

19 June 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.39	-1
US 2Y*	3.94	-1
Germany 10Y	2.49	-4
UK 10Y	4.49	-6
Japan 10Y	1.43	0

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.94	0
6.33% GS 2035* (10Y)	6.26	0
6.92% GS 2039*	6.61	2
1-Month T-bill	5.30	2
3-Month T-bill	5.35	-1
6-Month T-bill	5.44	-1
12-Month T-bill	5.50	0

Source: CCLIL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	101	109	101	110
AA	192	197	191	203
A	383	384	382	400

Source: FIMMDA, as on 17 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	4.31

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	150.6	5.27
Triparty Repo	3,984.7	5.19
Market Repo	1,826.5	5.14
Repo in corporate bond	26.2	5.48

Source: RBI, as of 18 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,444	-0.2
NIFTY	24,812	-0.2
NASDAQ	19,546	0.1
S&P 500	5,981	0.0
Nikkei 225	38,885	0.9
Euro Stoxx 50	5,267	-0.4

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	76.4	0.0
Natural gas Nymex (USD/MMBtu)	4.0	2.3
Gold Comex (USD/t oz.)	3,393.5	0.0
Copper Comex (USD/lb)	489.4	0.6
Wheat cbot (USD/bu.)	590.5	4.1

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	86.47	0.3
GBP/ INR	115.90	-0.1
EUR/ INR	98.93	-0.3
EUR/USD	1.15	-0.4
DXY Index	99.06	0.3

Source: Morningstar, Bloomberg, Marketwatch

Key events

Policy Rate: UK, Turkey, Philippines, Switzerland

Domestic

SEBI approves slew of measures in Board Meeting (Source: SEBI):

- SEBI approved the framework for voluntary delisting of PSUs with greater than 90% government stake, easing disinvestments
- To boost startup ecosystem, SEBI has allowed founders to retain ESOPs one year before IPO plans and mandated angel investors to be accredited investors and approved QIBs
- SEBI decided to ease compliance for FPI that invest solely in G-Sec to attract long-term capital
- Board approved proposal providing flexibility to AIFs to offer co-investment opportunities to investors within the AIF structure.

Union agrees to revive trade talks with Canada (Source: Mint):

According to PMO Statement, PM Mr. Modi and Canada's PM Mr. Carney have agreed to restore normal diplomatic presence. Further, the leaders discussed importance of restarting negotiations on Early Progress Trade Agreement (EPTA), paving for a CEPA, expanding cooperation in areas like clean energy, critical minerals, AI, food security, and digital transformation.

Union introduces new FasTag subscription (Source: ET):

Union Minister Mr. Gadkari announced the introduction of FasTag pass worth Rs. 3,000 for one year or 200 trips, whichever is earlier, to make highway travel easier and affordable. This is only for personal vehicles.

International

US FOMC holds rates as uncertainty rises (Source: US FOMC):

- US FOMC held policy rate in the range of 4.25%-4.50% and maintained the pace of treasury run-down
- The FOMC adjudicated that the uncertainty on economic outlook has diminished but risks of unemployment and inflation have risen. Mr. Powell lauded a solid economy and stated that tariff laden inflation expectations will drive US Fed decisions.
- Fed officials project policy rate at 3.9% in Dec'25 (unchanged), 3.6% in Dec'26 (+0.2pp) and at 3% in CY27 (-0.1pp). 10 Fed members pencilled in 2 or more rate cuts in CY25 (Prev: 12), while 4 officials chalk in no rate cuts (Prev: 2)
- Officials don't see inflation hitting 2% target until CY27, with PCE projected at 3% in Dec'25 (+0.3pp), 2.4% in Dec'26 (+0.2pp)
- Real GDP growth is pegged at 1.4% y/y in CY25 (-0.3pp), 1.6% y/y in CY26 (-0.2pp) and at long-run rate of 1.8% y/y henceforth.

Trade negotiations proceed at full speed (Source: Reuters)

- UK expects tariff agreements on autos with US to come into effect by end of Jun'25, leading to 10% tariffs instead of proposed 25%.
- According to media sources, Hungary and US are discussing a trade deal in the energy, space and military industries

Central Banks cautiously navigate tariff environment (Source: WSJ):

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- Brazil raised benchmark Selic by 25 bps to 15%, its highest ever levels, as strong growth boosts inflation, despite global uncertainty
- Indonesia hit pause on rate cut cycle to support the IDR, meanwhile instructing banks to reduce rates and boost credit
- Swedish Riksbank cut its policy rate by 25 bps to 2%, citing chances of further easing if economic weakness persists and inflation falls

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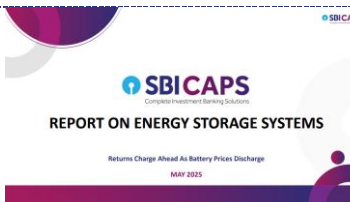
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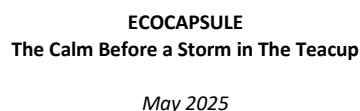
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