



**ASSET
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BUILT ON RULES

Debt Market & Macro Economic Update

March 2026



TOPIC

DEBT MARKET UPDATE

India Government Bond Market Overview

Global Government Bond Yield Trends

MACRO ECONOMIC UPDATE

Currency, Energy, and Commodity Analysis

Inflation Trends: CPI and WPI

Economic Growth and Industrial Production

Fiscal Dynamics and Balance of Payments



Bond Yields



Global Markets



Commodities



Inflation Rate



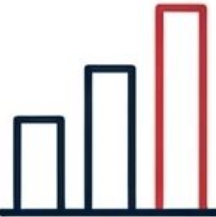
Industrial Growth



Fiscal Balance



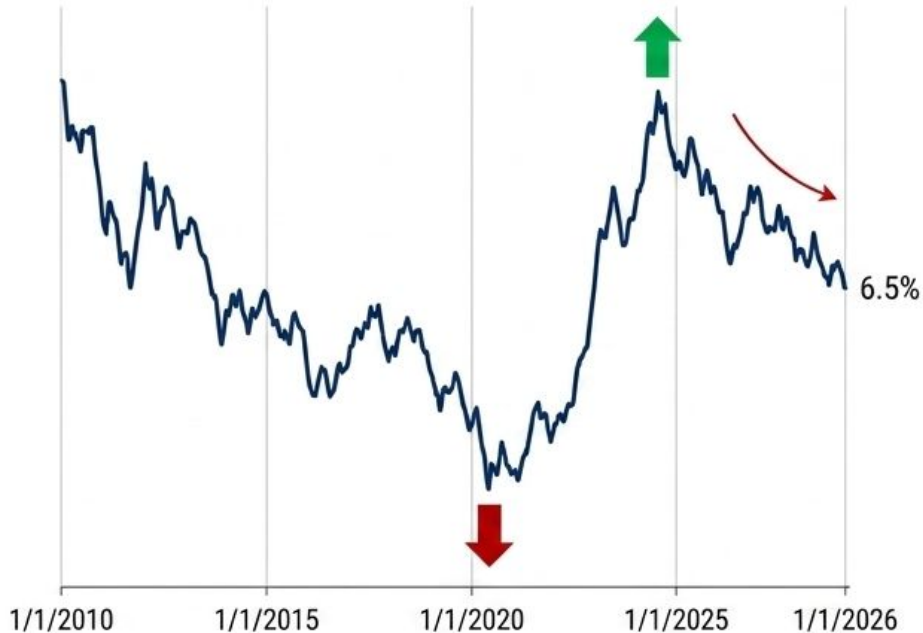
Currency Trends



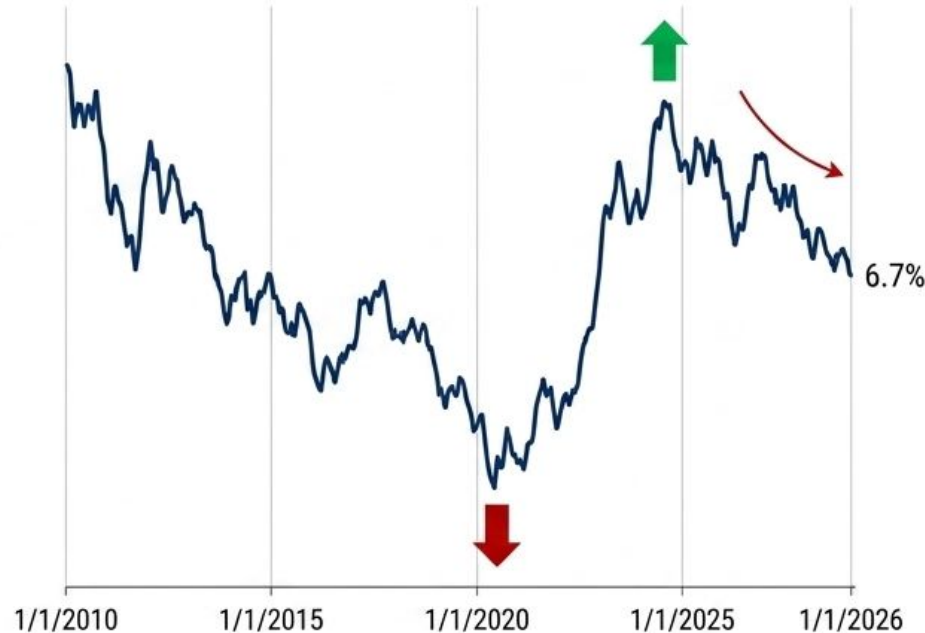
Economic Health

DEBT MARKET UPDATE

India 3-Year Government Bond Yield (%)



India 5-Year Government Bond Yield (%)

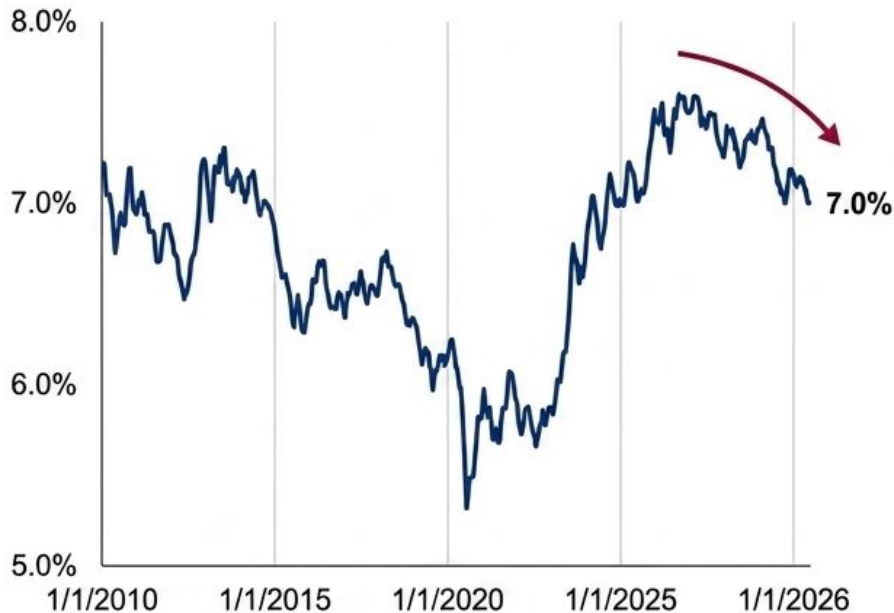


Key Highlights

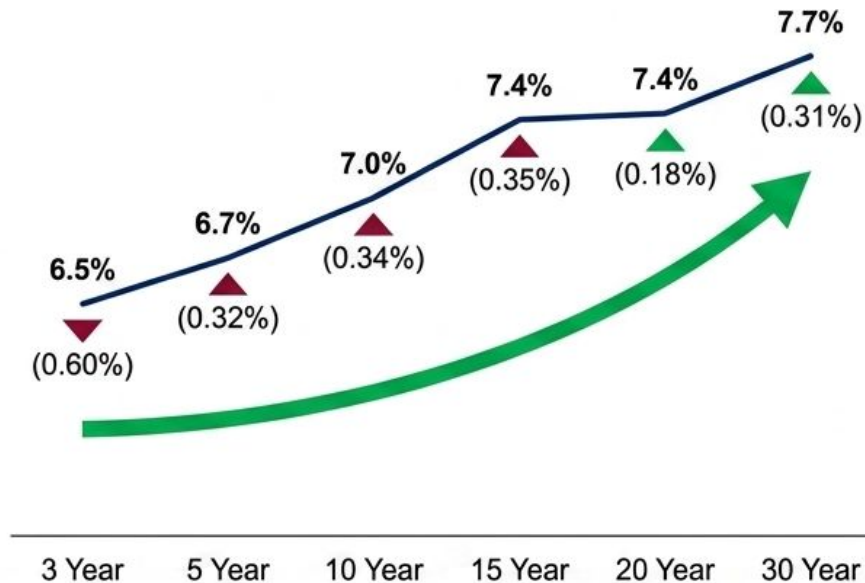
- Both the 3-Year (6.5%) and 5-Year (6.7%) yields demonstrate significant macro compression from historical peaks (↓).
- Both trajectories display synchronized macro cycles and identical recent downward momentum.

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

India 10-Year Government Bond Yield (%)



India Government Bond Yield vs Maturity



Key Highlights

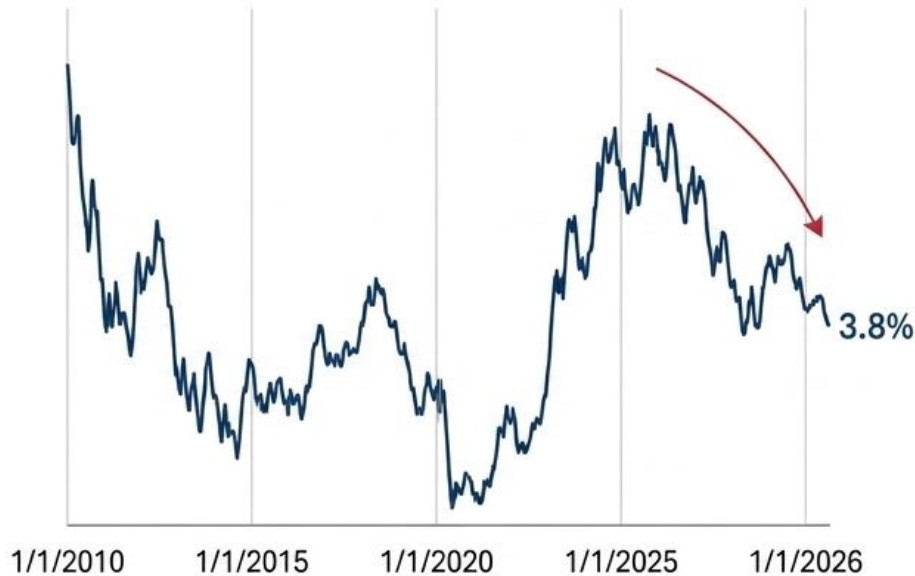
- The benchmark 10-Year Government Bond yield ended the period at 7.0%, reflecting continued contraction (↓).
- The Yield vs Maturity curve displays a normalized upward slope (↑), expanding structurally from 6.5% (3-Year) to a peak of 7.7% (30-Year).

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

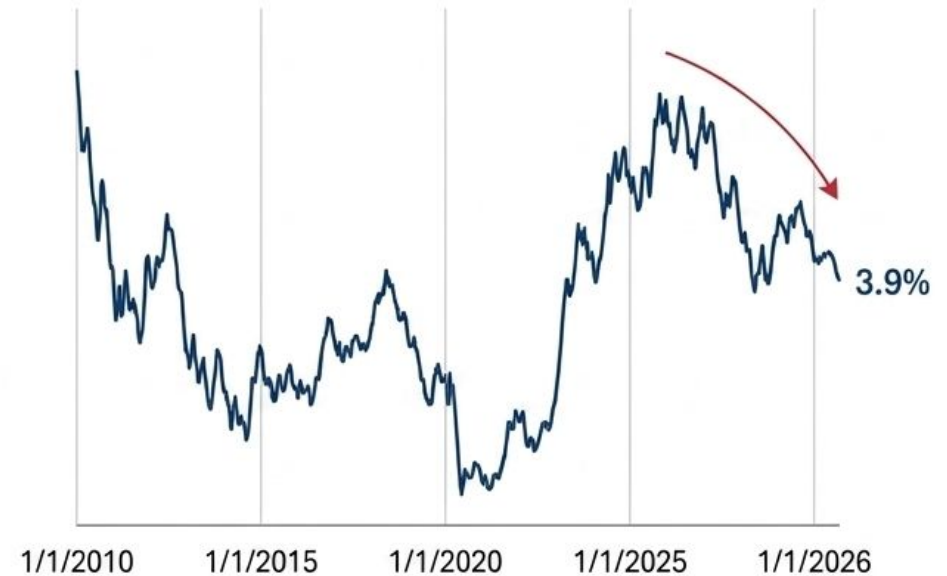
Source: Bloomberg. Yield is as of 31st March 2026. Change in Yield (%) is calculated as the difference in the yields as on 28th February 2026 and 31st March 2026.

Historical Movement in US 3-Year and 5-Year Treasury Yields

US 3-Year Government Bond Yield (%)



US 5-Year Government Bond Yield (%)



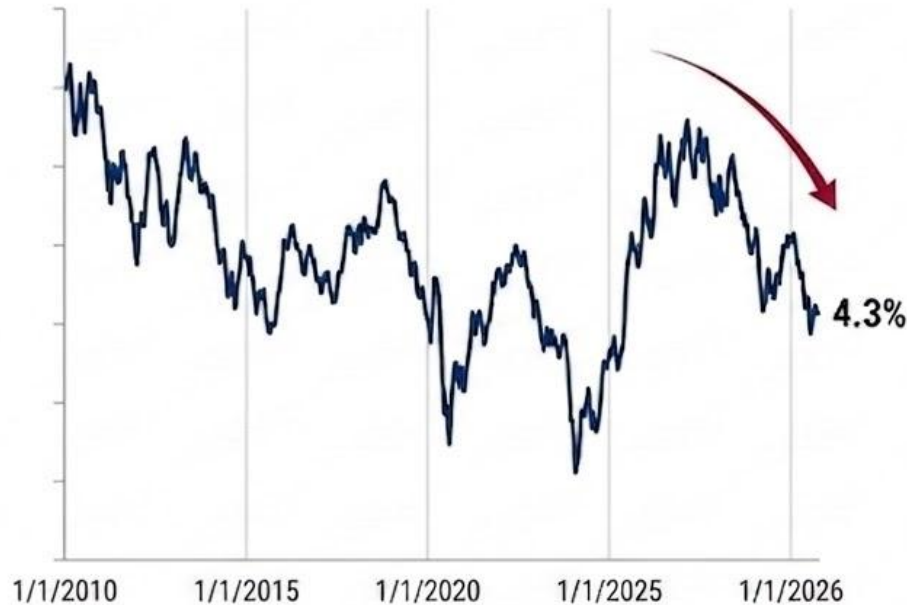
Key Highlights

- US 3-Year and 5-Year yields indicate recent macro compression (↓), settling at 3.8% and 3.9% respectively.
- Both segments mirror synchronized short-term downward trajectories from recent historical peaks.

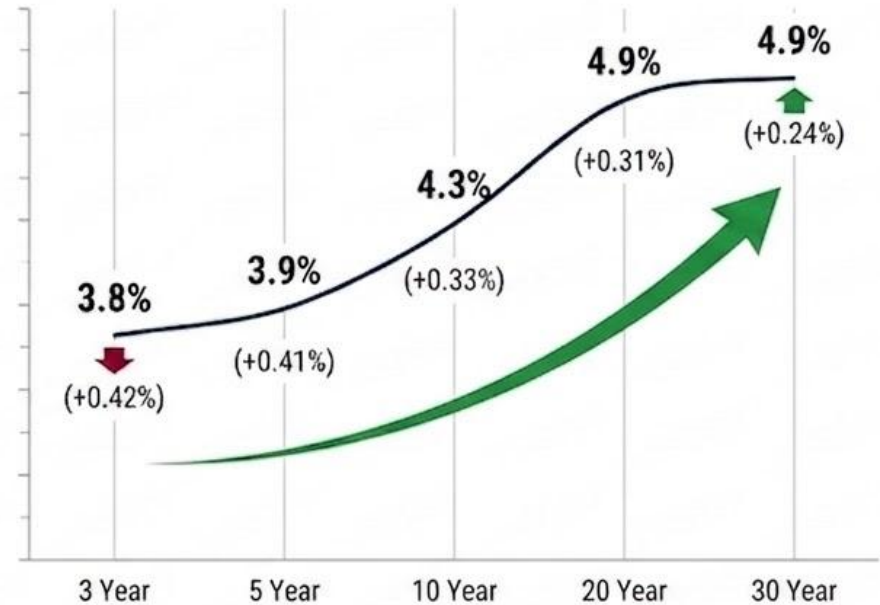
Source: Bloomberg | Between 31st March 2006 - 31st March 2026

US Treasury Yields – 10-Year Trend and Maturity Profile

US 10-Year Government Bond Yield (%)



US Government Bond Yield vs Maturity



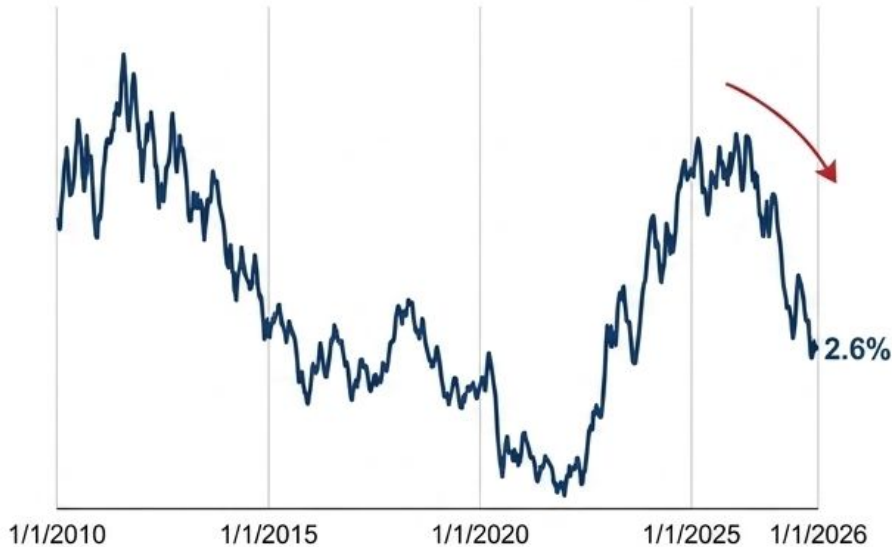
Key Highlights

- The benchmark 10-Year yield ended the period at 4.3%, continuing its downward momentum (↓).
- The Yield vs Maturity curve displays an upward slope (↑), expanding structurally from 3.8% (3-Year) to a peak of 4.9% (20-Year and 30-Year).

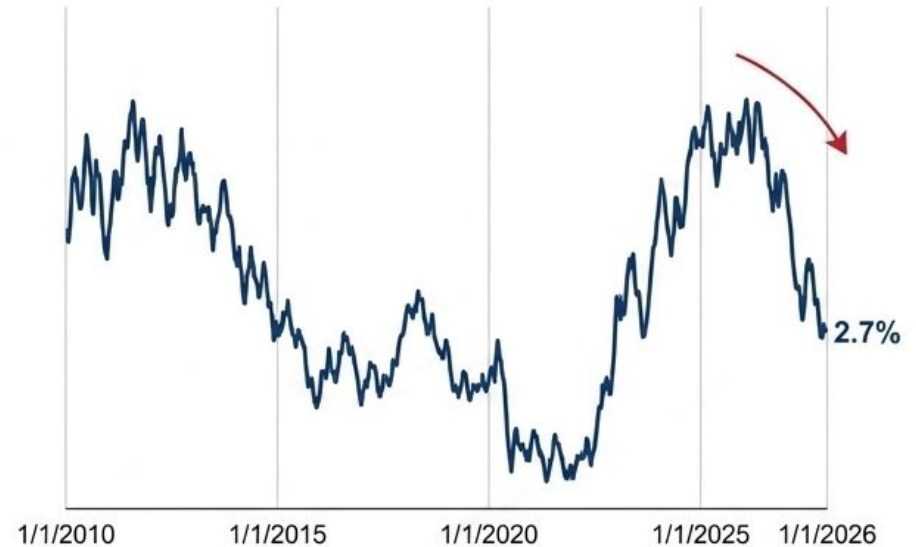
Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Source: Bloomberg. Yield is as of 31st March 2026. Change in Yield (%) is calculated as the difference in the yields as on 28th February 2026 and 31st March 2026.

Euro 3-Year Generic Government Bond Yield (%)



Euro 5-Year Generic Government Bond Yield (%)

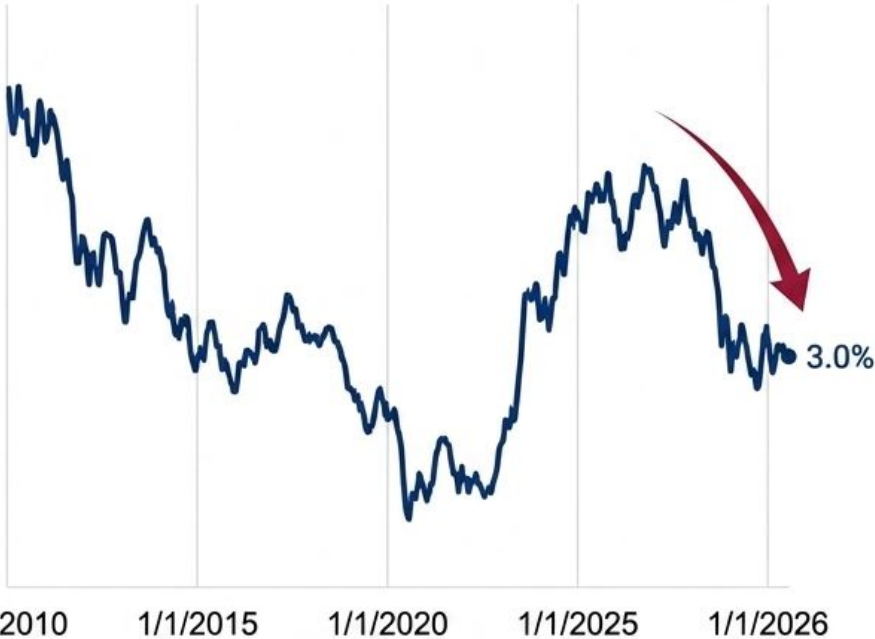


Key Highlights

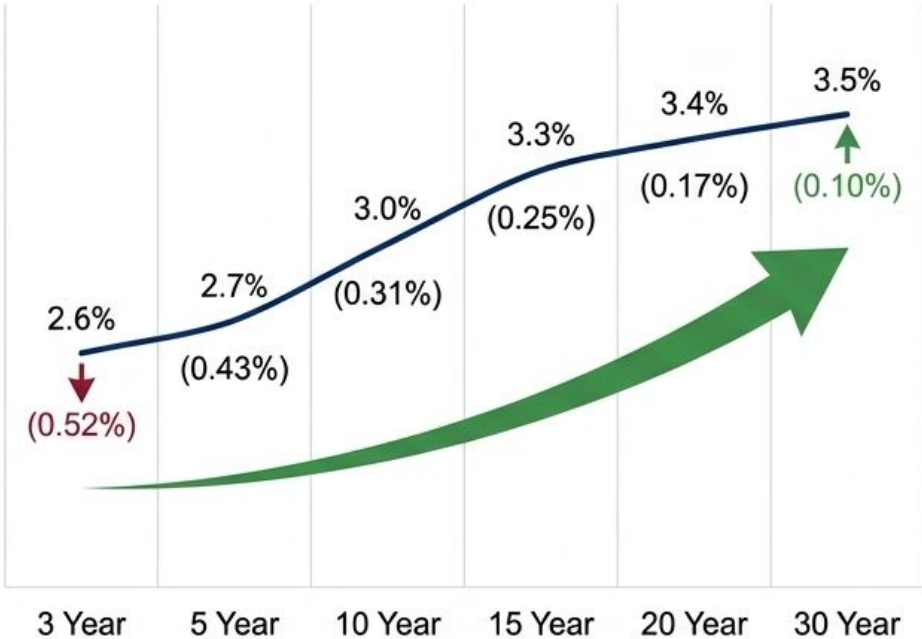
- European 3-Year and 5-Year generic yields track closely at 2.6% and 2.7%.
- Both data sets reflect a pronounced downward trend (↓) aligning with broader Western monetary easing.

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Euro 10-Year Generic Government Bond Yield (%)



Europe Government Bond Yield vs Maturity



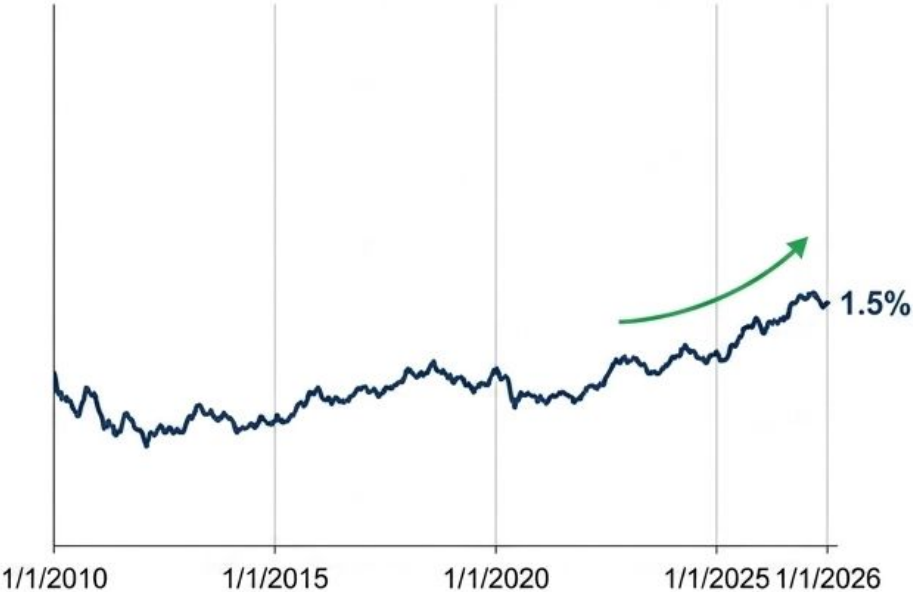
Key Highlights

- The Euro 10-Year generic yield stabilizes at a 3.0% threshold (↓).
- The maturity curve exhibits a normalized, steady upward slope (↑), peaking at 3.5% on the 30-Year long end, with highest positive change yields concentrated in the 3-Year term.

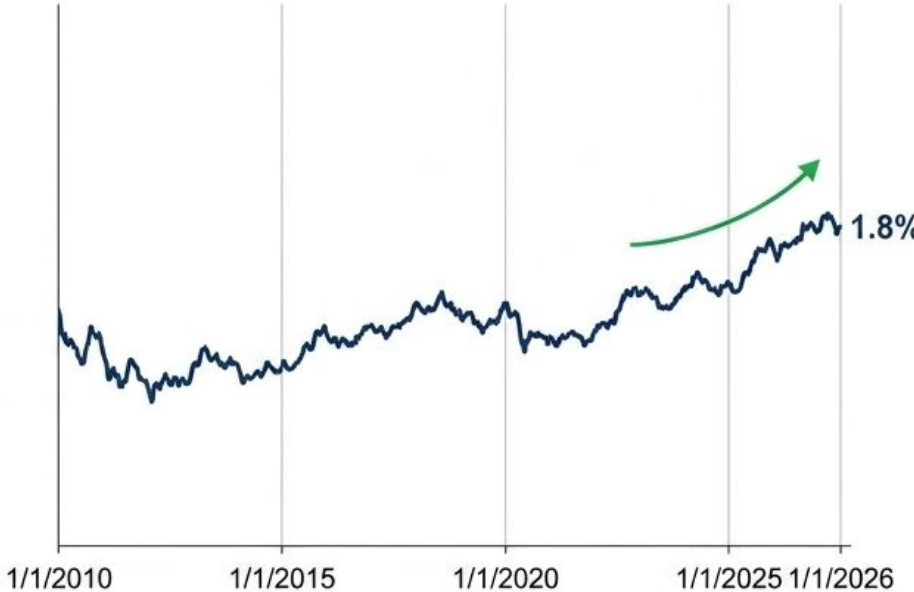
Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Source: Bloomberg. Yield is as of 31st March 2026. Change in Yield (%) is calculated as the difference in the yields as on 28th February 2026 and 31st March 2026.

Japan 3-Year Government Bond Yield (%)



Japan 5-Year Government Bond Yield (%)

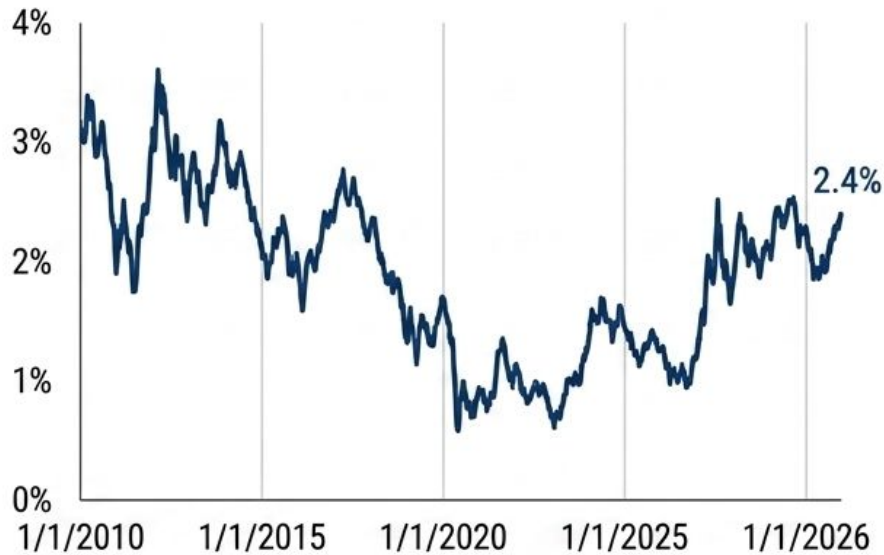


Key Highlights

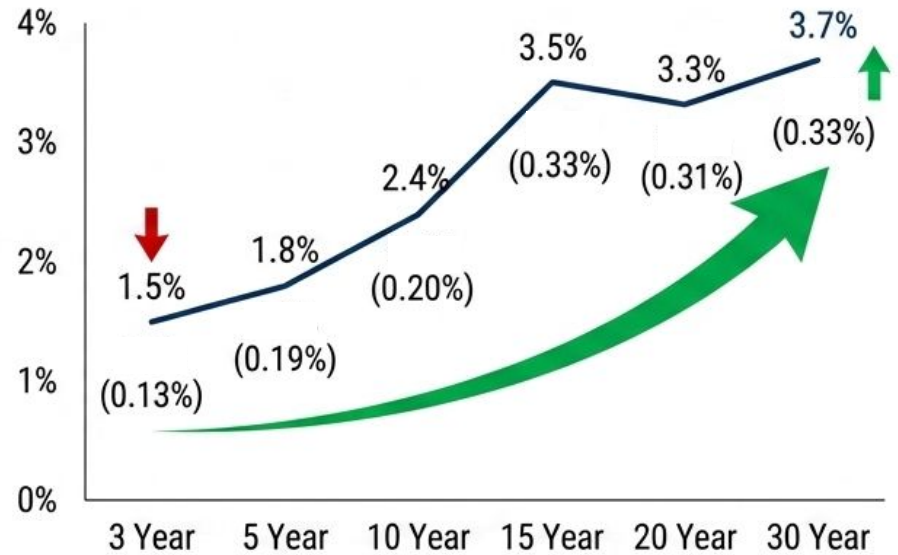
- Japan maintains comparatively low global yields, with the 3-Year at 1.5% and the 5-Year at 1.8%.
- Recent movements reflect localized monetary adjustments distinct from Western compression cycles.

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Japan 10-Year Government Bond Yield (%)



Japan Government Bond Yield vs Maturity



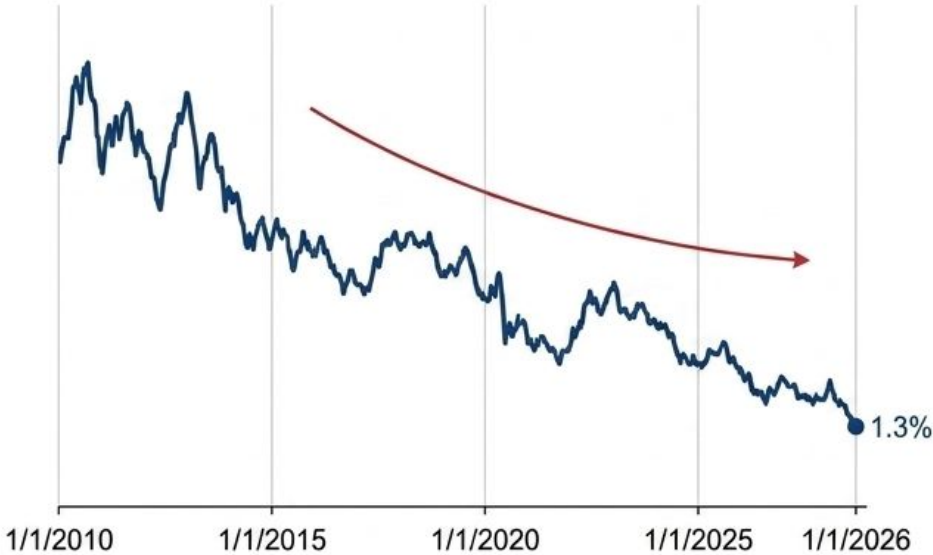
Key Highlights

- The 10-Year benchmark sits at 2.4%, marking localized normalization.
- The maturity curve steepens aggressively (↑) post-10-Year, peaking at 3.7% on the 30-Year end.

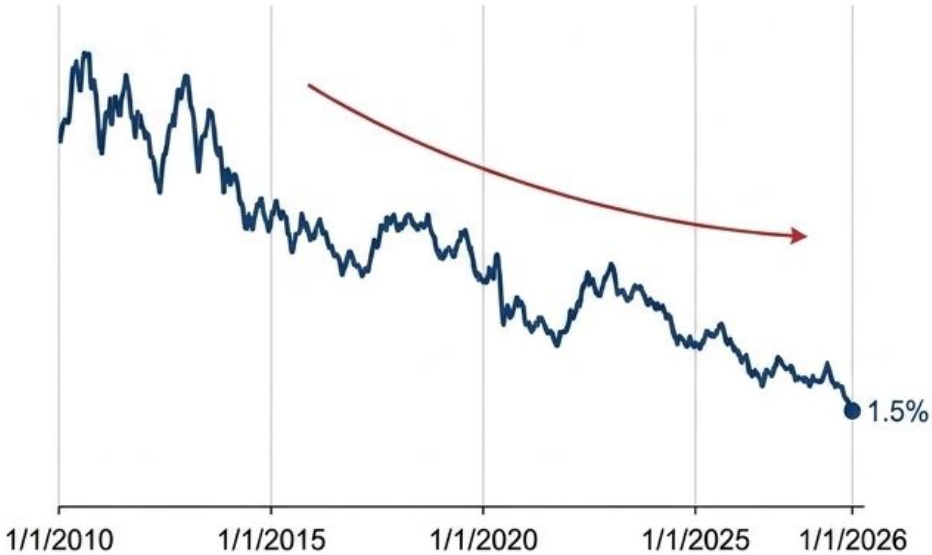
Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Source: Bloomberg. Yield is as of 31st March 2026. Change in Yield (%) is calculated as the difference in the yields as on 28th February 2026 and 31st March 2026.

China 3-Year Government Bond Yield (%)



China 5-Year Government Bond Yield (%)

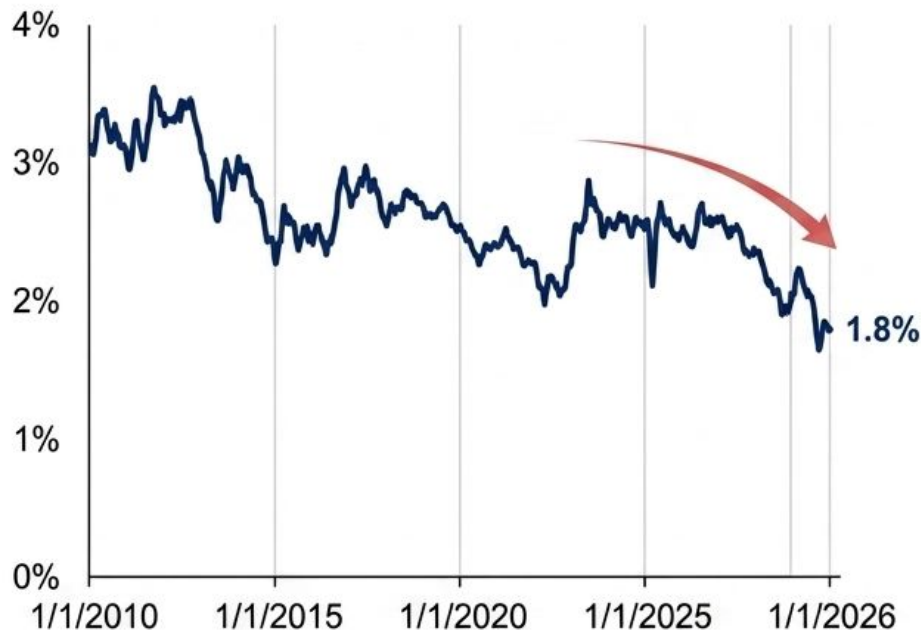


Key Highlights

- China's 3-Year (1.3%) and 5-Year (1.5%) yields trace the lowest absolute values in this comparative set.
- The trajectory indicates sustained easing and structural downward momentum (↓).

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

China 10-Year Government Bond Yield (%)



China Government Bond Yield vs Maturity



Key Highlights

- The 10-Year benchmark yields just 1.8% (↓), underscoring China's distinct deflationary macro pressures.
- The curve maintains a positive but shallow slope (↑) up to 2.4% (30-Year), with negative or flat yield changes dominating the shorter end.

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Source: Bloomberg. Yield is as of 31st March 2026. Change in Yield (%) is calculated as the difference in the yields as on 28th February 2026 and 31st March 2026.

MACRO ECONOMIC UPDATE



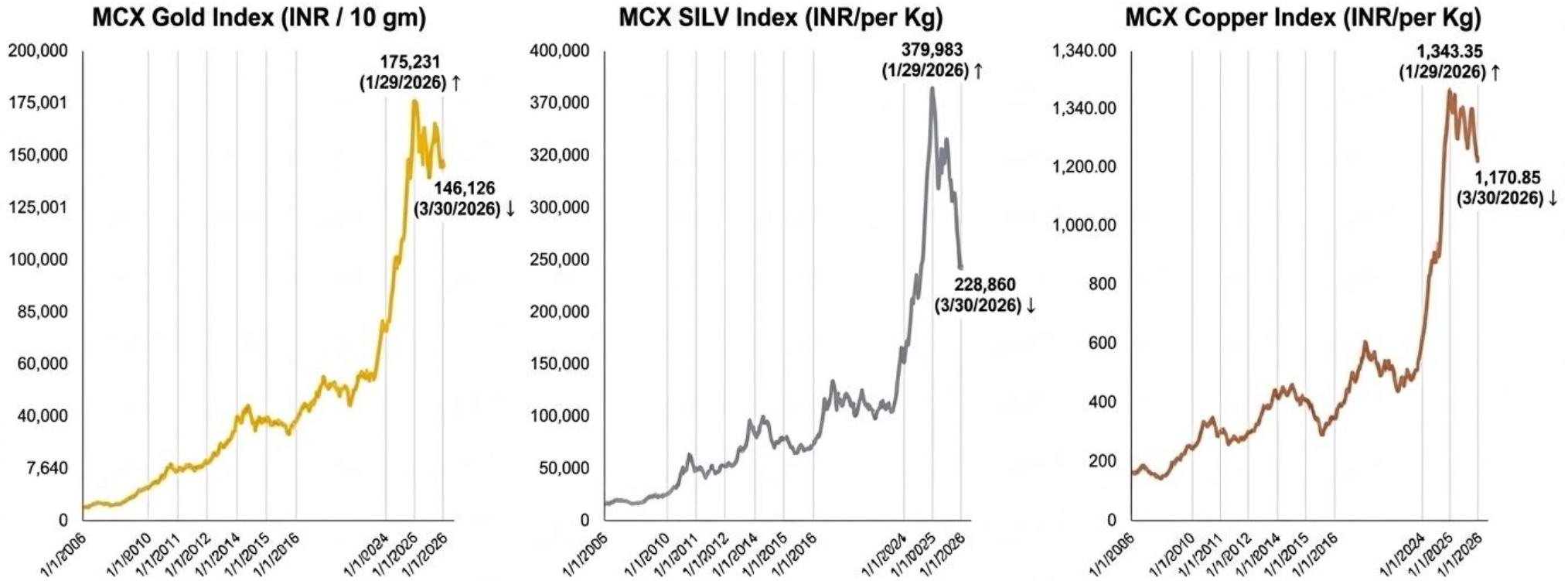
Key Highlights

Inverse currency depreciation (↑) alongside parallel crude price shocks (↓) dictate the primary external pressures extending into Q1 2026.

Source: Bloomberg | Between 30th June 2020 - 31st March 2026

Source: Bloomberg | Between 1st January 2008 - 31st March 2026

MCX Commodity Indices: Gold, Silver & Copper

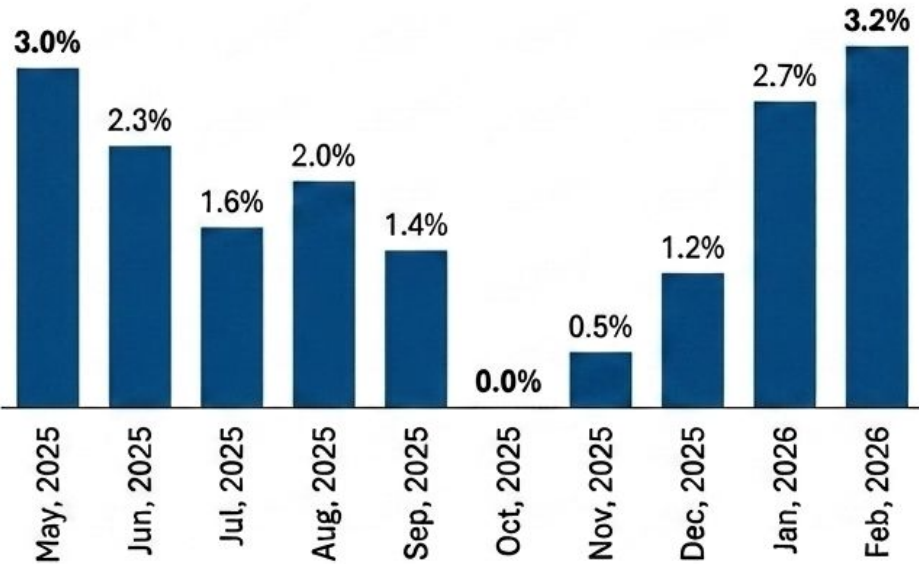


Key Highlights

- **Synchronized Multi-Decade Surge (↑):** All three commodities experienced aggressive long-term growth from 2006, culminating in a simultaneous extreme price spike peaking exactly on January 29, 2026.
- **Historic Peak Values:** On 1/29/2026, Gold reached an unparalleled 175,231, Silver hit 379,983, and Copper touched 1,343.35.
- **Sharp Q1 2026 Correction (↓):** Following the January 2026 peak, all three indices recorded sharp downward movements by March 30, 2026, with Silver demonstrating the steepest nominal decline, dropping to 228,860.

Source: Bloomberg | Between 31st March 2006 - 31st March 2026

Combined CPI (YOY)



Food CPI (YOY)



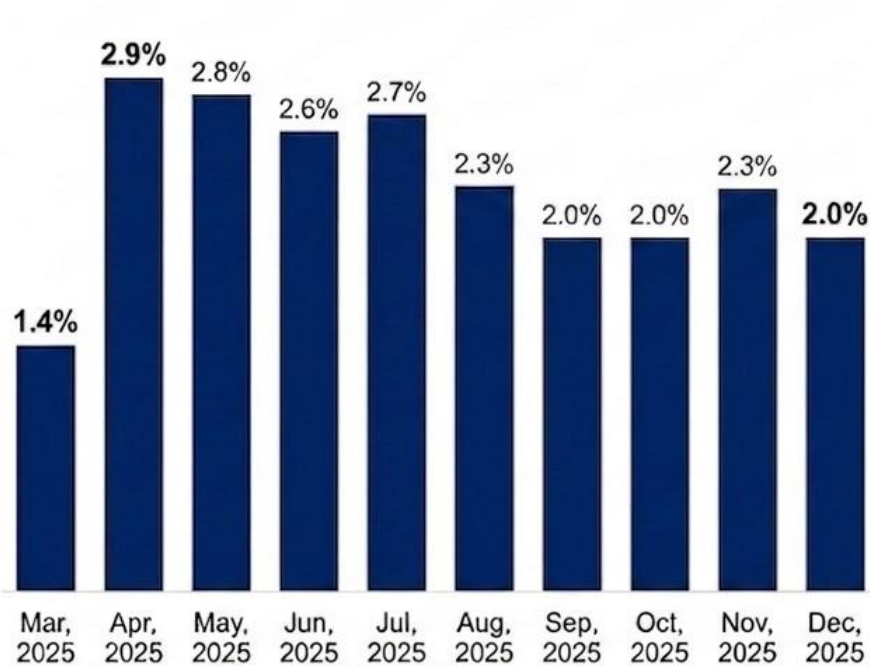
Key Highlights

- Combined CPI exhibits a sharp V-shaped recovery, bottoming at 0.0% in Oct 2025 (↓) before rebounding aggressively to 3.2% by Feb 2026 (↑).
- Food CPI drives the broader volatility, experiencing severe deflation peaking at -5.0% in Oct 2025 (↓) followed by a rapid 850 bps reversal to +3.5% by Feb 2026 (↑).

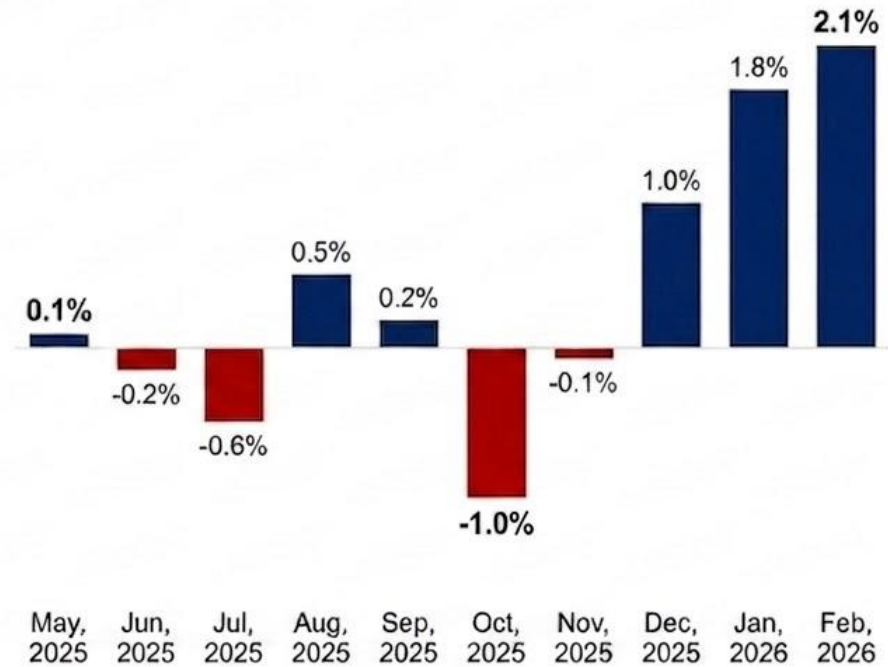
Source: Bloomberg, Central Statistical office of India | March 2025 - February 2026

Source: Bloomberg, Central Statistical office of India | March 2025 - February 2026

Energy CPI (YOY)



WPI All Commodities (YoY)



Key Highlights

- Energy CPI shows relative resilience, peaking early at 2.9% in Apr 2025 (↑) and moderating steadily toward a stable 2.0% baseline by year-end (↓).
- WPI All Commodities mirrors consumer trends, slipping into contraction (-1.0% in Oct 2025) (↓) before demonstrating a sustained wholesale price recovery to 2.1% by Feb 2026 (↑).

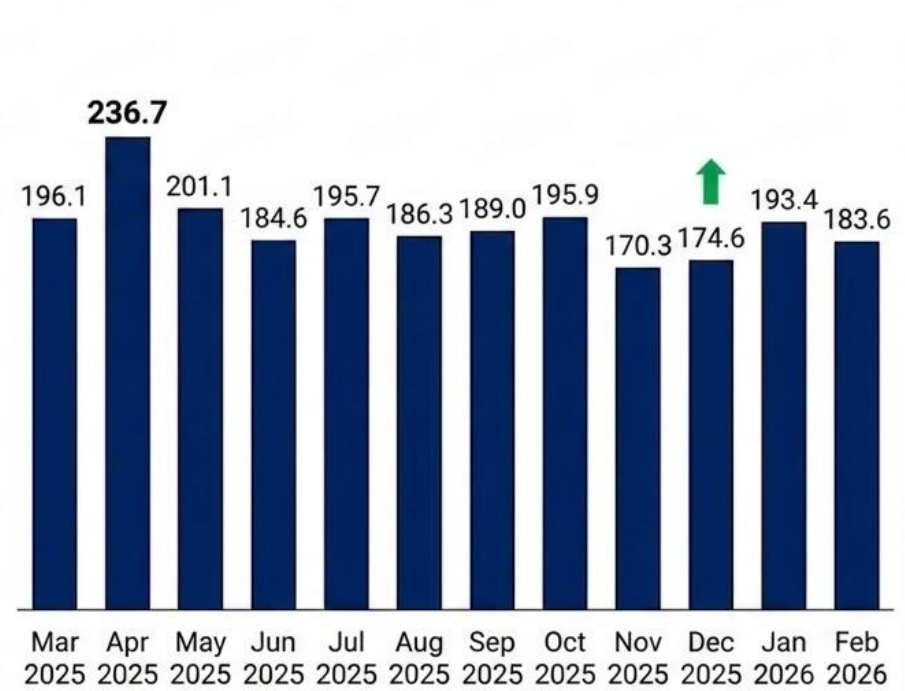
Source: Bloomberg, Central Statistical office of India | March 2025 - December 2025

Source: Bloomberg, Ministry of Statistics and Programme Implementation (MOSPI) | May 2025 - February 2026

Annual GDP Growth (Constant 2011-12 Prices)



Monthly GST Collection (INR Thousand Crore)



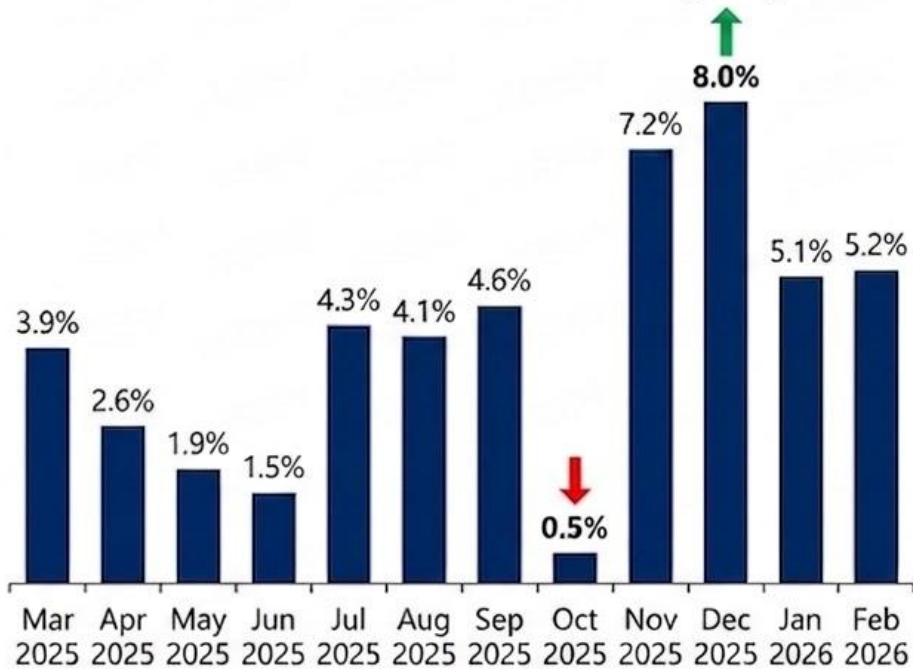
Key Highlights

Annual GDP Growth contracted to -5.8% in Dec 2021 (↓) before posting a rapid recovery to peak at 9.7% in Dec 2022 (↑). In parallel, Monthly GST Collections reached an absolute peak of 236.7 INR Thousand Crore in Apr 2025 (↑), with a notable sequential rebound to 193.4 observed in Jan 2026.

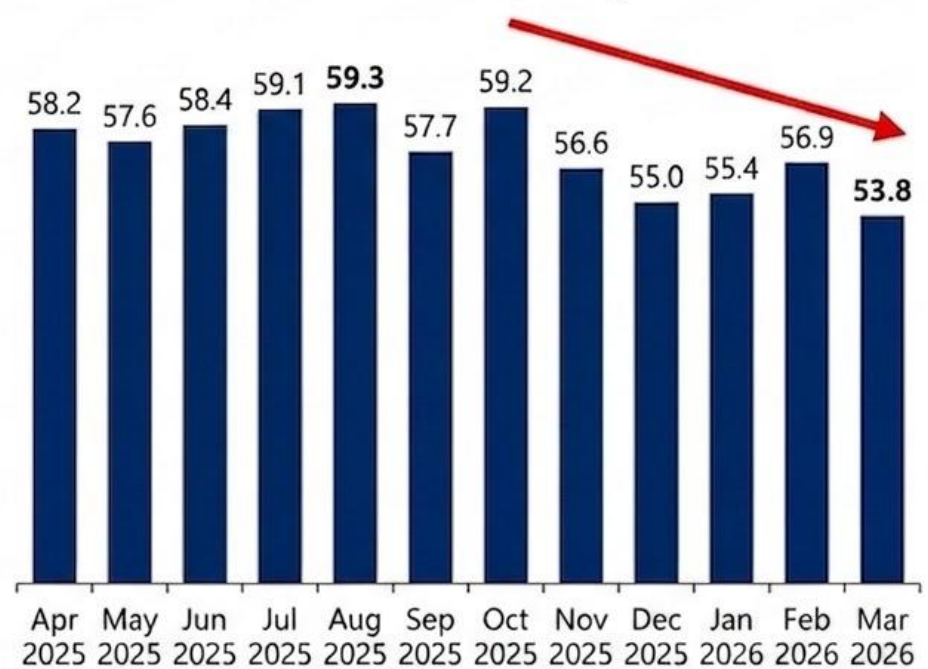
Source: Bloomberg, Central Statistical office of India, CMIE | Dec 2016 - Dec 2025

Source: Bloomberg, Press Information Bureau of India, Official website of GST | March 2025 - February 2026

India Industrial Production (YoY)



India Manufacturing PMI



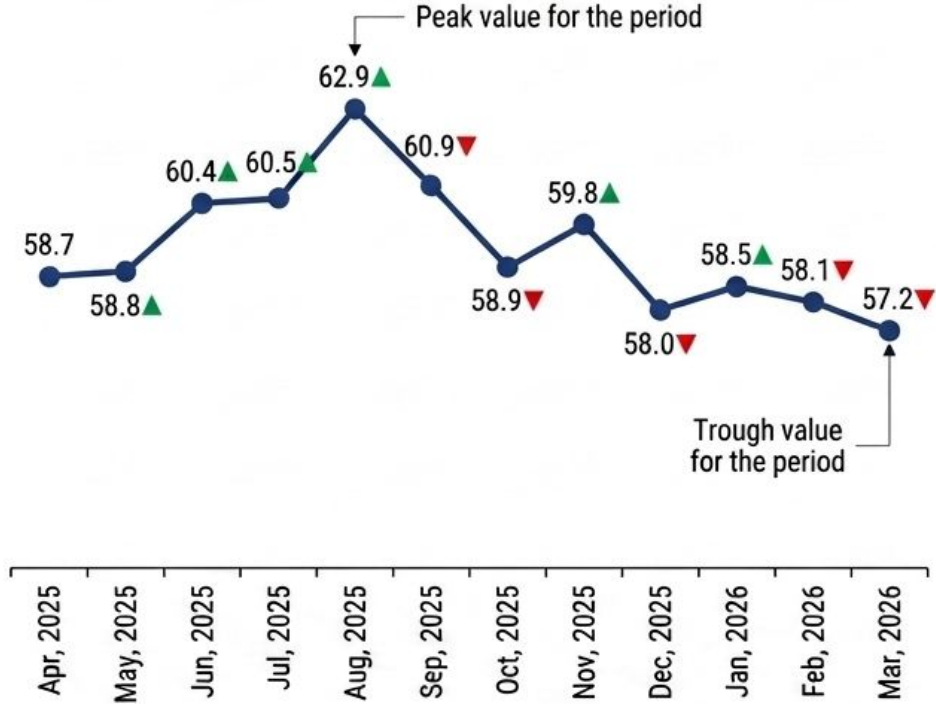
Key Highlights

India Industrial Production (YoY) exhibited high volatility in late 2025, dropping to 0.5% in Oct 2025 (↓) before surging to 8.0% by Dec 2025 (↑). Conversely, India Manufacturing PMI showed cooling momentum after peaking at 59.3 in Aug 2025, culminating in a sequential decline to a low of 53.8 by Mar 2026 (↓).

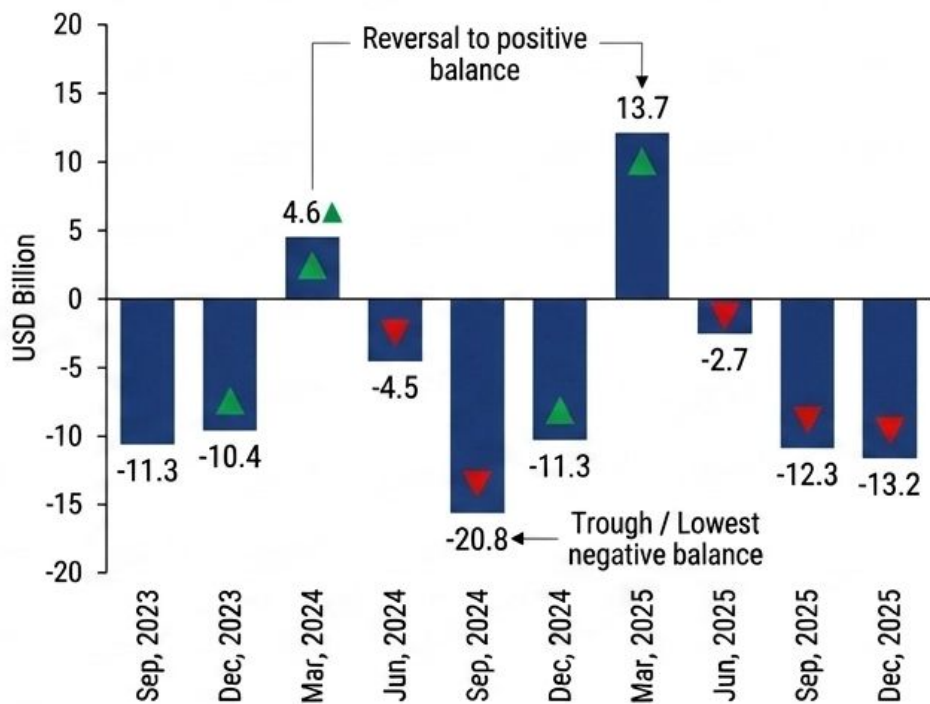
Source: Bloomberg, Central Statistical office of India | March 2025 - February 2026

Source: Bloomberg, S&P Global | April 2025 - March 2026

India Services PMI



India Balance of Payments



Key Highlights

- India Services PMI reached a high of 62.9 in August 2025 before settling at a period low of 57.2 by March 2026.
- India Balance of Payments posted its largest negative figure in September 2024 (-20.8 USD Billion).
- Balance of Payments achieved two positive reversals during the timeline, posting 4.6 USD Billion in March 2024 and 13.7 USD Billion in March 2025.

Source: Bloomberg, S&P Global | April 2025 - March 2026

Source: Bloomberg, Reserve Bank of India | Sep 2023 - Dec 2025

India Govt Finances Fiscal Deficit



Key Highlights

- Fiscal deficit reached its highest value of the period in February 2026 at 271,242 INR Crores.
- The data crossed into negative values during three specific months: May 2025 (-173,169 INR Crores), September 2025 (-25,030 INR Crores), and December 2025 (-120,829 INR Crores).
- The lowest recorded value across the timeline occurred during the first negative reversal in May 2025.

Source: Bloomberg, Controller General of Accounts | March 2025 - February 2026



Yields Stabilize



Global Divergence



Inflation Cools



Steady Recovery



Record Gold



Fiscal Volatility



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