

15 May 2025

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.53	7
US 2Y*	4.05	6
Germany 10Y	2.70	2
UK 10Y	4.71	4
Japan 10Y	1.46	3

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.99	-3
6.33% GS 2035* (10Y)	6.24	-4
6.92% GS 2039*	6.42	-4
1-Month T-bill	5.82	-6
3-Month T-bill	5.80	-5
6-Month T-bill	5.84	-4
12-Month T-bill	5.81	-5

Source: CCIL, Bloomberg, \*semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	108	100	95	89
AA	193	183	181	179
A	383	373	374	376

Source: FIMMDA, as on 13 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	4.30

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	195.6	5.84
Triparty Repo	3,621.2	5.71
Market Repo	1,906.4	5.60
Repo in corporate bond	18.0	5.94

Source: RBI, as of 14 May, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,331	0.2
NIFTY	24,667	0.4
NASDAQ	19,147	0.7
S&P 500	5,893	0.1
Nikkei 225	38,128	-0.1
Euro Stoxx 50	5,403	-0.2

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	64.8	-2.0
Natural gas Nymex (USD/MMBtu)	3.5	-4.2
Gold Comex (USD/t oz.)	3,168.1	-2.3
Copper Comex (USD/lb)	462.5	-1.2
Wheat cbot (USD/bu.)	525.8	1.8

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	85.28	-0.1
GBP/ INR	113.35	0.2
EUR/ INR	95.50	0.4
EUR/USD	1.12	0.1
DXY Index	100.90	-0.1

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**India:** Trade balance Apr'25, VRR auction; **GDP Q1CY25:** Eurozone, UK; **US:** PPI Apr'25; **Germany:** WPI Apr'25; **World:** IEA Report

## Domestic

**Wholesale inflation crashed in Apr'25 (Source: PIB):** WPI clocked 0.85% y/y in Apr'25 (Mar'25: 2.05%), well below expectations. Both primary articles and fuel & power saw price decreases on year, while manufactured products eked out a small gain. Sequentially, WPI fell by 0.19% m/m.

**Lighter project finance provisioning norms likely (Source: The Hindu Businessline):** As per media sources, RBI is likely to ask lenders to maintain a provision of 1-2.5% for loans extended to under construction projects, lighter than 5% proposed in the draft. The norms are expected to be announced in Jun'25.

**Country remains a net importer of steel in Apr'25 (Source: The Hindu Businessline):** A 12% safeguard duty on steel reduced the country's imports by 21% sequentially, yet it remained a net importer. Imports stood at 0.46 mn tonnes, outpacing exports of 0.38 mn tonnes.

**ECBs skyrocket in Mar'25 (Source: RBI, BS):** ECB filing in Mar'25 touched a 72-month high of USD 11.0 bn (up 43% y/y) in Mar'25, led by USD 4.7 bn from the financial sector. Total ECB filing in FY25 was USD 61.2 bn, up from USD 48.8 bn in FY24. Major borrowers included JSW Steel, ONGC Videsh, MRPL, PFC, and Muthoot Finance.

**Higher capacity EV chargers could be installed along highways (Source: BS):** The Union is planning to install higher capacity chargers of 360 kW along highways, expressways and on bus stops, to reduce charging time for heavy-duty and premium EVs, to just 15 minutes.

## International

**Chinese credit data disappoints in Apr'25 (Source: Investing.com):** New CNY loans clocked CNY 280 bn, well below estimate of CNY 710 bn and Mar'25 exuberant CNY 3.6 trn. Accordingly, outstanding loan growth stood at 7.2% y/y. The dimness was mirrored in poor numbers clocked for total social financing (CNY 1.2 trn in Apr'25 vs. CNY 5.9 trn in Mar'25).

**US Fed members maintain caution on rates (Source: CNBC, Bloomberg):**

- Mr. Jefferson said he sees lower growth and warned that inflation could rise. He said the current policy is moderately restrictive and well positioned to meet these challenges
- Mr. Goolsbee claimed the data is still noisy and Fed awaits understanding on tariffs
- Ms. Daly said the US economy is still solid, and rate cuts can wait

**OPEC becomes more circumspect on demand (Source: OPEC):** Oil demand in CY25 is now expected to be 105 mbpd in CY25 and 106.3 mbpd in CY26, each 100 kbpd below last month's forecast. Much of the reduced demand will come from Europe and China.

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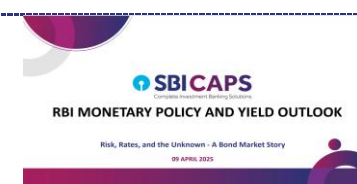


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