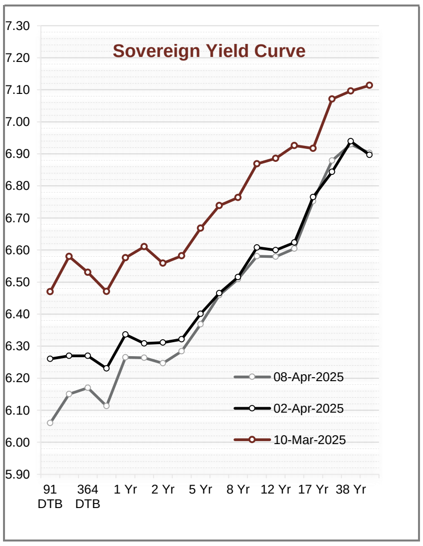
## Debt Markets – The 10-year benchmark fell by 3 bps




The 10-year benchmark recorded a close at 6.41%, falling by 3 bps from the close of the previous trading session.

Yields opened lower from the close of the previous session at 6.41% and initially traded downwards to make a low of 6.40%. Thereafter, the yields traded upwards to make a high of 6.42% before closing the session at 6.41%.

The yields opened lower from the close of the previous trading session and initially traded downwards after India's WPI inflation fell to 2.05% YoY in Mar'25 down from 2.38% YoY in Feb'25 amid moderation in food prices and primary articles. However, the yields reversed their trajectory and traded with an upward bias after India's trade deficit widened to USD 21.54 Bn in Mar'25 up from USD 14.05 Bn in the previous month primarily driven by a rise of 11.4% in imports. Thereafter, the up move in the yields was limited after India's CPI Inflation moderated to 3.34% in Mar'25 compared to 3.61% in the previous month amid decline in food inflation which fell to 2.69% in Mar'25 compared to 3.75% in Feb'25.

FIIs were net sellers in the debt segment with outflows amounting to INR 707.32 Cr as of April 15th, 2025.

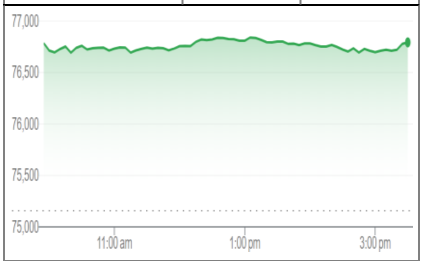
The 1-year and 5-year OIS stood at 5.88% and 5.77% respectively, as of April 08th, 2025.

## G-Sec / Bond Yields

| Security | Tenure | Yield (SA) |
|---|---|---|
| 91 DTB | 91 Days | 6.03% |
| 364 DTB | 364 Days | 6.09% |
| GOI 2034 | 10 Yr | 6.41% |
| GOI 2039 | 15 Yr | 6.55% |
| SDL | 10 Yr | 6.82% - 6.94% (Annualized) |
| AAA PSU | 10 Yr | 7.21% - 7.25% (Annualized) |
| AAA Pvt. | 10 Yr | 7.42% - 7.45% (Annualized) |

## Equity Markets – Indices ended the session higher amid mixed domestic and global cues

| Index | Sensex | Nifty |
|---|---|---|
| Close | 76,734.89 | 23,328.55 |
| 1 day change | 2.10% | 2.19% |
| | 1577.63 | 500.00 |
| 1 month change | 3.94% | 4.16% |
| | 2905.98 | 931.35 |




BSE Sensex - 15 April, 2025

Domestic benchmark indices ended the session higher amid positive domestic and global cues.

Indices opened the session higher and initially traded upwards, tracking gains from its US counterparts as the investor's sentiment buoyed after Trump announced there would be a temporary exemption on key tech items like smartphones, computers, and semiconductors from reciprocal tariffs. Additionally, the exemptions cover high-impact devices critical to the tech industry. Thereafter, the indices traded in a range-bound manner after S&P Global highlighted that Major Asia Pacific economies like India, China, and Japan, will see growth fall by 0.2%-0.4% over the next two years if the US implements the reciprocal tariffs announced on April 2, which was counteracted by a decrease in India's wholesale inflation to a 4-month low of 2.05% in Mar'25 from 2.38% in Feb'25. The positive inflation rate was primarily due to an increase in prices of manufacturing of food products, food articles, and other manufacturing. Eventually, the indices ended the session in green amid buying in Realty and Industrials.

Among individual stocks, shares of Bharati Airtel rose by 3.60%, after the company announced its partnership with the quick commerce platform, Blinkit. Shares of Bajaj Finance rose by 4.1% after the company reported a 36% YoY rise in new loan book in Q4FY25.

Out of the twenty-one sectoral indices compiled by the BSE, all sectors ended the day in green led by Realty which rose by 5.81% and Industrials rose by 3.76%.

## Global Markets

| Markets | Price | Change |
|---|---|---|
| Dow Jones | 40,368.96 | -0.38% |
| S&P 500 | 5,396.63 | -0.17% |
| FTSE 100 | 8,249.12 | 1.41% |
| Shanghai | 3,237.60 | -0.92% |
| USD / INR | 85.48 | -0.72% |
| Brent Oil | 64.67 | -0.14% |
| Gold | 93,493 | 0.22% |
| Silver | 94,795 | -0.05% |

## Spread Analysis

The spread of AAA PSU bonds over the 10-year benchmark security was around 70 bps and the spread of AAA Private bonds over the 10-year benchmark security was around 90 bps. The spreads between benchmark security and AAA PSU and AAA Private Bonds largely remained unchanged. Special SDLs are trading at a spread of 1-3 bps above the regular SDLs.

## Auction / System Liquidity

The RBI conducted an auction of SDL for a notified amount of INR 3,000 Cr and accepted an amount of INR 3,000 Cr yesterday.

The RBI will conduct an auction of T-Bills for a notified amount of INR 19,000 Cr today.

The RBI will conduct an auction of G-sec for a notified amount of INR 30,000 Cr on Friday.

The Net Liquidity including today's operations was at INR -1.67 Lakh Cr and were parked under SDF at 6.00%. The Wt. Avg.Call Money rate was 5.84%.

## Previous Auctions

| Security | Amount (In Crs) | Yield Range |
|---|---|---|
| T-Bill (09 April) | 19,000.00 | 6.03% - 6.09% |
| SDL (15 April) | 3,000.00 | 6.43% - 6.84% |
| G-Sec (11 April) | 32,000.00 | 6.56% - 6.90% |

## News Update

India's inflation rate fell to 3.34% in Mar'25 from 3.61% in Feb'25, primarily attributed to a significant decline in food inflation, which dropped to 2.69% from 3.75%, amid deflationary pressures on eggs, spices, vegetables, and pulses. Meanwhile, India's wholesale price inflation eased to 2.05% YoY in Mar'25 from 2.38% in Feb'25, marking the softest pace since Nov'25, as inflation in food and primary articles moderated. Additionally, fuel and power prices recorded their first increase since Jul'24, while manufacturing prices surged to a 27-month high, driven by gains in paper products and pharmaceuticals and a rebound in metals.

India's trade deficit widened to USD 21.54 Bn in Mar'25 from USD 15.6 Bn in Mar'24, signaling a growing imbalance between imports and exports. Furthermore, imports surged by 11.4% to USD 63.51 Bn, reflecting higher demand for goods despite relatively low fuel prices, which highlights consumption-driven import growth. Additionally, export growth remained subdued at 0.7%, primarily due to the delayed impact of geopolitical tensions and trade uncertainties, underscoring ongoing challenges in external demand despite efforts to boost exports.

The UK's unemployment rate remained unchanged at 4.4% for the period Nov'25 to Feb'25, as the number of individuals unemployed for up to 6 months and over 12 months increased, while those unemployed for 6 to 12 months declined. Meanwhile, the number of employed individuals rose by 206K to a record 34 Mn, largely driven by a rise in full-time employment. Additionally, the economic inactivity rate edged down to 21.4% from 21.5%.

## Economic Indicators

| Indicator | Mar'25 | Feb'25 |
|---|---|---|
| WPI | 2.05% | 2.38% |
| CPI | 3.34% | 3.61% |
| Food Inflation | 2.69% | 3.75% |
| IIP | 2.9% (Feb'25) | 5% (Jan'25) |