

13 June 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.33	-6
US 2Y*	3.89	-3
Germany 10Y	2.47	-6
UK 10Y	4.47	-8
Japan 10Y	1.40	-4

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.98	-1
6.33% GS 2035* (10Y)	6.28	-3
6.92% GS 2039*	6.65	-2
1-Month T-bill	5.34	7
3-Month T-bill	5.35	-1
6-Month T-bill	5.42	0
12-Month T-bill	5.49	0

Source: CCIL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	100	80	98	121
AA	181	162	183	209
A	370	352	374	403

Source: FIMMDA, as on 11 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	4.28

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	154.0	5.29
Triparty Repo	4,169.3	5.20
Market Repo	1,969.5	5.07
Repo in corporate bond	20.7	5.39

Source: RBI, as of 12 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,692	-1.0
NIFTY	24,888	-1.0
NASDAQ	19,662	0.2
S&P 500	6,045	0.4
Nikkei 225	38,173	-0.6
Euro Stoxx 50	5,361	-0.6

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	77.0	11.0
Natural gas Nymex (USD/MMBtu)	3.6	2.0
Gold Comex (USD/t oz.)	3,453.2	1.7
Copper Comex (USD/lb)	481.6	-0.1
Wheat cbot (USD/bu.)	528.0	-1.1

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	85.60	0.1
GBP/ INR	116.57	0.5
EUR/ INR	98.75	0.5
EUR/USD	1.15	0.3
DXY Index	98.05	-0.4

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: G-Sec Auction, Trade Balance May'25; **Industrial Production May'25:** Japan, Eurozone; **Germany:** CPI May'25.

Domestic

Inflation cools in May'25, lowest since Feb'19 (Source: PIB): CPI stood at 2.82% y/y in May'25, printing below 4% for 4 consecutive months, driven by softening food and commodity prices. Food inflation eased to 1% y/y in May'25 (Apr'25: 1.8%), driven by significant easing in vegetable and pulses prices. The core inflation printed 4.2% y/y in May'25 (Apr'25: 4.1%).

RBI introduces STRIPS in state government bonds (SGS) (Source: RBI): RBI has allowed Separate Trading of Registered Interest and Principal of Securities (STRIPS) in SGSs. It will allow investor to hold and trade the individual interest and principal components as separate securities of varying tenure. The investor receives a payment at maturity only.

Union nudges larges CPSEs to boost capex (Source: ET): As per media sources, Union is nudging large CPSEs and 4 key agencies to boost capex in FY26. The combined capex of these entities increased almost 21% y/y in May'25 to Rs. 552 bn and the total capex target for FY26 is Rs. 7.8 trn.

Union urges China to ensure predictability in rare earth supply chains (Source: BS): Union has urged China to ensure stability and transparency in the supply of rare earth elements, following China's move to impose special export permits on 7 critical minerals and associated magnets. Automakers currently hold 4-6 weeks of inventory; however, extended delays could start affecting production.

Union plans curbs on overseas remittances (Source: ET): As per media sources, RBI plans to tighten regulations on overseas remittances by resident Indians by barring them from holding foreign currency deposits with lock-in periods. This move aims to curb passive wealth shifting and align the LRS with capital account convertibility.

International

US Producer price index sees modest rise (Source: Bloomberg): US PPI reported uptick in May'25 as it rose by 2.6% y/y as expected but slightly higher than the 2.5% of Apr'25. The core PPI recorded rise of 3.0% y/y, a decline from the Apr'25 reading of 3.2%.

US ramps up tariff pressure (Source: Forexlive):

- US set to expand the 50% steel tariffs to cover wider range of imported household appliances from 23rd Jun'25
- Mr. Trump stated that auto tariffs may increase in the near future
- Mr. Lutnick commented that the China tariff pause will likely not be extended

Oil extends jump as Israel attacks Iran (Source: CNBC): Israel has launched series of airstrikes targeting nuclear enrichment program in Iran and escalated the long simmering conflict. Notably, Oil prices jumped more than 10% due to anticipated tighter supply.

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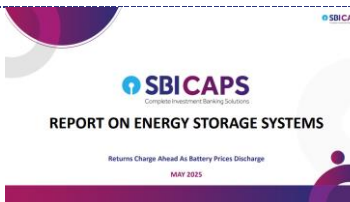
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Details of Research Analysts

<u>Name</u>	Rajan Jain	<u>Name</u>	Siddharth Sarma
<u>Qualification</u>	PGDBA	<u>Qualification</u>	MBA
<u>Designation</u>	Head- Credit Research	<u>Designation</u>	Associate

Details of Research Analyst entity

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

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