

Benchmark at Rs.97.40, yielding 6.21%, against Rs.97.58 and 6.18% yield at previous close.

New Delhi is raising Rs 240 billion via sale of bonds today that includes Rs.110 billion of 6.22% 2035 paper. As there is no appetite, today's auction is likely to see devolvement again. (Three of the four auctions this month have been devolved on primary dealers).

Global bond sell off coupled with the continuing oil rally and the overhead supplies makes it tough for anyone to stay positive on Bonds at this juncture. Closer to 6.50%, some semblance of stability can surface

Globally, gradual erosion of Central bank credibility is the emerging key issue (With

Powell having talked as dovish as he could just only two days back the bond markets continue to sell off ferociously). Markets shiver at their perceived inability to hold the aces in the Bond market. In case the markets decisively lose confidence, then the global financial markets would be plunged into an era of despair .

GDP data for October-December today. Consensus pegs growth at 0.5% after economy contracted 23.9% and 7.5% in the first two quarters. Lagging indicator and might have limited relevance for now .

