22 August 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.32	3
US 2Y*	3.78	3
Germany 10Y	2.75	3
UK 10Y	4.73	6
Japan 10Y	1.60	1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 20230*	6.28	1
6.33% GS 2035* (10Y)	6.53	3
6.68% GS 2040*	6.88	0
1-Month T-bill	5.41	1
3-Month T-bill	5.46	-2
6-Month T-bill	5.55	-1
12-Month T-bill	5.58	-1

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	98	89	82	102
AA	198	191	180	194
A	391	378	373	395

Source: FIMMDA, as on 20 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	4.31

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	190.2	5.52
Triparty Repo	4,159.8	5.55
Market Repo	1,961.0	5.13
Repo in corporate bond	30.1	5.72

Source: RBI, as of 21 August, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	82,001	0.2
NIFTY	25,084	0.1
NASDAQ	21,100	-0.3
S&P 500	6,370	-0.4
Nikkei 225	42,610	-0.6
Euro Stoxx 50	5,462	-0.2

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	67.5	0.6
Natural gas Nymex (USD/MMBtu)	2.8	1.8
Gold Comex (USD/t oz.)	3,378.1	-0.3
Copper Comex (USD/lb)	451.4	0.2
Wheat cbot (USD/bu.)	529.5	0.0

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	87.27	0.2
GBP/ INR	117.08	0.0
EUR/ INR	101.24	0.0
EUR/USD	1.16	-0.3
DXY Index	98.64	0.4

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: G-Sec and VRRR Auction; **Japan:** CPI Jul'25; **UK:** Retail Sales Jul'25; **Germany:** GDP Q2CY25

Domestic

SEBI plans to raise tenure and maturity for equity derivatives (Source: ET): Mr. Pandey, Chairman SEBI commented that SEBI is considering increasing the tenure and maturity of equity derivatives contracts in a calibrated manner. He added that A surge in derivatives trading driven by retail investors, has prompted it to limit the number of contract expiries and increase lot sizes to make it more expensive.

GST revamp on track (Source: Times of India): A Group of Ministers has accepted the proposal to streamline the GST rate structure, reducing it from 4 slabs to 2. The existing 12% and 28% rates would be eliminated, leaving standard rates of 5% and 18%. A higher 40 per cent levy is likely to be retained on 5–7 "sin goods".

Toll operators to get payouts for shortfall in revenue (Source: ET): NHAI mentioned that it will compensate toll operators for the difference in toll collection after launch by annual pass. The compensation covers three months starting 15 Aug'25. The financial impact of annual pass will be factored into future bids. Also, the compensation is limited to two transactions per vehicle daily.

Preliminary business activity surges in Aug'25 on record growth (Source: S&P Global): Business activity recorded its fastest growth since Dec'05, with the headline flash composite PMI rising over 4 points to 65.2 in Aug'25 from 61.1 in Jul'25. Services led the growth, with activity hitting a record 65.6, while manufacturing PMI climbed to 59.8 in Aug'25, its strongest level since Jan'08.

Russia seeks to increase trade with India as US ties fray (Source: Bloomberg): Russia and India are looking to increase their annual trade by 50% over 5 years to reach USD 100 bn. It also expects to continue supplying oil to India despite warnings from the US, adding that it hopes trilateral talks will soon take place with India and China.

International

US and EU spell out tariffs for Auto and Pharmaceuticals (Source: CNBC): US and EU officials announced written framework for trade deal, laying down 15% tariff on 70% of EU exports to US while zero tariff on US cars and other industrial exports to Europe. It also exempted aircraft and aircraft parts, generic pharmaceuticals and pharmaceuticals ingredients from tariff. It also includes EU commitment to purchase USD 750 bn worth of US energy

US Fed officials mull over policy stance (Source: Bloomberg):

- Mr. Schmid thinks modestly restrictive policy is still appropriate as inflation risks are marginally higher than risks to the labour market
- Ms. Hammack said that inflation is too high and has been trending upwards over past year so she would not support lowering rate

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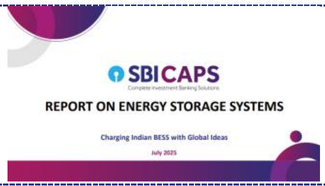

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