24 July 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.40	4
US 2Y*	3.89	5
Germany 10Y	2.64	5
UK 10Y	4.63	6
Japan 10Y	1.59	1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.75% GS 2029*	5.97	0
6.33% GS 2035* (10Y)	6.31	0
6.92% GS 2039*	6.62	-1
1-Month T-bill	5.33	4
3-Month T-bill	5.38	1
6-Month T-bill	5.52	5
12-Month T-bill	5.56	2

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	108	100	102	111
AA	213	191	194	203
A	405	378	384	398

Source: FIMMDA, as on 22 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	4.28

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	**Volume (in Rs. Bn)**	**Weighted Avg Rate (%)**
Call Money	173.5	5.73
Triparty Repo	4,040.1	5.72
Market Repo	1,796.9	5.75
Repo in corporate bond	23.6	5.91

Source: RBI, as of 23 July, 2025

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	82,726	0.7
NIFTY	25,219	0.6
NASDAQ	21,020	0.6
S&P 500	6,358	0.8
Nikkei 225	41,171	3.5
Euro Stoxx 50	5,344	1.0

Source: Google Finance

Commodities futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	68.7	-0.1
Natural gas Nymex (USD/MMBtu)	3.1	-4.9
Gold Comex (USD/t oz.)	3,383.3	-1.5
Copper Comex (USD/lb)	586.8	2.3
Wheat cbot (USD/bu.)	543.5	-1.2

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	86.42	0.1
GBP/ INR	117.25	0.4
EUR/ INR	101.60	0.3
EUR/USD	1.18	0.3
DXY Index	97.14	-0.3

Source: Morningstar, Bloomberg, Marketwatch

Key events

Flash PMI Jul'25: India, US, Eurozone; **Eurozone:** Policy Rate

Domestic

Domestic economy holding up amidst fluid global cues (Source: RBI): Highlights of Jul'25 Monthly Bulletin:

- Admitting only moderate growth in industrial growth, the Bulletin said that kharif season prospects and service sector activity are bright
- RBI purchased USD 1.76 bn on net basis in May'25, after selling USD 1.66 bn in Apr'25, likely to offer liquidity comfort. Outstanding short position contracted to USD 65.2 bn in May'25
- NRI deposits fell 32% y/y to USD 1.9 bn in 2MFY26, driven by sharp drop in FCNR (B) deposits which were buoyant in FY25
- ECB registrations fell 32% y/y to USD 2.74 bn in May'25

Directions issued on market coupling norms in electricity markets (Source: CERC, CNBC TV-18): Under the first phase of these norms, coupling of the Day-Ahead Market will be implemented by Jan'26, under which, different power exchanges will act as Market Coupling Operators on a round-robin basis. Grid-India will act as a fourth market coupling operator for backup and develop a software for Term Ahead Market. Real Time Market will come under the ambit later.

NH construction pace slowed in FY25 (Source: ET): According to MoRTH Minister, NH construction pace slowed to 29 km/day in FY25, from 34 km/day in FY24. He further added that 26 greenfield corridors of ~7,500 km have been awarded with additional 600 km approved.

RBI injects liquidity to curb rising WACR (Source: BS): VRR auctions worth Rs. 500 bn was conducted by RBI, with bids received worth Rs. 719 bn, as overnight rates breached the LAF corridor. Notably, call money rate shot up to 6.78% on 23 Jul'25, above the MSF rate, before settling at 5.62% post auction.

International

Mixed signals about US-EU trade deal afloat (Source: WSJ, Reuters): Even as EU diplomats claimed that they are hopeful of a deal with the 15% tariffs, the EU is planning to impose 30% reciprocal tariffs on US industrial goods including aircraft, cars and bourbon worth EUR 100 bn, in 2 tranches. Mr. Bessent rubbished these as intimidatory tactics.

POTUS signals new tariffs are coming (Source: WSJ, Reuters): POTUS Mr. Trump announced that new tariffs will range between 15% - 50%, with larger economies negotiating terms for softer duties. This is higher than the 10% base tariff floated earlier for countries without a deal.

Japan economic activity remains buoyant in Jul'25 (Source: S&P Global): Japan flash composite PMI stood at 51.5 in Jul'25, unchanged from Jun'25, with services PMI rising to 53.5 in Jul'25 (Jun: 51.7) with easing wage pressures, while manufacturing PMI dropped to 48.8 in Jul'25 (Jun: 50.1) due to weak demand weighed by tariff uncertainty.

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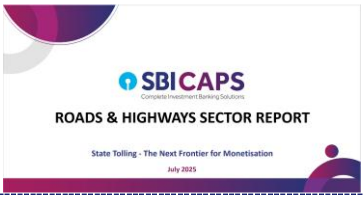

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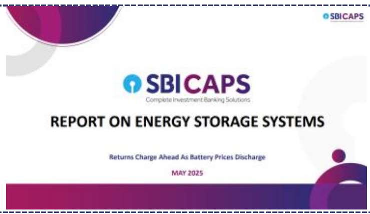

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