

24 June 2025

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.35	-4
US 2Y*	3.86	-6
Germany 10Y	2.50	-1
UK 10Y	4.49	-5
Japan 10Y	1.41	1

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	6.03	-5
6.33% GS 2035* (10Y)	6.31	0
6.92% GS 2039*	6.65	0
1-Month T-bill	5.20	-9
3-Month T-bill	5.32	-1
6-Month T-bill	5.41	-1
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	96	102	87	111
AA	187	190	177	204
A	378	377	368	401

Source: FIMMDA, as on 20 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	4.29

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	170.0	5.27
Triparty Repo	4,182.0	5.23
Market Repo	1,811.9	5.09
Repo in corporate bond	25.8	5.48

Source: RBI, as of 23 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,897	-0.6
NIFTY	24,972	-0.6
NASDAQ	19,631	0.9
S&P 500	6,025	1.0
Nikkei 225	38,354	-0.1
Euro Stoxx 50	5,222	-0.2

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	70.0	-10.7
Natural gas Nymex (USD/MMBtu)	3.7	-6.1
Gold Comex (USD/t oz.)	3,364.1	-0.4
Copper Comex (USD/lb)	493.3	1.5
Wheat cbot (USD/bu.)	565.0	-3.1

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	86.75	0.2
GBP/ INR	116.75	0.2
EUR/ INR	100.36	0.8
EUR/USD	1.16	0.7
DXY Index	98.17	-0.6

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**India:** SGS Auction; **Canada:** CPI May'25; **Germany:** Ifo Index Jun'25

## Domestic

**Union officials wary of patchy US trade talks (Source: ET):** According to Union sources, US trade deal faces headwinds as Union resists low-duty US agricultural products, being wary of impact on farmers amidst food security concerns. Further, disagreements persist over tariff levels, market access, medical devices and data localisation norms.

**Union mulls slashing GST rates on Green H<sub>2</sub> (Source: BS):** According to media sources, the GST council has recommended reducing GST on green hydrogen, electrolyzers, and storage batteries to 5% from existing 18%. Final decision will be taken in Jul'25.

**SEBI to tighten norms for FPI-issued offshore derivatives (Source: The Hindu Businessline):** According to media sources, SEBI is drafting tighter norms on offshore derivative instruments (ODIs) issued by FPIs, outlining conditions, exemptions, onboarding processes, timelines and disclosure formats for FPIs, custodians and depositories.

**MPC member advocates for gradual easing (Source: RBI):** Mr. Bhattacharya explained his stance preferring 25 bps cut by stating that the immediate incremental impact of an additional 25 bps cut may be limited as most crucial transmission i.e. to MSMEs and home loans, will accumulate over the FY. He agreed that there may be space for more cuts but would prefer a more gradual easing cycle.

**Flash PMI indicates upbeat domestic activity in Jun'25 (Source: S&P Global):** Flash manufacturing PMI rose to 58.4 in Jun'25 from 57.6 in May'25. Flash services PMI surged to 60.7 in Jun'25 (May:58.8), it's highest in 10-months. Flash composite PMI reached 14-month high of 61 in Jun'25 (May: 59.3).

## International

**POTUS announces Israel-Iran ceasefire (Source: Reuters):** Mr. Trump announced a complete and total ceasefire between Iran and Israel, signalling the end of the 12-Day War. Further, according to media sources, Iran officials have agreed to end strikes if Israel stops attacking. However, Iran denied a ceasefire is in place.

**Flash PMIs hint at cautious improvements (Source: S&P Global):**

- US flash manufacturing PMI remained at 52 in Jun'25, amidst to elevated cost pressures. Flash services PMI fell to 53.1 in Jun'25 (May: 53.7), with sharp contraction in exports
- Eurozone flash composite PMI stood flat at 50.2 in May'25, with flash manufacturing PMI stable at 49.4, due to tepid new orders

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

- Mr. Goolsbee thinks that tariff impact has been blunted by lower levels and exemptions but is wary of global uncertainty
- Ms. Bowman declared willingness to cut rates if inflation remains contained, with minimal tariff impact amidst softening labour market

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