

The benchmark 6.94 2036 bond yield closed at 7.0727% vs 7.0233% in the previous session.

India's government bond yield rose across the curve today, primarily driven by RBI's OMO sale announced on Friday to absorb excess liquidity, while higher crude oil prices clouding the inflation outlook, rising global yields with the US 10Y yield crossing the 5% mark, increasing Fed hike bets have added to sentiments. INR fell 0.4% to 95.9550/USD, led by higher oil and rising rate-hike expectations. OIS rates rose in tandem, with the 1Y OIS now pricing in three rate hikes at 6.0950%, while the 5Y OIS rose to 6.6550%.

India's 5Y-10Y spread narrows to 28bps as RBI's OMO sales hit shorter bonds, sending 5Y yield up 17bps to 6.79%.

Brent crude climbed to \$106/barrel as the Gulf war escalated.

Global bond yields hit their highest since the 2008 financial crisis on Tuesday, with 10-year U.S. Treasury yields topping 5% (hitting a high of 5.041%) for the first time since 2007. Markets expect the Fed to raise rates to 3.75%-4% on Wednesday, the BOJ to hike Friday, and the ECB already raised last week. Japan's 10-year yield hit a three-decade high above 3%, Germany's 10-year sat near its highest since 2009 at 3.55%, French 10-year yields hovered near an 18-year high, and UK 10-year yields at 5.45% touched their highest since 2007.

Market Observations

G-sec

As the news of RBI OMO Sale auction to manage liquidity conditions hit the markets, Gsec reacted where it opened at 7.0960, versus the previous close of 7.0233 on Friday. RBI would be conducting the OMO auction for Rs 1L cr in 3 tranches between 17 Sept and 28 Sept.

SDL cut-off came In-Line with market expectations, where states were able to successfully borrow 34,645crs worth of bonds against the notified amount of 35,900crs.

5-year maturity Gsec (6.10 2031 / 7.02 2031) witnessed buying demand by Foreign Banks at 6.81 levels, where Primary Dealers acted as sellers.

Corp Bond

AAA rated PSU bond yields rose across the curve by 7-10bps tracking rise in G-sec yields with benchmark indicative levels at 7.52% for the 1-year, 7.83% for the 5-year and 7.85% for the 10 year. Trading activity was concentrated in the Medium-term segment, followed by the short MMY segment.

CP/CD

CD rates rose across the curve by close to 10bps with the 3M (Dec maturity) at 6.15%, 6M (Mar maturity) at 6.75% and 1Y (Sept maturity) at 7.30% Trading was concentrated in JFM and 2-3M segments.

GOI Yield	15-Sep	11-Sep	8-Sep	14-Aug
1 Year	5.90	5.88	5.87	5.70
5 Year	6.79	6.62	6.49	6.36
10 Year	7.07	7.02	6.94	6.76

AAA Bmk	15-Sep	11-Sep	8-Sep	14-Aug
1 Year	7.52	7.45	7.32	7.35
5 Year	7.83	7.72	7.69	7.38
10 Year	7.85	7.78	7.71	7.50

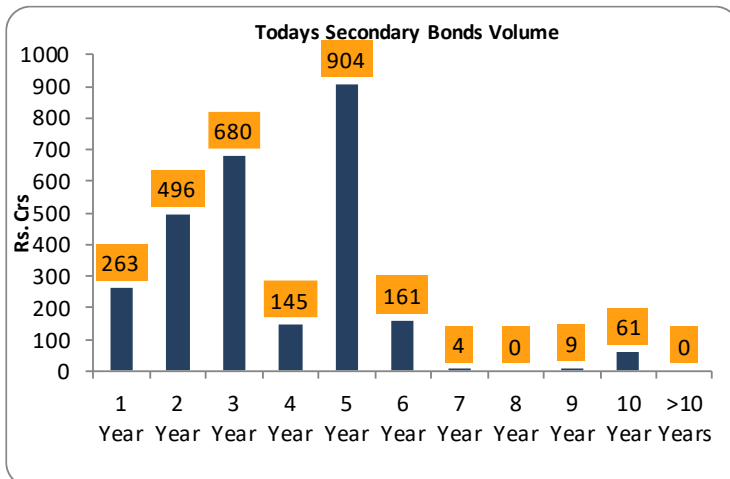
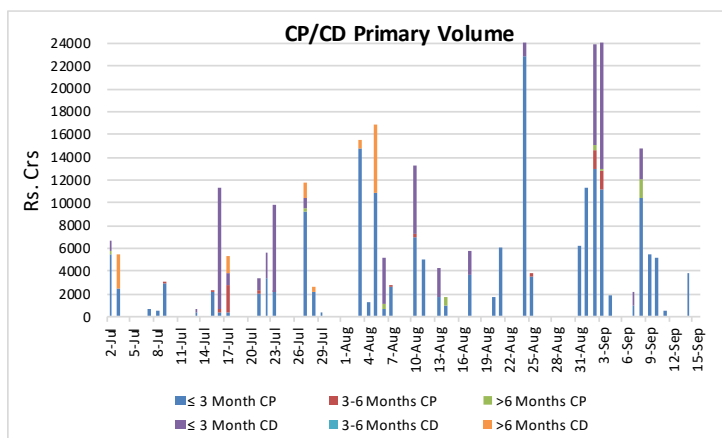
CD	15-Sep	11-Sep	8-Sep	14-Aug
3 Month	6.15	6.00	5.95	6.40
6 Month	6.75	6.55	6.45	6.65
1 Year	7.30	7.20	7.10	7.08

CP	15-Sep	11-Sep	8-Sep	14-Aug
3 Month	6.20	6.05	6.00	6.45
6 Month	6.80	6.60	6.50	6.70
1 Year	7.35	7.25	7.15	7.13

OIS Rate	15-Sep	11-Sep	8-Sep	14-Aug
1 Year	6.10	6.04	5.95	5.73
2 Year	6.33	6.25	6.14	5.92
3 Year	6.47	6.37	6.27	6.05
5 Year	6.66	6.57	6.43	6.25

	15-Sep	11-Sep	8-Sep	14-Aug
Sensex	74,004	74,782	75,578	78,009
Nifty	23,119	23,398	23,635	24,366
USD/INR	95.96	95.55	94.82	95.43
Gold (USD)	4,285	4,347	4,354	4,376
Oil (USD)	105.88	104.61	97.92	88.52

NDF	15-Sep	11-Sep	8-Sep	14-Aug
3 Month	96.7149	96.4262	95.46	96.2967
1 Year	99.2074	98.8887	97.77	98.4617
2 Year	102.07	101.63	100.55	101.345
3 Year	105.245	104.57	103.49	104.435



10 Year Benchmarks	15-Sep	11-Sep	8-Sep	14-Aug
India	7.07	7.02	6.94	6.76
US	5.00	4.98	4.80	4.70
South Korea	4.59	4.57	4.39	4.30
Brazil	14.36	14.30	14.14	14.91
Germany	3.53	3.50	3.36	3.20
China	1.69	1.69	1.68	1.69

Top Traded Securities	Volume	15-Sep	11-Sep	8-Sep	14-Aug
6.75 2029	#NAME?	#N/A	6.5056	6.4271	6.3258
6.79 2034	#NAME?	7.066	6.9829	6.9033	6.6882
6.33 2035	#NAME?	7.0243	6.9749	6.8903	6.7041
6.92 2039	#NAME?	#N/A	#N/A	7.0537	6.8753
7.09 2054	#NAME?	7.6828	7.6479	7.5839	7.363
7.34 2064	#NAME?	7.7459	7.6991	7.6727	7.467

DEBT			
MF	Gross Purchase	Gross Sales	Net Investment
8-Sep-26	2,070	4,126	(2,055.72)

EQUITY		
Gross Purchase	Gross Sales	Net Investment
743	627	116.18

TOTAL (Rs.Crs)		
Gross Purchase	Gross Sales	Net Investment
2,814	4,753	(1,939.54)

DEBT			
FII	Gross Purchase	Gross Sales	Net Investment
15-Sep-26	59.38	140.92	(81.54)

EQUITY		
Gross Purchase	Gross Sales	Net Investment
13157.98	14135.6	(977.62)

TOTAL (Rs. Crs)		
Gross Purchase	Gross Sales	Net Investment
13217.36	14276.52	(1,059.16)

INDICATORS	PERIOD	ACTUAL	PRIOR
GDP Quaterly (%)	Jun-26	7.80	7.80
CAD (\$ Bn)	Jun-26	(4.20)	6.50
Trade Deficit (\$ Bn)	Jun-26	(86.10)	(83.40)
WPI (%)	Aug-26	9.92	9.78
CPI (%)	Aug-26	4.82	4.45
IIP (%)	Jul-26	6.70	8.80
PMI Manufacturing	Aug-26	52.80	53.50
PMI Service	Aug-26	54.10	53.30

Economic Calender	Country	Date	Poll	Prior
CPI (YoY) (Aug)	UK	16 Sep 26		2.9%
Core Retail Sales (MoM) (Aug)	US	16 Sep 26		-0.3%
Retail Sales (MoM) (Aug)	US	16 Sep 26		-0.6%
Fed Interest Rate Decision	US	16 Sep 26		3.75%
FOMC Economic Projections	US	16 Sep 26		
FOMC Statement	US	16 Sep 26		
FOMC Press Conference	US	17 Sep 26		
CPI (YoY) (Aug)	EU	17 Sep 26		

