

25 June 2025

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.30	-5
US 2Y*	3.82	-4
Germany 10Y	2.54	4
UK 10Y	4.47	-2
Japan 10Y	1.40	-1

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	5.99	-4
6.33% GS 2035* (10Y)	6.25	-5
6.92% GS 2039*	6.60	-5
1-Month T-bill	5.27	7
3-Month T-bill	5.30	-2
6-Month T-bill	5.40	-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	99	103	92	112
AA	190	191	182	205
A	381	378	373	402

Source: FIMMDA, as on 23 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	172.0	5.27
Triparty Repo	4,322.6	5.20
Market Repo	1,771.8	4.96
Repo in corporate bond	22.4	5.47

Source: RBI, as of 24 June, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	82,055	0.2
NIFTY	25,044	0.3
NASDAQ	19,913	1.4
S&P 500	6,092	1.1
Nikkei 225	38,791	1.1
Euro Stoxx 50	5,297	1.4

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	67.7	-3.4
Natural gas Nymex (USD/MMBtu)	3.6	-2.7
Gold Comex (USD/t oz.)	3,340.5	-0.7
Copper Comex (USD/lb)	494.8	0.3
Wheat cbot (USD/bu.)	550.0	-2.7

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	85.97	-0.9
GBP/ INR	117.09	0.3
EUR/ INR	99.86	-0.5
EUR/USD	1.16	0.2
DXY Index	97.87	-0.3

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**India:** T-Bill Auction; **US:** Building Permits May'25 **Thailand:** Policy Rate

## Domestic

**Union hopes to conclude trade deal with US and EU soon: FM (Source: BS):** Ms. Sitharaman said she hopes that negotiations on FTA with US and EU to conclude soon. She added that the emphasis now is on concluding more FTAs in near future. Mr. Barthwal, Commerce Secretary commented that it is moving closer to sign FTA with UK as it is progressing rapidly and expect to sign pact by end of Jul'25.

**Union may remove cess on luxury goods (Sources: Mint):** As per media sources, the Union is willing to integrate the cess on items like cars, tobacco, and aerated drinks into their GST rates. This is expected to have no impact on consumer prices. Cess collection for FY26 is expected to be Rs. 1.7 trn.

**The Central Bank to remove liquidity from the system soon (Source: RBI):** A 7-day VRRR auction has been scheduled for 27 Jun'25 with an notified amount of Rs. 1 trn. Further, the RBI has decided not to conduct the 14-day main operation on the same day. This is in light of evolving liquidity conditions.

**Union mulls subsidy scheme for rare earth magnets (Source: The Hindu Businessline):** Mr. Kumaraswamy, Union Minister said that Union will take decision on rolling out a scheme to subsidise domestic production of rare earth magnets in 2-3 weeks. The actual production will take about two years meanwhile it is looking for alternative sources of procurement, including Japan and Vietnam.

## International

**US Fed officials in no rush to cut on price concerns (Source: Bloomberg, Reuters):** Mr. Powell declared that he is not in a rush to cut rate as Fed awaits more tariff clarity, with tariffs boosting inflation soon. This was agreed to by Ms. Hammack, Mr. Barr, Ms. Collins, Mr. Bostic and Mr. Schmid. Mr. Williams added that apart from inflation, he also expects pressure on growth during the year.

**EU prepares to retaliate on US baseline tariffs (Source: Bloomberg):** EU is planning to impose retaliatory tariffs on US imports if US imposes a baseline levy on EU goods. EU is preparing tariffs on USD 16 bn of US goods and may retaliate and rebalance in key sectors.

**US trade deals to come after tax bill (Source: WSJ):** Mr. Hassett, NEC Director, said that US may not announce any trade deal until massive tax and spending legislation passes in Congress. He predicted sequence of trade deals around 4 Jul'25.

**China to increase support for real economy (Source: Forexlive):** PBoC stated that to boost consumption it will support economy through countercyclical, cross-cyclical adjustment and it will maintain ample liquidity. It also added that it will expand financial supply in consumer sector and strengthen basic financial services.

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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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