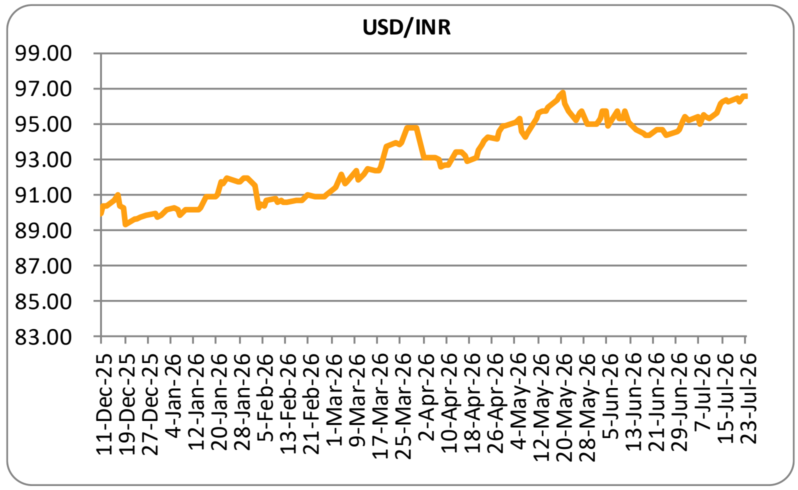
	DEBT			EQUITY			TOTAL (Rs.Crs)		
MF	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
20-Jul-26	-	-	-	-	-	-	-	-	-

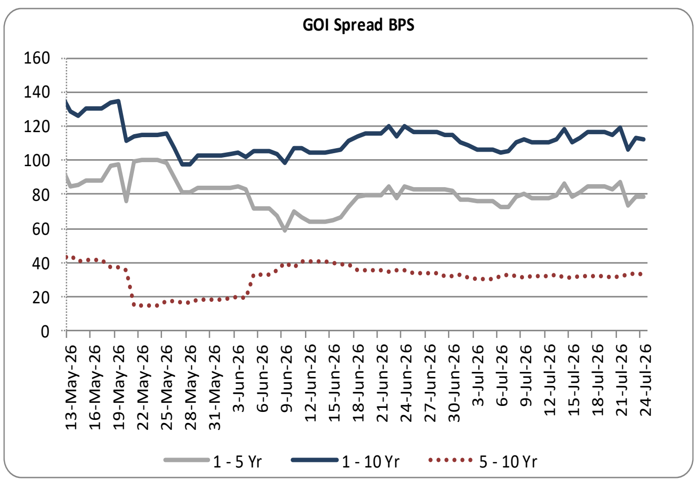
	DEBT			EQUITY			TOTAL (Rs. Crs)		
FII	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment	Gross Purchase	Gross Sales	Net Investment
27-Jul-26	0	0	-	0	0	-	0	0	-

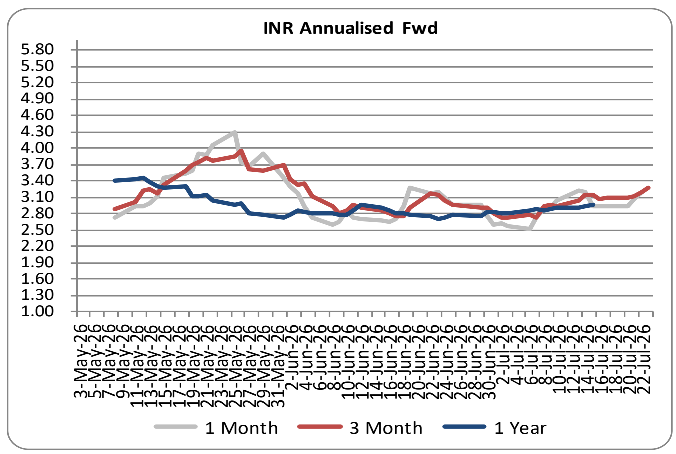
INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Mar-26	7.80	8.00
CAD ($ Bn)	Mar-26	7.10	(15.50)
Trade Deficit ($ Bn)	Mar-26	(83.40)	(93.60)
WPI (%)	Jun-26	9.87	9.68
CPI (%)	Jun-26	4.38	3.94
IIP (%)	May-26	5.10	4.90
PMI Manufacturing	Jun-26	54.20	55.00
PMI Service	Jun-26	57.40	59.80

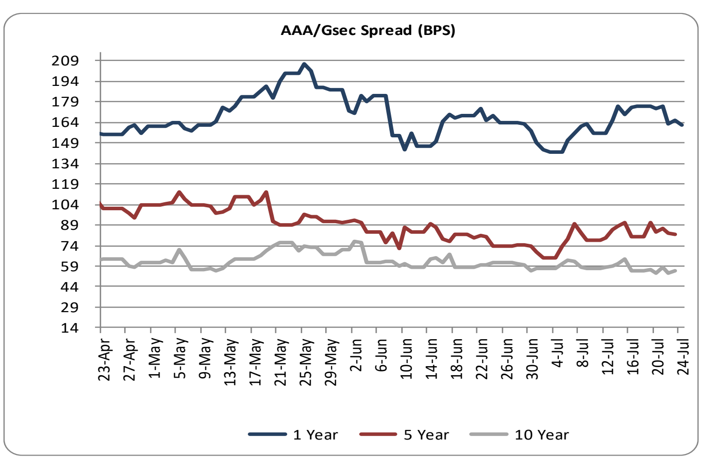
Economic Calender	Country	Date	Poll	Prior
S&P Global Manufacturing PMI (Jul) P	US	24-Jul-26		53.9
S&P Global Services PMI (Jul) P	US	24-Jul-26		0
New Home Sales (Jun)	US	24-Jul-26		580K
0	0	00-01-1900		0
0	0	00-01-1900		0
0	0	00-01-1900		0
0	0	00-01-1900		0
0	0	00-01-1900		0

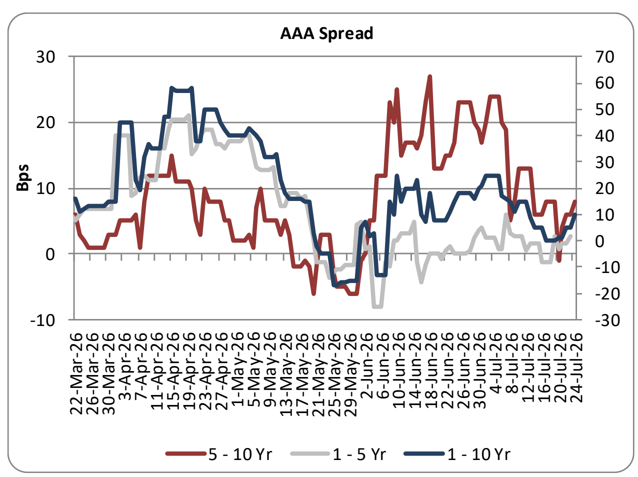

OIS Curve
6.60
6.40
6.20
6.00
5.80
5.60
5.40
6.00
6.04
5.78
6.19
6.23
5.91
6.30
6.33
6.03
6.18
6.49
6.53
1 Year
2 Year
3 Year
5 Year
24-Jul-26
23-Jul-26
24-Jun-26

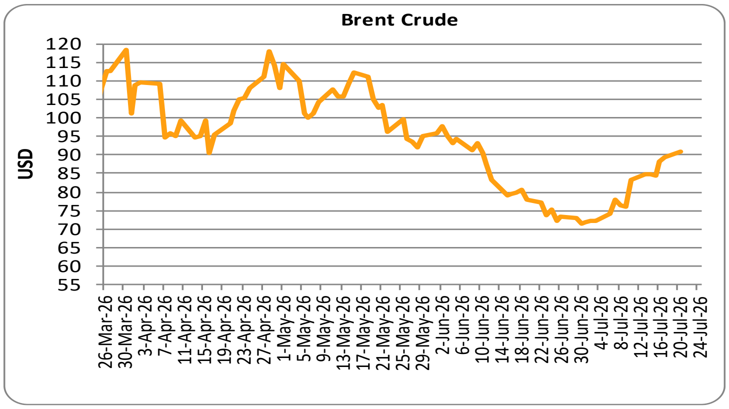

USD/INR
99.00
97.00
95.00
93.00
91.00
89.00
87.00
85.00
83.00
11-Dec-25
19-Dec-25
27-Dec-25
4-Jan-26
12-Jan-26
20-Jan-26
28-Jan-26
5-Feb-26
13-Feb-26
21-Feb-26
1-Mar-26
9-Mar-26
17-Mar-26
25-Mar-26
2-Apr-26
10-Apr-26
18-Apr-26
26-Apr-26
4-May-26
12-May-26
20-May-26
28-May-26
5-Jun-26
13-Jun-26
21-Jun-26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

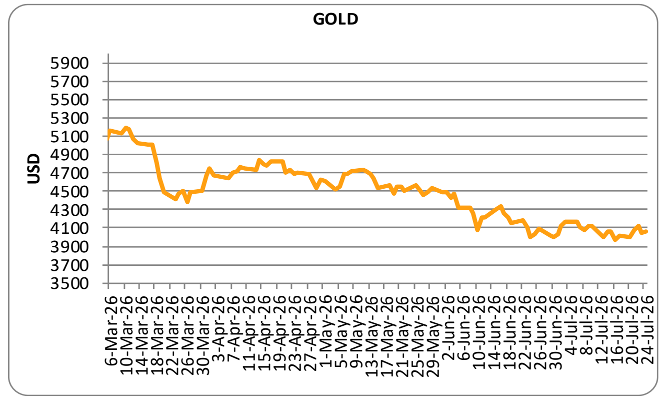

GOI Spread BPS
160
140
120
100
80
60
40
20
0
13-May-26
16-May-26
19-May-26
22-May-26
25-May-26
28-May-26
31-May-26
3-Jun-26
6-Jun-26
9-Jun-26
12-Jun-26
15-Jun-26
18-Jun-26
21-Jun-26
24-Jun-26
27-Jun-26
30-Jun-26
3-Jul-26
6-Jul-26
9-Jul-26
12-Jul-26
15-Jul-26
18-Jul-26
21-Jul-26
24-Jul-26
1 - 5 Yr
1 -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





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

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