

23 June 2025

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.39	0
US 2Y*	3.92	0
Germany 10Y	2.51	-1
UK 10Y	4.54	1
Japan 10Y	1.40	-1

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	6.08	5
6.33% GS 2035* (10Y)	6.31	0
6.92% GS 2039*	6.65	-1
1-Month T-bill	5.29	0
3-Month T-bill	5.33	0
6-Month T-bill	5.42	-2
12-Month T-bill	5.47	0

Source: CCIL, Bloomberg, \*semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	99	33	98	55
AA	190	122	188	155
A	381	309	379	352

Source: FIMMDA, as on 19 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 (%)
Notice Money	165.8	5.28
Term Money	4.6	-
Triparty Repo	3,905.7	5.23
Market Repo	1,831.9	5.13
Repo in corporate bond	0.0	NA

Source: RBI, as of 20 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	82,408	1.3
NIFTY	25,112	1.3
NASDAQ	19,447	-0.5
S&P 500	5,968	-0.2
Nikkei 225	38,403	-0.2
Euro Stoxx 50	5,234	0.7

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	78.4	1.7
Natural gas Nymex (USD/MMBtu)	3.9	-4.4
Gold Comex (USD/t oz.)	3,377.6	0.2
Copper Comex (USD/lb)	486.1	0.6
Wheat cbot (USD/bu.)	583.3	-0.6

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	86.59	-0.2
GBP/ INR	116.54	-0.3
EUR/ INR	99.61	-0.3
EUR/USD	1.15	0.0
DXI Index	98.77	-0.1

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**Flash PMI Jun'25:** India, US, Eurozone, Japan; **US:** Existing Home Sales May'25

## Domestic

**Net direct tax collection dips in YTD FY26 (Source: The Hindu):** Net direct tax collection till 19 Jun'25 stood 1.4% y/y lower at Rs. 4.59 trn. Advance tax collection grew a meagre 3.9%, while corporate tax collection witnessed a slowdown of 5%. consequently, Gross direct tax collection stood at Rs. 5.45 trn logging a growth of 4.9%.

**MPC members show broad consensus existed in Jun'25 (Source: RBI):** As per minutes of Jun'25 MPC:

- Mr. Malhotra said a front-loaded interest rate cut would offer clarity and confidence to economic agents and support growth as global environment remains volatile
- Ms. Gupta backed this cut, as it would help signal policy certainty and accelerate transmission. Mr. Ranjan agreed, saying it was appropriate to address growth, inflation, and transmission concerns
- Mr. Bhattacharya opted for a more cautious 25 bps reduction, citing prevailing global uncertainties

**Core sectors' growth slows in May'25 (Source: PIB):** Growth in eight core index clocked 0.7% y/y in May'25, compared with 1.0% in Apr'25. Growth was in sub-indices was as follows: cement (9.2%), steel (6.7%), and coal (2.8%). Production of electricity, natural gas, fertilisers, and crude oil declined on year.

**RBI cuts SFBs' lending requirement to priority sectors (Source: RBI):** RBI has reduced the mandated portion of lending that SFBs must extend to priority sectors lowering it by 15pp to 60%. The dip is in the additional component, which stands reduced from 35% to 20% of ANBC or CIOBE (whichever is higher).

**Government to compensate highway operators for new scheme (Source: ToI):** The NHAI will come up with a compensation framework for private highway operators and investors, including overseas pension funds, for losses they incur after the rollout of "annual pass" for private vehicles. Media suggests the framework will be ready in one month.

## International

**US launches attack on Iran escalating war (Source: AP):** The US entered the Iran-Israel war on the latter's side when it bombed 3 alleged nuclear sites in Iran. Iran has promised a response and is in talks with Russia to coordinate the same. Oil prices rose to a 5-month high in response as Iran promised to close down the Strait of Hormuz, which is a key corridor for ferrying oil.

**US Fed officials mull over rate cut (Source: CNBC, Bloomberg):**

- Mr. Waller said that he doesn't expect tariffs to boost inflation significantly so Fed can lower interest rates as early as next month

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- Mr. Barkin commented that there's no rush to cut interest rates given the unresolved risk that new import taxes might raise inflation
- Ms. Daly said an interest-rate cut this fall looks more appropriate than moving when policymakers gather in Jul'25

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### Details of Research Analysts

<u>Name</u>	Rajan Jain	<u>Name</u>	Soham Bobde
<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>	<a href="mailto:compliance.officer@sbicaps.com">compliance.officer@sbicaps.com</a>
<u>Telephone Number</u>	+91 22 4196 8542

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