

18 June 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.40	-3
US 2Y*	3.95	1
Germany 10Y	2.53	1
UK 10Y	4.55	2
Japan 10Y	1.43	-1

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.94	-3
6.33% GS 2035* (10Y)	6.26	-1
6.92% GS 2039*	6.59	-1
1-Month T-bill	5.28	-5
3-Month T-bill	5.36	-1
6-Month T-bill	5.45	1
12-Month T-bill	5.50	0

Source: CCIL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	108	50	100	61
AA	199	138	190	161
A	390	325	381	358

Source: FIMMDA, as on 16 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	4.32

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	138.3	5.26
Triparty Repo	4,090.7	5.20
Market Repo	1,966.5	5.14
Repo in corporate bond	26.9	5.49

Source: RBI, as of 17 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,583	-0.3
NIFTY	24,853	-0.4
NASDAQ	19,521	-0.9
S&P 500	5,983	-0.8
Nikkei 225	38,537	0.6
Euro Stoxx 50	5,289	-1.0

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	76.4	3.7
Natural gas Nymex (USD/MMBtu)	3.9	4.3
Gold Comex (USD/t oz.)	3,395.1	-0.5
Copper Comex (USD/lb)	486.4	0.1
Wheat cbot (USD/bu.)	567.3	2.4

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	86.25	0.2
GBP/ INR	116.03	-0.5
EUR/ INR	99.22	0.1
EUR/USD	1.15	-0.5
DXY Index	98.72	0.5

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: T-bill Auction; **Policy Rate:** US, Indonesia, Sweden; **US:** Building Permits & Housing Starts May'25, Jobless Claims; **Russia:** GDP Q1CY25; **CPI May'25:** UK, S. Africa

Domestic

Global headwinds dent advance tax collections in YTD FY26 (Source: ET): Gross direct tax collections rose 5% y/y to Rs. 5.41 trn in YTD FY26 as of 16th Jun'25, while refunds grew 61% y/y to Rs. 856 bn. Hence, net collections were down 4.35% y/y to Rs. 330 bn, with stable 1% y/y rise in personal income taxes to Rs. 2.84 trn offset by 5.1% y/y fall in corporate taxes to Rs. 1.71 trn, indicative of slow profits in Q1FY26.

Union likely to grant LTCG benefits to LLPs in income tax bill (Source: BS): According to media sources, Union is likely to fix a key omission in income tax bill that widens the scope of alternative minimum tax for non-corporate taxpayers such as LLPs, extending their LTCG benefits afforded in current system.

Generation capacity from non-conventional sources to par with traditional counterparts by CY25 (Source: Moneycontrol): According to media sources, Union officials expect power generation capacity from non-fossil fuel sources to reach 50% by Dec'25, with ~12GW in thermal capacity addition to be met by ~32 GW renewable addition.

International

Global trade deals take a chaotic turn (Source: FT, Reuters, WSJ):

- Mr. Trump announced that tariffs on pharmaceuticals is coming very soon. He explained that a deal with Japan seems tough, while expressing dissatisfaction over EU trade offer
- According to media sources, EU officials have reportedly refused to pursue economic dialogue with China over lack of progress.
- S. Korea expects US trade talks to gather steam in coming weeks, battling for level tariff field, as political turmoil led to sluggish progress

G7 delegation agrees to protect supply of critical minerals (Source: Reuters): According to media sources, G7 leaders have provisionally agreed to strategically protect supply of rare earth minerals including anticipating shortages, coordinating response to deliberate disruptions and diversifying supply chain.

POTUS weighs options amidst geopolitical rout in West Asia (Source: Bloomberg): According to media sources, POTUS Mr. Trump has called for Iran's unconditional surrender, while weighing options on moving more US military assets to the region.

US retail sales drops as tariff front-loading wanes (Source: US BEA): US retail sales fell 0.9% m/m in May'25 (Apr: 0.1% m/m), as consumers pulled back on discretionary spending. Notably, food services fell 0.9% m/m, building materials dropped 2.7% m/m, offset by 0.8% m/m rise in clothing and sporting goods.

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US plans to ease capital rule for banks (Source: Bloomberg): According to media sources, US Fed is considering reducing the enhanced supplementary leverage ratio (eSLR) to the range of 3.5% - 4% for US banks, from current 5%, likely boosting liquidity by USD 29 trn.

World oil demand increase to slow (Source: IEA): World oil demand is forecast to increase by 720 kbpd in CY25, 20 kbpd below previous estimates, as challenging outlook in US and China dents global resilience. World oil supply is expected to rise at a faster pace of 1.8 mbpd in CY25 vs previous estimate of 1.6 kbpd, driven by OPEC+

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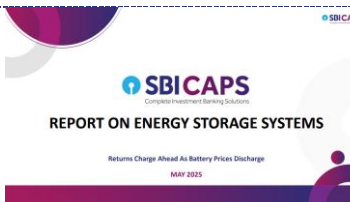
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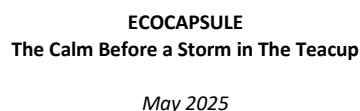
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