

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.57	0
US 2Y*	4.24	0
Germany 10Y	2.36	0
UK 10Y	4.56	0
Japan 10Y	1.07	0

Source: Bloomberg, *semi-annual

G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.73	0
6.79% GS 2034* (10Y)	6.78	2
7.23% GS 2039*	6.89	2
1-Month T-bill	6.45	5
3-Month T-bill	6.55	1
6-Month T-bill	6.71	3
12-Month T-bill	6.69	1

Source: CCIL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	66	53	38	32
AA	142	141	125	117
A	332	330	320	320

Source: FIMMDA, as on 31 Dec, 2024

Key rates:

Policy	Rate (in %)
Repo rate	6.50
Standing Deposit Facility Rate	6.25
Bank rate	6.75
1-year median MCLR of SCBs	9.00
SOFR	4.37

Source: RBI, Federal Reserve Bank of New York

Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	94.8	6.52
Triparty Repo	3,799.3	6.31
Market Repo	1,645.5	6.47
Repo in corporate bond	18.4	6.68

Source: RBI, as of 01 Jan, 2024

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	78,507	0.5
NIFTY	23,743	0.4
NASDAQ	19,311	0.0
S&P 500	5,882	0.0
Nikkei 225	39,895	0.0
Euro Stoxx 50	4,896	0.0

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	75.0	0.5
Natural gas Nymex (USD/MMBtu)	3.6	-1.1
Gold Comex (USD/t oz.)	2,645.7	0.2
Copper Comex (USD/lb)	405.0	0.6
Wheat cbot (USD/bu.)	551.5	0.0

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	85.65	0.0
GBP/ INR	107.38	-0.2
EUR/ INR	88.50	-0.7
EUR/USD	1.04	0.1
DX Index	108.35	-0.1

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

Manufacturing PMI Dec'24: India, US, China, Eurozone; US: Jobless claims

News:

Domestic:

High frequency indicators show decent growth in Dec'24 (Source: ET, RBI, BS):

- Domestic PV wholesales increase by 11% y/y to 320k in Dec'24, driven by demand for SUVs and CNG cars, recovery in urban market and year-end discounts. In CY24, sales stood at 4.3 mn, growing 4.7% y/y
- FastTag collections surged by 13.3% y/y to Rs. 66.4 bn in Dec'24. They totalled almost Rs. 700 bn in CY24, registering growth of 14.6%
- Petrol sales soared 9.8% y/y in Dec'24 to 2.99 mn tonnes as holiday travel boost demand. Diesel demand was up 4.9% to 7.07 mn tonne
- Coal production reached 97.9 mn tonnes in Dec'24 rising by 5.3%. CIL production rose 0.7% y/y to 72.4 mn tonnes in Dec'24
- Power consumption was up 6% y/y to 130 BU in Dec'24. Peak power demand met also rose to 224.2 GW from 213.6 GW
- Clearing price at IEX dropped by 14.4% y/y even as traded volume improved significantly in Dec'24. In CY24, total traded volume was up 12%
- UPI transaction value rose 39% y/y to Rs. 23.3 trn in Dec'24, with highest volume recorded so far. They were 35% up to Rs. 247 trn on the year

GST collections remain buoyant in Dec'24 (Source: CNBC): Gross GST collections grew 7.3% y/y in Dec'24 to Rs. 1.73 trn, while net GST collections were 3.3% up at Rs. 1.54 trn. CGST clocked Rs. 328 bn, with SGST at Rs. 405 bn, IGST at Rs. 912 bn. Notably, gross GST collections grew by 9.7% y/y to Rs. 21.54 trn in CY24

Union hikes crop insurance scheme allocation (Source: BS): Union Cabinet approved continuation of the crop Fasal Bima Yojana and Restructured Weather Based Crop Insurance Scheme with an overall outlay of Rs 695 bn from FY22-26. A one-time package of Rs 38 bn has also been approved to subsidise DAP fertilisers.

New projects unveiled down in Q3FY25 (Source: FE): As per CMIE, new project starts saw a disappointing 22% y/y fall in Q3FY25, reversing the trend seen in Q2FY25, when they had recorded a smart 43% increase. Total value of new projects announced in Q3FY25 was Rs. 6 trn. Announcements in projects by both the private and government sector saw a decline

T-bill auctions conducted successfully (Source: RBI): 91-day T-bills worth Rs. 120 bn auctioned (notified: Rs. 120 bn) at a cut-off yield of 6.60%. 182-day T-bills worth Rs. 80 bn auctioned (notified: Rs. 80 bn) at a cut-off yield of 6.72%. 364-day T-bills worth Rs. 81.6 bn auctioned (notified: Rs. 80 bn) at a cut-off yield of 6.70%.

International:

China Caixin Manufacturing PMI unexpectedly drops (Source: S&P Global): Manufacturing PMI fell to 50.5 in Dec'24, against forecast of 51.7 and recording 51.5 in Nov'24. The same was led by slower growth in new orders, marginally down employment and decline in selling prices despite rising input prices.

PBoC steps up liquidity injection (Source: Bloomberg): Chinese Central Bank injected CNY 1.7 trn (USD 233 bn) of cash via reverse repos in Dec'24, dialing up support for the economy. The Central Bank also bought (net) CNY 300 bn of bonds.

Singapore's economy continued growth momentum in Q4CY24 (Source: Reuters): Real GDP grew 4.3% y/y in Q4CY24, surpassing forecasts of 3.3%, marking the CY24 growth of 4% against 1.1% in CY23. The same was led by output expansions in manufacturing, and particularly public-sector construction. Sequentially, the GDP grew 0.1% q/q, moderating from previous quarter's revised 3.2% expansion.

ECB hopes to hit inflation target in CY25: Ms. Lagarde (Source: Bloomberg): ECB President said that significant progress was made in CY24 to bring down inflation and hopes that inflation stabilizes sustainably at 2% target in CY25.

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