

The benchmark 5.85% bond maturing in 2030 is at 99.11 rupees, yielding 5.97%, against 99.02 rupees and 5.99% Friday.

Spread between five-year and benchmark 10-year bond yields at two-month low of 40 bp as RBI curbs benchmark yield through various measures.

The growth slow down appears to be more severe as of now and the implications of such a long period of low growth are prevailing over the deluge of issuances in the face of revenue slow down and more importantly commodity inflation.

Nomura India Business Resumption Index fell to 61.9 in week ending May 16, the lowest since June 2020, and against 66.1 in the previous week. The index had risen to 98.1 in February. India's electricity use fell 6.2% during the first half of May

compared with the second half of April.

Central bank reiterated its intention to keep the benchmark yield close to 6% after it did not accept any bids of this note at Friday's debt sale. Going ahead, how the debt purchase pans out would be the crucial trigger.

On Friday, New Delhi sold Rs. 122 billion of bonds against a target of Rs. 260 billion , and did not sell any 10-year notes, which led to fall in yields.