

**Tables:**

**Foreign G-Sec Bond Yield:**

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.17	-4
US 2Y*	3.65	-10
Germany 10Y	2.49	-3
UK 10Y	4.48	-3
Japan 10Y	1.31	0

Source: Bloomberg, \*semi-annual

**G-sec yield:**

G- Sec	Yield (in %)	1-Day Change in Bps
6.75% GS 2029*	6.09	-6
6.79% GS 2034* (10Y)	6.34	-5
6.92% GS 2039*	6.44	-5
1-Month T-bill	5.84	4
3-Month T-bill	5.88	5
6-Month T-bill	5.94	3
12-Month T-bill	5.89	-3

Source: CCL, Bloomberg, \*semi-annual

**Spreads in bps for Corporates**

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	98	92	100	97
AA	183	177	186	185
A	373	366	378	382

Source: FIMMDA, as on 28 Apr, 2025

**Key rates:**

Policy	Rate (in %)
Repo rate	6.00
Standing Deposit Facility Rate	5.75
Bank rate	6.25
1-year median MCLR of SCBs	9.00
SOFR	4.36

Source: RBI, Federal Reserve Bank of New York

**Money Market instruments (Term segment):**

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	167.9	5.90
Triparty Repo	4,074.5	5.85
Market Repo	1,887.0	5.84
Repo in corporate bond	17.6	5.96

Source: RBI, as of 29 Apr, 2025

**Major Equity Indices:**

Indices	Last	1-Day Change %
BSE SENSEX	80,288	0.1
NIFTY	24,336	0.0
NASDAQ	17,461	0.5
S&P 500	5,561	0.6
Nikkei 225	35,840	0.0
Euro Stoxx 50	5,162	-0.2

Source: Google Finance

**Commodities futures:**

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	63.8	-3.0
Natural gas Nymex (USD/MMBtu)	3.4	6.3
Gold Comex (USD/t oz.)	3,317.3	-0.7
Copper Comex (USD/lb)	481.8	-2.2
Wheat cbot (USD/bu.)	526.3	-1.5

Source: Bloomberg

**Exchange Rates:**

Currency pair	Rate	1-Day Change %
USD/ INR	85.25	0.3
GBP/ INR	114.11	-0.1
EUR/ INR	96.85	-0.1
EUR/USD	1.14	-0.3
DX Index	99.24	0.2

Source: Morningstar, Bloomberg, Marketwatch

**Today's Key Macro Events:**

**India:** Bank Lending Mar'25, T-bill & VRR auctions; **US:** GDP Q1CY25, ADP Private Payrolls Apr'25; **China:** Official PMIs Apr'25, Caixin mfg. PMI Apr'25; **Eurozone:** GDP Q1CY25; **Germany:** CPI Apr'25, GDP Q1CY25, Retail Sales Mar'25

**News:**

**Domestic:**

**Private capex likely to dip in FY26 (Source: MOSPI, Indian Express):** The inaugural 'Forward-Looking Survey on Private Sector Capex Investment Intentions' released by the NSO said that private capex in FY25 stood at Rs. 6.56 trn (up 55.5% y/y). This is set to see a drop of 25.5% to Rs. 4.89 trn in FY26. Further, in FY25, over 50% of the capex was for machinery and equipment. The main activity for capex in FY25 was for manufacturing, information & communication, and transmission & storage.

**Positive trade deal with the US in the offing (Source: Reuters):** As per news sources quoting officials:

- India and US are looking at "early mutual wins: before finalising the proposed BTA and will begin in-person sectoral engagements from end-May'25. India seeks to be a major supplier in areas vacated by China
- India is ready to offer the rare "forward most-favoured-nation" clause to the US, which future-proofs the US by automatically applying to the US any more favourable tariff arrangements agreed to with other countries
- India has proposed reducing duties to 0% from 5% on certain US agriculture products (currently assessed at 30%-100%). A concession on 90% of the 12,000 tariff lines is expected
- In return, India has asked for favourable tariff treatment for labour intensive sectors such as textiles, toys, leather goods, furniture, gems and jewellery and automotive components. It also seeks a long-term commitment on preferential treatment of pharma and engineering goods
- The first round of talks are on 19 (out of 24) categories of goods traded, with contentious items such as soybeans, corn, and military equipment relegated to round 2

**Government sounds caution on the economy (Source: DEA):** In the Monthly Economic Report for Mar'25, the Finance Ministry highlighted that uncertainties stemming from global developments constitute a key risk for the growth outlook for FY26. Further, it said that more than trade, perception of prolonged uncertainty would put private capex on hold

**RBI conducts multiple auctions successfully (Source: RBI):**

- OMO purchase of Union G-secs was held for a notified amount/allotment of Rs. 200 bn, with offers worth Rs. 392 bn
- Auction of SGS for 11 states was held for a cumulative notified amount of Rs. 247 bn (fully accepted). 10Y yields were at 6.70%-6.74%
- 1-day VRR auction for Rs. 750 bn saw tepid bidding of Rs. 59 bn, with cut-off rate at 6.01%

**International:**

**POTUS backtracks on auto tariffs (Source: Bloomberg):** Mr. Trump signed two executive orders, one in which imported automobiles were given a reprieve from separate tariffs of aluminium and steel to avoid tariff stacking and second changing the 25% auto tariffs set to take effect from 3 May'25. Under the latter, carmakers who produce and sell completed autos (post 3 Apr'25) in the US can claim offset upto 3.75% in the first year and 2.5% in the next year.

**US trade deficit surges in Mar'25 (Source: US Census Bureau, FT):** Seasonally adjusted goods trade deficit stretched to USD 162.0 bn in Mar'25 (Mar'24: USD 92.8 bn, forecast: USD 142.8 bn), the highest future on records since the early 1990s. This was due to a surge in imports, which clocked USD 342.7 bn (up 31% y/y), dominated by durables including cars, industrial materials, and consumer goods

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**Countries weigh in on the trade war (Source: Reuters):**

- China's ambassador assured India that the US tariff offensive shall not induce it to dump goods on India
- ECB's Mr. Cipollone said that the trade war may lower growth and inflation in the eurozone

**Chinese economic activity sulk in Apr'25 (Source: fxstreet, S&P Global):** Official manufacturing PMI sunk into contraction, clocking 49.0 in Apr'25 (Mar'25: 50.5, forecast: 49.9). Caixin manufacturing PMI showed a similar downtrend, albeit claiming that the sector continued to be expansionary. Official non-manufacturing PMI also dropped to 50.4, down on month and below estimates.

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