

16 June 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.40	7
US 2Y*	3.95	6
Germany 10Y	2.53	6
UK 10Y	4.55	8
Japan 10Y	1.40	0

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.99	0
6.33% GS 2035* (10Y)	6.30	2
6.92% GS 2039*	6.65	1
1-Month T-bill	5.31	-3
3-Month T-bill	5.34	-1
6-Month T-bill	5.42	0
12-Month T-bill	5.48	-1

Source: CCIL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	93	94	79	126
AA	174	176	164	214
A	363	366	355	408

Source: FIMMDA, as on 12 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	182.9	5.31
Triparty Repo	3,912.2	5.16
Market Repo	1,841.9	5.16
Repo in corporate bond	18.3	5.42

Source: RBI, as of 13 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,118	-0.7
NIFTY	24,718	-0.7
NASDAQ	19,406	-1.3
S&P 500	5,976	-1.1
Nikkei 225	37,834	-0.9
Euro Stoxx 50	5,290	-1.3

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	74.2	-3.6
Natural gas Nymex (USD/MMBtu)	3.6	-0.8
Gold Comex (USD/t oz.)	3,452.8	0.0
Copper Comex (USD/lb)	486.9	1.1
Wheat cbot (USD/bu.)	559.3	5.9

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	86.09	0.6
GBP/ INR	116.83	0.2
EUR/ INR	99.36	0.6
EUR/USD	1.15	0.0
DXY Index	98.14	0.1

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: WPI, Trade Balance May'25; **China:** Retail Sales, Industrial Production, Fixed Asset Investments May'25; **OPEC:** Monthly Report

Domestic

Union hardens stance in US trade deal (Source: ET): According to media sources, potential India-US trade deal is facing hurdles as negotiators have hardened their stance on key issues including US' demand for access for genetically modified crops, elimination of price controls on medical devices and relaxation of data localization policies, while Union has demanded exemptions from sectoral tariffs on steel, aluminium and proposed ones on pharmaceuticals.

Union takes steps to improve rare earths situation (Source: ET): According to media sources, Union is holding talks with China to resolve issues in the areas of economics and trade, including the issue of supply of rare-earth metals during the visit of Chinese Vice Foreign Minister. Further, it has asked IREL to suspend exports of rare earth metals to Japan and safeguard supplies for domestic needs, suspending a 13-year-old agreement.

Union clarifies rules for bonus share issuances for non-residents (Source: The Hindu Businessline): Union amended FEMA rules for non-debt instruments and clarified that firms may issue bonus shares to non-resident, pre-existing shareholders without changing the shareholding pattern, while also providing the same retrospectively, offering operational flexibility to investors in FDI prohibited sectors.

International

Household consumption aids cautious Chinese economy (Source: Reuters):

- China new CNY loans fell 6.2% y/y to CNY 10.7 in May'25 as companies remained cautious of debt, assuaged by mortgage growth
- Total social financing grew 8.7% y/y in May'25, same as Apr'25, driven by acceleration in off-balance sheet bond issuances
- Industrial production grew 5.8% y/y in May'25 (Apr: 6.1% y/y), with fixed asset investment slowing to 3.7% y/y in May'25 (Apr: 4% y/y)
- Retail sales grew 6.4% y/y in May'25 at its fastest pace since Dec'23, driven by government stimuli and trade-in programs

Countries optimistic on brokering US trade deal (Source: Reuters):

- Japan's Chief Negotiator Mr. Akazawa alluded to an elaborate agreement with the US but cited that final decision rests with POTUS Mr. Trump and PM Mr. Ishiba in their upcoming G7 meeting
- S. Korea is set to meet US officials alongside G7 talks
- EC President Ms. von der Leyen has been confident on a US trade deal before 9 Jul'25, which was reciprocated by her US counterparts

EU plans on expansion of nuclear power by 2050 (Source: Reuters): According to media sources, EU plans to expand nuclear power capacity from current 98 GW to 109 GW by CY50, requiring investments worth EUR 241 bn and introduction of new funding instruments to make these costs less risky for private investors.

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