

15 July 2025

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.43	2
US 2Y*	3.90	2
Germany 10Y	2.73	1
UK 10Y	4.60	-2
Japan 10Y	1.58	7

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	6.00	3
6.33% GS 2035* (10Y)	6.32	2
6.92% GS 2039*	6.65	0
1-Month T-bill	5.28	-5
3-Month T-bill	5.36	-3
6-Month T-bill	5.42	-10
12-Month T-bill	5.56	-1

Source: CCIL, Bloomberg, \*semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	116	97	51	93
AA	210	186	142	186
A	399	371	331	383

Source: FIMMDA, as on 11 Jul, 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	8.90
SOFR	4.31

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	154.9	5.31
Triparty Repo	3,745.1	5.19
Market Repo	1,917.2	5.27
Repo in corporate bond	25.6	5.49

Source: RBI, as of 14 July, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	82,253	-0.3
NIFTY	25,082	-0.3
NASDAQ	20,640	0.3
S&P 500	6,269	0.2
Nikkei 225	39,460	-0.3
Euro Stoxx 50	5,371	-0.2

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	69.0	-2.0
Natural gas Nymex (USD/MMBtu)	3.4	3.9
Gold Comex (USD/t oz.)	3,359.0	-0.1
Copper Comex (USD/lb)	551.1	-1.7
Wheat cbot (USD/bu.)	543.5	-0.3

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	85.99	0.2
GBP/ INR	115.54	-0.4
EUR/ INR	100.35	1.1
EUR/USD	1.17	-0.1
DX Index	98.07	0.2

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**India:** Trade Balance Jun'25, SGS, VRR Auctions; **US:** CPI Jun'25; **China:** GDP Q2CY25, Retail Sales, Industrial Production, Fixed Asset Investments Jun'25

## Domestic

### CPI grazes lower end of tolerance band in Jun'25 (Source: PIB, CEIC):

CPI clocked 2.1% y/y in Jun'25 (May: 2.8%), its lowest clip since Jan'19, driven by plummeting food prices. Food prices fell 0.2% in Jun'25 driven by contraction in prices of vegetables, spices and pulses. Notably, inflation in miscellaneous items rose 5.5% in Jun'25. This drove core inflation to 4.4%. Sequentially, headline CPI rose 0.6% m/m, while core inflation rose 0.3%.

### WPI contracts in Jun'25 as food and fuel prices recede (Source: PIB):

WPI turned negative at -0.13% y/y in Jun'25 (May: 0.4%), with slowdown across segments. Primary articles fell 3.4% y/y in Jun'25. Fuel and power declined by 2.7%, while manufactured products rose a tepid 1.97% in Jun'25 as base metal prices fall.

### RBI to hold VRRR auction to absorb liquidity overhang (Source: BS):

RBI announced that it will conduct 3-day VRRR worth Rs. 1 trn on 15 Jul'25 to absorb excess liquidity as money market rates dropped with WACR settling at 5.31%.

## International

### Nations mull trade solutions on US threats (Source: Reuters, WSJ):

- Mr. Trump declared a plan to levy 100% secondary tariffs on Russia if a deal to end the conflict isn't reached in 50 days. He further announced a deal to send weapons to Ukraine worth billions of USD.
- US Department of Commerce has reneged on CY19 deal with Mexico levying 17.1% anti-dumping duties on tomato imports. Mexico's President has revealed plans for reciprocal tariffs but is confident on reaching an agreement by 1 Aug'25.
- EU has compiled a second list of counter tariffs on US goods worth USD 84 bn covering aircraft, cars, agri-products, etc.

### China HFIs a mixed bag in Jun'25 (Source: Reuters):

- China GDP grew 5.2% y/y in Q2CY25 (Q1: 5.4% y/y, Exp: 5.1% y/y), as exports to nations other than US helped sustain production
- Retail sales grew 4.8% y/y in Jun'25, slower than 6.7% y/y in May'25 and expectations of 5.4% y/y, as holiday season fervour wanes
- Industrial production surged 6.8% y/y in Jun'25, quickening sharply from 5.8% y/y in May'25, it's quickest in 3 months.
- Fixed asset investment slowed drastically in 6MCY25 to 2.8% y/y, from 3.6% y/y in 5MCY25, exacerbated by extended housing slump

### China's credit growth impresses after stimulus and trade pact (Source: Reuters):

China new yuan loans rose to ~2.5x m/m to CNY 2.24 trn in Jun'25, augmented by stimulus measures and trade truce with US. Notably, household loans grew ~10x m/m to CNY 597 bn, while corporate loans grew ~3x m/m to CNY 1.77 trn in Jun'25. Total social financing rose 8.9% y/y in Jun'25, its fastest pace in 16-months.

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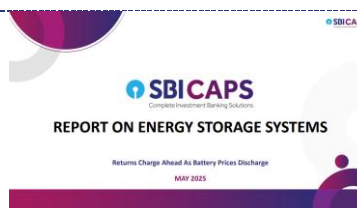


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### Details of Research Analysts

<u>Name</u>	Rajan Jain	<u>Name</u>	Siddharth Sarma
<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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