

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.36	20
US 2Y*	3.73	0
Germany 10Y	2.63	2
UK 10Y	4.61	-1
Japan 10Y	1.26	5

Source: Bloomberg, *semi-annual

G-sec yield:

G-Sec	Yield (in %)	1-Day Change in Bps
6.75% GS 2029*	6.33	-1
6.79% GS 2034* (10Y)	6.47	-1
6.92% GS 2039*	6.57	-1
1-Month T-bill	5.96	-4
3-Month T-bill	6.06	0
6-Month T-bill	6.15	-1
12-Month T-bill	6.17	-3

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	103	66	73	45
AA	187	151	159	134
A	378	344	353	330

Source: FIMMDA, as on 07 Apr, 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	9.00
SOFR	4.33

Source: RBI, Federal Reserve Bank of New York

Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	149.7	6.15
Triparty Repo	4,190.0	6.06
Market Repo	2,199.3	6.17
Repo in corporate bond	15.7	6.37

Source: RBI, as of 08 Apr, 2025

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	74,227	1.5
NIFTY	22,536	1.7
NASDAQ	15,268	-2.1
S&P 500	4,983	-1.6
Nikkei 225	33,013	6.0
Euro Stoxx 50	4,774	2.5

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	60.9	-6.4
Natural gas Nymex (USD/MMBtu)	3.5	-4.6
Gold Comex (USD/t oz.)	3,016.9	0.1
Copper Comex (USD/lb)	413.5	-4.0
Wheat cbot (USD/bu.)	542.5	0.5

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	86.26	0.5
GBP/ INR	110.76	0.9
EUR/ INR	95.13	1.0
EUR/USD	1.10	0.4
DXI Index	102.96	0.0

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

India: Policy Rate, VRR, T-Bill auctions; **US:** FOMC minutes; **Russia:** GDP CY24

News:

Domestic:

Union may consider zero duty on imports from US (Source: ET): As per media sources, Union is considering zero-duty imports from the US in various sectors, including those under the PLI scheme. It is trying to expedite a bilateral trade agreement and roll back of reciprocal tariffs. This offer hinges on strict rules of origin, requiring 30-40% value addition.

Union to explore possibility to negotiate FTA with EU in phases (Source: BS): As per media sources, Union is exploring the option of negotiating the FTA with EU in phases like Australia FTA amidst an uncertain global trade environment. The next round of talks is expected in May'25.

Union revises norms for state capex loans (Source: FE): Union has issued new guidelines for the disbursement of Rs. 870 bn interest-free 50-year capex loans, to the states and UT for FY26. The amount would be transferred largely as untied and project-linked loans. The balance Rs. 630 bn capex loans will be linked to reforms.

Union may formalise incentives for critical minerals recycling (Source: ET): As per media sources, Union is set to launch recycling incentives for 24 critical minerals, including lithium and cobalt. With a dedicated Rs. 15 bn, the initiative aims to expand recycling capacity. The incentives could take the form of subsidies on capital expenditure or incentives linked to production

Finished steel imports rise in FY25 (Source: ET): With imports rising 14.6% y/y to 9.5 mn tonne and exports declining by 35.1% y/y to 4.9 mn tonne, India became a net importer of finished steel for the second consecutive year. Crude steel production reached 151.1 mn tonne (up 4.3%), while finished steel consumption stood at 150 mn tonnes (up 10.2%).

Skymet sees normal monsoon (Source: The Hindu Businessline): Weather forecaster Skymet expects the country to have a normal monsoon during the upcoming season at 103% of the long-period average. It added that La Nina in the Equatorial East Pacific has turned weak but also ruled out El Nino.

RBI continues its liquidity drive with OMO and VRR auctions (Source: RBI):

- OMO purchases of Rs. 200 bn were done, eliciting interest of Rs. 701 bn
- 1-day VRR for Rs. 235 bn (notified: Rs. 500 bn) was concluded at a cut-off of 6.26%

International:

US tariff offensive proceeds to next stage (Source: Bloomberg, ET):

- US has hit China with 50% additional tariffs as it has not removed its retaliation. The 104% tariff will be collected starting 9 Apr'25.
- POTUS announced that US will introduce major tariff on pharma imports to incentivize drug companies to relocate operations to the US

US Fed officials ponder over larger than expected tariffs (Source: Reuters): Mr. Goolsbee said the US announced tariffs are way bigger than the expectations. Ms. Daly said there's no rush to cut interest rates with the economy and the labour market still solid and scope of tariffs is unclear

US to revive coal industry amid rising power demand (Source: The Hindu Businessline): Mr. Trump ordered older coal plants slated for retirement to remain operational and directed to lift mining barriers, prioritise coal leasing, and promote coal exports. He invoked emergency powers to meet rising power demand amid growth in data centers, AI and electric cars.

South Korea announces emergency measures for auto industry (Source: Reuters): South Korea's measures include financial support for the auto industry as well as tax cuts and subsidies to boost domestic demand.

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