

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: CCIL, 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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