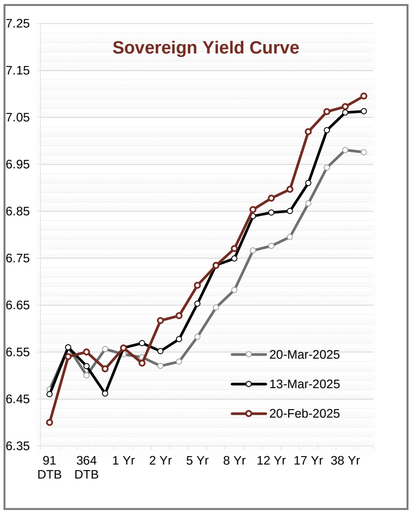
Debt Markets – The 10-year benchmark remained unchanged.



The 10-year benchmark recorded a close at 6.60%, remaining unchanged from the close of the previous trading session.

Yields opened lower from the close of the previous trading session at 6.59% and traded downwards to make a low of 6.58%. Thereafter, the yields traded upwards to make a high of 6.60% before closing the session at the same level.

The yields opened lower from the close of the previous trading session and traded marginally downwards after Goldman Sachs predicted that the worst phase of India's economic slowdown and earnings decline is likely over, however, market volatility may persist in the near term due to high investments as well as global uncertainties. Thereafter, yields reversed their trajectory and traded upwards after the finance minister expressed pessimism over the short-term growth of the domestic economy as geopolitical tensions, trade policy uncertainties, volatility in international commodity prices and financial market uncertainties pose considerable risks.During the fag end of the session, the upward movement in yields was limited after a media report stated that the RBI is expected to cut the repo rate by 25 bps in the Apr25 MPC meeting, followed by another cut in Aug'25, bringing the total easing to 75 bps and marking the shortest rate-cut cycle on record.

FIIs were net sellers in the debt segment with outflows amounting to INR 1060.45 Cr as of March 27th, 2025.

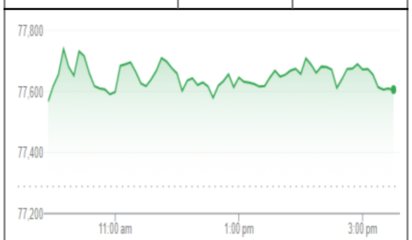
The 1-year and 5-year OIS stood at 6.08% and 5.88% respectively, as of March 20th, 2025.

G-Sec / Bond Yields

Security	Tenure	Yield (SA)
91 DTB	91 Days	6.52%
364 DTB	364 Days	6.47%
GOI 2034	10 Yr	6.60%
GOI 2039	15 Yr	6.70%
SDL	10 Yr	7.02% - 7.05% (Annualized)
AAA PSU	10 Yr	7.21% - 7.25% (Annualized)
AAA Pvt.	10 Yr	7.62% - 7.65% (Annualized)

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

Index	Sensex	Nifty
Close	77,606.43	23,591.95
1 day change	0.41%	0.45%
	317.93	105.10
1 month change	4.01%	4.64%
	2994.00	1046.90



BSE Sensex - 27 March, 2025

Domestic benchmark indices ended the session higher amid mixed domestic cues.

Indices opened the session lower and traded upwards, after The IMF predicts that India's economy is on track to surpass Japan by Q3 FY25 and could be just behind the US and China by 2027. Furthermore, India's GDP has doubled over the last ten years, rising from USD 2.1 trillion in 2015 to USD 4.3 trillion in 2025, reflecting a growth of 105%. Thereafter, indices traded in a rangebound manner as according to the Finance Ministry's report, India's economic growth faces risks from geopolitical tensions, trade uncertainties, and financial market volatility, but strong private investment is expected to drive expansion. However, this was counteracted after a media report stated that the RBI is expected to cut the repo rate by 25 bps in the April 2025 MPC meeting, followed by another cut in August 2025, with total easing of 75 bps likely in FY26, the February 2025 MPC minutes suggest that the RBI is cognizant of slowing growth momentum. Hence, growth support through monetary policy may become an increasing focus area

Among individual stocks, Siemens Ltd rose 0.73% after the copany revised the spending to build a chemical plant in Dahej (Gujarat) through one of its subsidiaries from INR 2,560 Cr to INR 3,250 Cr. Shares of Wipro rose 1.72% after the company after the company secured a 10-year strategic deal with UK-based insurance firm Phoenix Group.

Out of the twenty-one sectoral indices compiled by the BSE, nineteen sectors ended the day in green led by Utilities as it rose by 2.09%. Auto fell by 0.99%.

Global Markets

Markets	Price	Change
Dow Jones	42,299.70	-0.37%
S&P 500	5,693.31	-0.33%
FTSE 100	8,666.12	-0.27%
Shanghai	3,373.75	0.15%
USD / INR	85.80	0.07%
Brent Oil	73.34	0.38%
Gold	88,445	0.89%
Silver	1,01,399	1.94%

Spread Analysis

The spread of AAA PSU bonds over the 10-year benchmark security was around 50 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 74,655 Cr and accepted an amount of INR 72,255.11 Cr on Tuesday.

The RBI conducted an auction of T-Bills for a notified amount of INR 33,000 Cr and accepted an amount of INR 33,000 Cr on Wednesday.

The RBI conducted an auction of G-sec for a notified amount of INR 32,000 Cr and accepted an amount of INR 32,000 Cr on February 28.

The Net Liquidity including today's operations was at INR -1.79 Lakh Cr and were parked under SDF at 6.00%. The Wt. Avg.Call Money rate was 6.16%.

Previous Auctions

Security	Amount (In Crs)	Yield Range
T-Bill (26 March)	33,000.00	6.47% - 6.52%
SDL (25 March)	72,255.11	6.78% - 7.10%
G-Sec (28 February)	32,000.00	6.74% - 7.14%

News Update

According to the Finance Ministry's report, India's economic growth faces risks from geopolitical tensions, trade uncertainties, and financial market volatility, but strong private investment is expected to drive expansion. Moreover, with the economy projected to grow at 6.5% in FY25, supported by improved consumption from personal income tax relief and policy rate cuts, the government anticipates that resilient private sector investment will help mitigate these risks. Additionally, strong Q4 indicators, including rising exports, increased government capital expenditure, and robust services sector activity, reinforce confidence in sustained growth momentum.

According to a media report, the RBI is expected to cut the repo rate by 25 bps in the Apr'25 MPC meeting, followed by another cut in Aug'25, bringing the total easing to 75 bps and marking the shortest rate-cut cycle on record. Moreover, with inflation easing and GDP growth slowing to 6.5%, along with the central bank's USD 64 Bn liquidity infusion, conditions appear favorable for monetary easing, although transmission may take time.

US GDP fell to 2.4% in Q4 CY24 from 3.1% in Q3 CY24, primarily due to a sharper decline in imports, which boosted the contribution from net trade. Moreover, government spending increased more than initially anticipated, and fixed investment contracted at a slower pace, driven by improvements in equipment investment. In addition, while remaining the main growth driver, personal consumption was slightly lower than earlier estimates, and private inventories subtracted more from growth than previously expected, signaling some underlying headwinds.

Economic Indicators

Indicator	Feb'25	Jan'25
WPI	2.38%	2.31%
CPI	3.61%	4.26%
Food Inflation	3.75%	5.97%
IIP	5.0% (Jan'25)	3.2% (Dec'24)