

11 June 2025

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.46	-3
US 2Y*	4.01	0
Germany 10Y	2.52	-4
UK 10Y	4.54	-9
Japan 10Y	1.45	0

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.95	7
6.33% GS 2035* (10Y)	6.29	1
6.92% GS 2039*	6.63	5
1-Month T-bill	5.28	3
3-Month T-bill	5.37	5
6-Month T-bill	5.41	4
12-Month T-bill	5.36	0

Source: CCIL, Bloomberg, \*semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	90	104	102	55
AA	171	186	187	151
A	360	376	378	345

Source: FIMMDA, as on 09 Jun, 2025

Key rates	
Policy	Rate (in %)
Repo rate	5.50
Standing Deposit Facility Rate	5.25
Bank rate	5.75
1-year median MCLR of SCBs	8.95
SOFR	4.29

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	146.7	5.30
Triparty Repo	3,851.6	5.19
Market Repo	1,852.4	5.20
Repo in corporate bond	19.2	5.46

Source: RBI, as of 10 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	82,391	-0.1
NIFTY	25,104	0.0
NASDAQ	19,715	0.6
S&P 500	6,039	0.5
Nikkei 225	38,211	0.3
Euro Stoxx 50	5,415	-0.1

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	66.7	-0.8
Natural gas Nymex (USD/MMBtu)	3.6	-2.2
Gold Comex (USD/t oz.)	3,357.6	1.0
Copper Comex (USD/lb)	487.9	0.1
Wheat cbot (USD/bu.)	536.0	-0.6

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	85.62	0.0
GBP/ INR	115.34	-0.4
EUR/ INR	97.62	0.1
EUR/USD	1.14	0.3
DXY Index	99.11	-0.2

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**India:** T-Bill Auctions; **US:** CPI May'25, Federal Budget Balance May'25

## Domestic

### Union aims for swift trade deal conclusion (Source: ET, Reuters):

According to media sources:

- Union is working on concluding interim BTA with the US by Sep-Oct'25 revolving around market access in key sectors, digital trade and legal frameworks, with officials confident on progress
- EU trade deal is nearing conclusion, including trade, investment protection and sustainability, but EU's demand for uninterrupted supply of energy raw materials has been put aside for now

### Union extends key schemes for ESS (Source: PIB):

Union has approved VGF for 30 GWh BESS worth Rs. 54 bn, aiming to attract investments worth Rs. 330 bn by FY28. Of this, 5 GWh is allocated to NTPC for development. The VGF is capped at Rs. 1.8 mn/MWh, down from Rs. 2.7 mn/MWh in earlier VGF scheme. Further, ISTS charges waiver for storage projects have been extended until 30 Jun'28.

### Safeguard duties on steel reduces imports in May'25 (Source: The Hindu Businessline):

According to media sources, steel imports dropped 40% y/y in May'25 to 0.43 mn tonnes, as imposition of safeguard duties lowered Chinese imports.

### World Bank lowers domestic growth forecast amidst trade tensions (Source: World Bank):

Domestic economy is projected to grow 6.3% y/y in FY26, 0.4pp lower than previous forecast, due to expectations of high tariffs and uncertainty in near term. It is expected to pick up pace, with a 6.5% rise in FY27 and 6.7% in FY28.

### Mutual funds witness tepid inflows in May'25 (Source: AMFI, CEIC):

MF saw inflows of Rs. 291 bn, with mild outflows in debt funds and tepid equity flows. Debt MF saw outflow of Rs. 159 bn. Sharp liquid fund outflow was offset by highest surge in corporate bond funds in 25 months. Equity MF flows dropped 22% m/m to Rs. 190 bn.

### E-way bills point at robust economic activity in May'25 (Source: Mint):

E-way bill generation rose 19% y/y to 122.7 mn in May'25, it's second highest ever showing, suggesting robust factory output despite export uncertainty in the wake of US tariff tirade.

## International

### US in final stages of key trade deals even as Court lets tariffs stay in the interim (Reuters, Bloomberg, ET):

- A framework to move forward to implement the Geneva consensus has been reached between US and China. Mr. Lutnick expressed optimism over disputes of rare earths. The agreement awaits the signature of the Mr. Trump and Mr. Xi
- US and Mexico are negotiating a deal to reduce or eliminate the 50% tariff of steel imports upto a certain volume as per media sources
- A Federal Appeals Court in the US allowed Mr. Trump's tariffs to stay in place while it reviews a lower Court decision that blocked them

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**Global growth outlook turns solemn (World Bank):** In its biannual publication “Global Economic Prospects” for Jun’25, the World Bank:

- Slashed real global growth forecast by 0.4pp to 2.3% y/y in CY25 and by 0.3pp in CY26 to 2.4%
- Decline was led by the US which saw 0.9pp and 0.4pp trimmed off in CY25 and CY26, with growth these posited at 1.4% and 1.6% respectively. Euro area and other advanced economies are also set to see a sharp decline
- China saw no impact on its projections. Select EMs such as Mexico and Bangladesh are set to bear the brunt of tariffs

**EU seeks to tighten sanctions on Russian oil (Source: The Guardian):** EU foreign policy chief Mr. Kallas interjected that EU has proposed to lower the oil price cap from USD 60 to USD 45, significantly lower than current market prices, in order to tighten sanctions on Russia.

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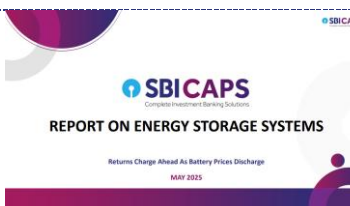
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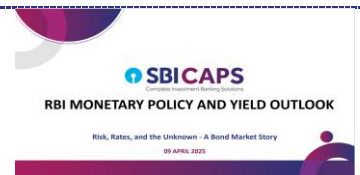
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