13 August 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.29	1
US 2Y*	3.73	-4
Germany 10Y	2.74	5
UK 10Y	4.62	6
Japan 10Y	1.50	2

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.75% GS 2029*	6.21	8
6.33% GS 2035* (10Y)	6.49	5
6.68% GS 2040*	6.87	4
1-Month T-bill	5.45	5
3-Month T-bill	5.45	1
6-Month T-bill	5.53	2
12-Month T-bill	5.55	4

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	101	82	80	81
AA	211	180	175	172
A	393	367	367	373

Source: FIMMDA, as on 11 Aug, 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	8.75
SOFR	4.34

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	179.1	5.45
Triparty Repo	4,053.6	5.41
Market Repo	1,975.1	5.33
Repo in corporate bond	24.1	5.61

Source: RBI, as of 12 August, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	80,236	-0.5
NIFTY	24,487	-0.4
NASDAQ	21,682	1.4
S&P 500	6,446	1.1
Nikkei 225	42,718	2.1
Euro Stoxx 50	5,336	0.1

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	66.0	-1.0
Natural gas Nymex (USD/MMBtu)	2.8	-5.7
Gold Comex (USD/t oz.)	3,402.7	0.0
Copper Comex (USD/lb)	451.5	1.2
Wheat cbot (USD/bu.)	504.3	-1.6

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	87.71	0.1
GBP/ INR	118.23	0.4
EUR/ INR	102.22	0.4
EUR/USD	1.17	0.5
DXY Index	98.05	-0.5

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: T-Bill Auction; **Japan:** PPI Jul'25; **Germany:** WPI Jul'25; **Thailand:** Policy Rate; **World:** IEA Report

Domestic

CPI slows for ninth straight month in Jul'25 (Source: PIB): CPI clocked 1.55% y/y in Jul'25 (Jun: 2.1%), its lowest clip since Jun'17, driven by plummeting food prices. Food prices fell 1.76% y/y in Jul'25 driven by contraction in prices of vegetables, spices and pulses. Notably, inflation in miscellaneous items rose 5.01% in Jul'25. This droves core inflation to 4.1%. Sequentially, headline CPI rose 0.93% m/m.

Net direct tax mop up falls in FY26 (Source: BS): Net direct tax collection dipped 4% y/y to Rs. 6.64 trn in FY26 till 11 Aug'25 on account on higher refunds. Net corporate tax collection stood at about Rs. 2.29 trn, while non-corporate tax was at Rs. 4.12 trn. Notably, Gross collections stood at Rs. 7.99 trn with 1.9% dip.

Union Cabinet approves key projects (Source: PIB):

- Cabinet has approved Lucknow Metro Rail Project of Phase-1B of the length 11.2 km with an outlay of Rs. 58 bn
- It approved construction of 700 MW HEP in Arunachal Pradesh with an outlay of Rs. 81 bn and completion period of 6 years
- It has also approved 4 semiconductor manufacturing facilities in Odisha, Punjab and Andhra Pradesh of around Rs. 46 bn

International

US CPI stagnant in Jul'25 even as Core rises (Source: US BLS): CPI printed 2.7% y/y in Jul'25 unchanged from Jun'25 and lower than estimates of 2.9%. In contrast, the index for energy fell 1.6% y/y in Jul'25 as the index for gasoline decreased 9.3%. Notably, Core inflation accelerated to 3.1% the most in 6 months (Expectations: 3%).

US deficit grows in Jul'25 despite tariff revenue surge (Source: Reuters): US budget deficit grew nearly 20% y/y to USD 291 bn in Jul'25 despite tripling of custom duties to nearly USD 27.7 bn from USD 7.1 in Jul'24. The overall year-to-date budget results showed a USD 1.63 trn deficit, up 7% y/y.

US Fed official considers policy well positioned to coming risks (Source: Bloomberg): Mr. Barkin said that aggressive shopping by consumers may mute the impact of tariffs on inflation but could also lead to a cycle of falling demand and rising unemployment.

Oil demand outlook stands improved in Jul'25 (Source: OPEC): OPEC kept world demand outlook for CY25 unchanged and raised outlook for CY26 by 0.1 mbpd to 106.5 mbpd. Additional demand will come from US and Europe, while APAC demand could reduce.

Australia cuts interest rates to more than 2 years low (Source: CNBC): RBA cut its benchmark lending rates by 25 bps to 3.6%, the lowest since Apr'23, after inflation fell to 2.1% in Q2CY25. It also reduced its economic growth forecast for CY25 to 1.7% y/y from 2.1% due to weaker-than-expected rise in public demand.

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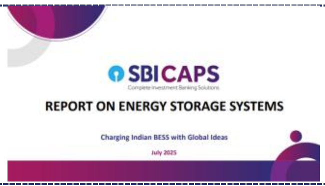

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