WEEKLY MARKET WRAP

Aug 01, 2025

ICRA ANALYTICS
A Group ICRA Company

Yield Tracker (Yield in %)

Corporate Bonds/G-Sec	01-Aug-25	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	6.34	6.33	6.41	7.61
3 Year AAA Corporate Bond	6.56	6.54	6.57	7.63
5 Year AAA Corporate Bond	6.76	6.75	6.79	7.52
10 Year AAA Corporate Bond	7.00	7.00	7.00	7.46
1 Year AA Corporate Bond	6.99	6.98	7.00	8.08
3 Year AA Corporate Bond	7.33	7.31	7.38	8.30
1 Year G-Sec	5.64	5.66	5.65	6.93
3 Year G-Sec	5.96	5.94	5.94	6.94
5 Year G-Sec	6.23	6.19	6.19	6.94
10 Year G-Sec	6.47	6.45	6.40	7.04

Source: ICRA Analytics Research, G-Sec Yields are annualised

Spread Monitor (in bps)

Corporate Bonds/G-Sec	01-Aug-25	Week Ago	Month Ago	Year Ago
1 Y-AAA & G-Sec	70	67	76	68
3 Y-AAA & G-Sec	60	60	63	69
5 Y-AAA & G-Sec	53	56	60	58
10 Y-AAA & G-Sec	53	55	60	42
1 Y-AA & G-Sec	135	132	135	115
3 Y-AA & G-Sec	137	137	144	136

Source: ICRA Analytics Research, G-Sec Yields are annualised

- Bond yields rose as market participants moderated expectations of a near-term rate cut, following hawkish remarks from the RBI Governor, who stated in an interview that monetary policy will place greater emphasis on forward-looking assessments of growth and inflation rather than their current levels.
- Data on sectoral deployment of bank credit for Jun 2025 showed, non-food bank credit grew 9.3% YoY in Jun 2025 as compared with 17.3% a year ago. Credit to agriculture and allied activities rose by 6.8% as compared with 17.4%. Credit to industry rose 5.5%.
- Reserve Bank of India conducted the auction of two government securities namely 6.68% GS 2040 and 6.90% GS 2065 for a notified amount of Rs. 32,000 crore, for which full amount was accepted. The cut-off price/implicit yield at cut-off for 6.68% GS 2040 and 6.90% GS 2065 stood at Rs. 99.82/6.6985% and Rs. 97.58/7.0818%, respectively.