

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.28	-2
US 2Y*	3.79	-1
Germany 10Y	2.47	-3
UK 10Y	4.46	-5
Japan 10Y	1.26	1

Source: Bloomberg, *semi-annual

G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
6.75% GS 2029*	6.04	-4
6.79% GS 2034* (10Y)	6.34	-1
6.92% GS 2039*	6.45	-1
1-Month T-bill	5.84	2
3-Month T-bill	5.87	-2
6-Month T-bill	5.88	-2
12-Month T-bill	5.85	-2

Source: CCIL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	95	105	100	88
AA	180	188	186	178
A	370	378	379	375

Source: FIMMDA, as on 06 May, 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	4.32

Source: RBI, Federal Reserve Bank of New York

Money Market instruments (Term segment):

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	156.5	5.83
Triparty Repo	3,701.6	5.75
Market Repo	2,110.3	5.74
Repo in corporate bond	14.3	6.04

Source: RBI, as of 7 May, 2025

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	80,747	0.1
NIFTY	24,414	0.1
NASDAQ	17,738	0.3
S&P 500	5,631	0.4
Nikkei 225	36,780	-0.1
Euro Stoxx 50	5,230	-0.6

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	61.4	-1.7
Natural gas Nymex (USD/MMBtu)	3.6	2.3
Gold Comex (USD/t oz.)	3,408.1	0.4
Copper Comex (USD/lb)	467.5	-1.1
Wheat cbot (USD/bu.)	534.8	-1.4

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	84.83	0.5
GBP/ INR	113.11	0.1
EUR/ INR	95.92	-0.1
EUR/USD	1.13	-0.1
DXI Index	99.67	0.1

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

India: VRR Auction; Policy Rate: UK

News:

Domestic:

Cabinet approves revised SHAKTI scheme (Source: ET): The scheme aims to allocate coal to the power sector transparently to meet long-term and short-term coal requirements. It has approved grant of fresh coal linkages through two windows. Under premium over notified price window plants can secure coal on auction basis upto 12 months and though premium for more than 12 months and upto 25 years.

NBFCs plan to address concerns over co-lending regulations (Source: ET): According to media sources, NBFCs are planning to raise concerns to RBI over proposed changes to co-lending rules that suggest both banks and NBFCs disburse loans together, requiring NBFCs to hold loans for longer, straining liquidity. Simultaneous tagging of NPAs by both entities is seen as harming borrower trust.

Union releases draft framework for climate finance taxonomy (Source: ET): Union has prepared a draft framework to develop Climate Finance Taxonomy for estimated USD 250 bn investment required for energy transition. It details the methodology for classifying activities, projects, and measures. Also, sectoral annexures will be developed to define specific climate-supportive projects.

T-bill and VRR auctions conclude successfully (Source: RBI):

- Rs. 89.7 bn 91-day T-bills were auctioned at cut-off yield of 5.8792%, with Rs. 60 bn of 182-day at 5.8797% and Rs. 83 bn of 364-day at 5.8796%
- 1-day VRR worth Rs. 51.9 bn were auctioned (notified amount: Rs. 250 bn) at cut-off rate of 6.01%

International:**US holds rates steady amidst inflationary woes: Highlights: (Source: US FOMC):**

- US FOMC held rates steady at 4.25% - 4.50%, playing a balancing act between cushioning the economy vs adding to inflationary pressures
- The FOMC advocated for data dependent approach with tariff induced uncertainty clouding economic outlook
- Mr. Powell stated that current tariff plan is likely to generate higher inflation, unemployment and pronounced growth slowdown

POTUS hints major trade deal (Source: Reuters):

- Mr. Trump denied lowering of tariffs despite persistent requests from China ahead of US China trade talk
- POTUS signalled big trade deal announcement on 8th May'25 as he suggested that multiple bilateral trade pacts are in the final stages of negotiation
- Also, Mr. Bessant commented that tariffs would reduce US's Debt to GDP ratio by next year

EU to set out next countermeasures against US tariffs (Source: Reuters): EU is set to announce next countermeasures through provisional list of counter tariffs against US tariffs on 8th May'25. It also said that it will announce preparatory steps, both in the area of possible rebalancing measures, and also in the areas important for the further discussions.

Poland cuts interest rate whereas Brazil raises (Source: Bloomberg):

- Central Bank of Poland has cut the interest rate by 50 bps to 5.25, its first cut since Oct'23. The cut was anticipated following recent drop in inflation
- Central Bank of Brazil has raised interest rate by 50 bps to 14.75% as expected

Eurozone retail sales rise in Mar'25 (Source: Eurostat): Eurozone's Retail Sales increased 1.5% y/y in Mar'25, following a revised 1.9% growth in Feb'25 below expectations of 1.6%. The volume growth was driven by 2.3% y/y growth in non-food products.

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Details of Research Analysts

Name	Rajan Jain	Name	Siddharth Sarma
Qualification	PGDBA	Qualification	MBA
Designation	Head- Credit Research	Designation	Associate

Details of Research Analyst entity

Name	SBI Capital Markets Limited
Registration Number	INH000007429
Address	15th floor, A & B Wing, Parinee Crescenzo Building, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400 051
Telephone Number	+91 22 4196 8300
Compliance Officer	Bhaskar Chakraborty
Email id	compliance.officer@sbicaps.com
Telephone Number	+91 22 4196 8542

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