

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.31	4
US 2Y*	4.02	1
Germany 10Y	2.87	2
UK 10Y	4.67	-1
Japan 10Y	1.50	-2

Source: Bloomberg, *semi-annual

G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
6.75% GS 2029*	6.60	0
6.79% GS 2034* (10Y)	6.70	1
6.92% GS 2039*	6.84	0
1-Month T-bill	6.47	-2
3-Month T-bill	6.46	-2
6-Month T-bill	6.56	-3
12-Month T-bill	6.52	-4

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	102	96	45	48
AA	181	183	130	130
A	371	373	323	328

Source: FIMMDA, as on 12 Mar, 2025

Key rates:

Policy	Rate (in %)
Repo rate	6.25
Standing Deposit Facility Rate	6.00
Bank rate	6.50
1-year median MCLR of SCBs	9.05
SOFR	4.30

Source: RBI, Federal Reserve Bank of New York

Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Notice Money	146.8	6.36
Term Money	6.0	-
Triparty Repo	3,779.4	6.22
Market Repo	1,795.5	6.42
Repo in corporate bond	0.0	-

Source: RBI, as of 13 Mar, 2025

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	73,829	-0.3
NIFTY	22,397	-0.3
NASDAQ	17,754	2.6
S&P 500	5,639	2.1
Nikkei 225	37,053	0.7
Euro Stoxx 50	5,404	1.4

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	70.6	0.6
Natural gas Nymex (USD/MMBtu)	4.1	1.7
Gold Comex (USD/t oz.)	3,001.2	0.1
Copper Comex (USD/lb)	489.6	-0.7
Wheat cbot (USD/bu.)	557.0	-0.4

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	86.94	-0.1
GBP/ INR	112.52	-0.1
EUR/ INR	93.72	-1.1
EUR/USD	1.09	0.2
DXI Index	103.74	-0.1

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

India: WPI, Trade Balance Feb'25, VRR Auction; **US:** Retail Sales Feb'25; **China** Industrial Production, Fixed Asset Investments, Retail Sales Feb'25;

News:

Domestic:

Rising inventory levels pose a challenge for auto wholesales (Source: SIAM): PV wholesales grew 1.9% y/y in Feb'25 (Jan'25: 1.6% y/y) to record Feb sales of 378k units, with anticipation of festive season to drive demand despite inventory buildup. 3W wholesales rose 4.7% y/y in Feb'25 to 58k units driven by passenger carriers, while 2W fell 9% y/y to 1.38 mn units, tracking fall in retail sales.

M&A activity surges in Feb'25 (Source: CNBC-TV18): M&A deal activity surges to highest in 3 years at 85 deals worth USD 4.8 bn in Feb'25 with 78% of value coming from domestic deals. PE activity rose to highest since Mar'22 at 141 deals worth USD 2.4 bn, with 50% of the deals in seed to series A investments.

Union seeks extension of key power sector scheme (Source: FE): Union has sought extension of deadline for Revamped Distribution Sector Scheme by 2 years through FY28 to achieve envisaged targets, citing delays in awarding of smart meters in initial phases.

Tamil Nadu Budget 2025-26: Highlights (Source: Tamil Nadu Budget Documents):

- Revenue receipts are expected to rise 13% y/y to Rs. 3.3 trn in FY26BE, with State's own revenues constituting 75.3% of revenue receipts, driven by 14.6% y/y rise in State's own tax revenues to Rs. 2.2 trn.
- Total expenditure rose by 11.4% y/y to Rs. 4.3 trn, driven by 24%y/y rise in capex to Rs. 572 bn, with notable allocations to infrastructure, urban development and transport
- GSDP is expected to rise 14.5% y/y to Rs. 35.7 trn in FY26BE
- Fiscal deficit is expected to reduce from 3.26% of GSDP in FY25RE to 3% in FY26BE, with revenue deficit falling 0.35 pp to 1.15% in FY26BE

VRR auctions conducted successfully (Source: RBI): 4-day VRR worth Rs. 500 bn were auctioned (Bids Received: Rs. 515 bn) at cut-off rate of 6.26%. 8-day VRR worth Rs. 99 bn were auctioned (Notified Amount: Rs. 1 trn) at cut-off rate of 6.26%.

International:

US Senate passes bill to avert government shutdown (Source: CNBC): US Senate passes funding bill to avert government shutdown, with a vote of 54-46, on deadline day, with several key Democrats supporting the bill since a shutdown could cause further cuts in government spending through DOGE. Subsequently, POTUS Mr. Trump signed the bill into law.

ECB Chief underscores opportunities in trade war (Source: Reuters): Ms. Lagarde interjected that trade war would have severe consequences for growth and prices around the world, with US impacted the most. She highlighted that these tensions could be a wake up call for Europe, providing push for EU's energy sector.

PBoC assures action on rates at proper time (Source: ForexLive): PBoC announced that interest rates and RRR will be lowered at appropriate times, to keep liquidity ample and reduce social financing costs, while maintaining CNY stable at reasonable and balanced levels.

China HFIs show buoyancy amidst policy push (Source: CNBC):

- China retail sales grew 4% y/y in 2MCY25, faster than 3.7% y/y in CY24.
- Industrial production grew 5.9% y/y in 2MCY25, faster than market expectations of 5.3% y/y, albeit slower than 6.2% y/y in CY24
- Fixed Asset Investment grew 4.1% y/y in 2MCY25, from 3.6% y/y in CY24, driven by real estate recovery.
- China's new yuan loans fell 3.5% y/y in 2MCY25 to CNY 6.4 trn, with CNY 1 trn extended in Feb'25 (Exp: CNY 1.3 trn), amidst global trade wars.

Contd...

SBICAPS Daily Digest

Global agencies upgrade ratings of economies (Source: Reuters):

- Moody's upgraded Greece's sovereign rating from Ba1 to Baa3 with stable outlook, citing improvement in public finances and resilience against future shocks with healthier banking sector.
- S&P raised Saudi Arabia's rating from A to A+ with a stable outlook, underpinned by socio-economic transformations in the country.

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