17 July 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.47	-1
US 2Y*	3.90	-4
Germany 10Y	2.68	-3
UK 10Y	4.64	2
Japan 10Y	1.57	-1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.75% GS 2029*	5.98	-1
6.33% GS 2035* (10Y)	6.31	0
6.92% GS 2039*	6.65	1
1-Month T-bill	5.30	0
3-Month T-bill	5.38	4
6-Month T-bill	5.53	3
12-Month T-bill	5.58	-6

*Source: CCIL, Bloomberg, *semi-annual*

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	59	60	51	64
AA	164	151	143	156
A	356	338	333	351

Source: FIMMDA, as on 15 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	4.37

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	**Volume (in Rs. Bn)**	**Weighted Avg Rate (%)**
Call Money	197.7	5.36
Triparty Repo	3,846.9	5.28
Market Repo	1,843.4	5.34
Repo in corporate bond	24.3	5.50

Source: RBI, as of 16 July, 2025

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	82,634	0.1
NIFTY	25,212	0.1
NASDAQ	20,730	0.3
S&P 500	6,264	0.3
Nikkei 225	39,663	0.0
Euro Stoxx 50	5,298	-1.0

Source: Google Finance

Commodities futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	68.8	-0.3
Natural gas Nymex (USD/MMBtu)	3.6	1.4
Gold Comex (USD/t oz.)	3,349.8	0.4
Copper Comex (USD/lb)	551.6	-0.2
Wheat cbot (USD/bu.)	541.8	0.6

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	85.94	0.1
GBP/ INR	115.07	-0.1
EUR/ INR	99.79	0.1
EUR/USD	1.16	0.1
DXY Index	98.39	-0.2

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: G-sec Buyback; **US:** Retail Sales Jun'25, Jobless Claims

Domestic

Cabinet approvals furnished to key measures (Source: ET): Rs. 200 bn equity infusion into NGEL by NTPC and Rs. 70 bn funding package for clean investment in NLC group were shown the green light. Separately, Rs. 240 bn was set out for the PMDDKY to develop 100 agriculture-oriented districts.

Union exceeds airport investment target (Source: The Hindu Businessline): As per media sources, against the NIP target of Rs. 916.4 bn for airport infrastructure investment between FY20-FY25, Rs. 968.4 bn was spent with a splendid FY25 rounding things off. Rs. 679.8 bn of this was spent through PPP mode.

Uniform valuation of precious metal ETFs mooted (Source: SEBI): In a Consultation Paper, SEBI invited view of the public on matching the valuation methodology used by ETFs and Exchange Traded Commodity Derivatives. The paper suggests using price benchmark provided by domestic commodity exchange or through polling.

Dividend proposal in IT Bill may bring relief to companies (Source: ET): As per media sources, a Parliamentary panel that reviewed the Bill has recommended that a provision dealing with the deduction available for inter-corporate dividends be restored. Omission of this could lead to double taxation in multi-tier structures.

International

US Fed officials cautious after elevated CPI reading (Source: Fox, Reuters): Mr. Bostic indicated that price pressures may be building and that he'd wait on rates. Mr. Williams seconded this, issuing grimly that tariff economic impact is only just starting, He offered 0.75% as an estimate for neutral rate.

US producer prices benign in Jun'25 (Source: US BLS, Bloomberg): PPI clocked 2.3% y/y in Jun'25, 20bps shy of expectations. Core PPI also registered below expectations, though above the headline. Sequentially, producer prices remained flat as a mild increase in prices of goods was offset by deflation in services.

POTUS indicates that some trade deals are imminent (Source: IE): Mr. Trump that India and US are very close to a trade deal, and media sources indicate that tariffs in this could be below 20%. He added that a deal with the EU was possible, though finality on a deal with Canada was still a question mark.

Lukewarm trade activity for Japan in Jun'25 shows tariff scars (Source: Reuters): Exports were down 0.5% y/y, well below forecast of a 0.5% rise. US bound shipments were the culprit, being down 11.4%. Automobile sector was acutely hit. Imports rose 0.2%, against an expected de-growth. This meant the trade surplus was slim.

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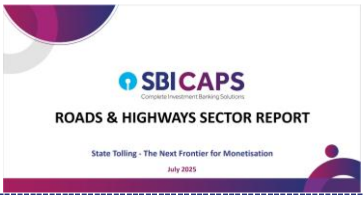

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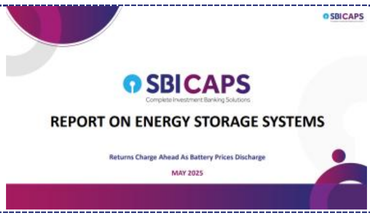

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