

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.22	-16
US 2Y*	3.68	-27
Germany 10Y	2.67	-2
UK 10Y	4.52	-5
Japan 10Y	1.55	1

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.75% GS 2029*	6.01	-2
6.33% GS 2035* (10Y)	6.37	-1
6.92% GS 2039*	6.70	1
1-Month T-bill	5.34	0
3-Month T-bill	5.38	-1
6-Month T-bill	5.47	-3
12-Month T-bill	5.53	-3

Source: CCLIL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	65	66	51	54
AA	175	164	146	145
A	357	351	338	346

Source: FIMMDA, as on 31 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	8.75
SOFR	4.39

Source: RBI, Federal Reserve Bank of New York

Money Market Instruments (Term segment)		
Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Notice Money	177.4	5.46
Term Money	13.5	-
Triparty Repo	3,968.5	5.33
Market Repo	1,866.9	5.37
Repo in corporate bond	0.0	NA

Source: RBI, as of 01 August, 2025

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	80,600	-0.7
NIFTY	24,565	-0.8
NASDAQ	20,650	-2.2
S&P 500	6,238	-1.6
Nikkei 225	40,800	-0.7
Euro Stoxx 50	5,166	-2.9

Source: Google Finance

Commodities futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	69.7	-3.9
Natural gas Nymex (USD/MMBtu)	3.1	-0.6
Gold Comex (USD/t oz.)	3,399.8	1.7
Copper Comex (USD/lb)	443.6	0.5
Wheat cbot (USD/bu.)	516.8	-1.3

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	87.55	-0.1
GBP/ INR	115.75	0.0
EUR/ INR	100.88	0.9
EUR/USD	1.16	1.5
DXY Index	98.69	-1.3

Source: Morningstar, Bloomberg, Marketwatch

Key event

US: Factory Orders Jun'25

Domestic

Economic activity shows resilience in Jul'25 despite monsoon (Source: NPCI, ET, FE, PPAC, CEIC):

- Manufacturing PMI rose to 16-month high of 59.1 (Jun: 58.4), due to faster increases in new orders, output and stocks of purchases
- Power consumption grew marginally by 2.6% y/y to 153.6 BU in Jul'25. Peak power demand dipped slightly to 220.59 GW
- Clearing price on IEX fell 16% y/y to Rs. 4.2 per unit even as volumes increased by 8.4%
- Petrol consumption rose 5.5% y/y and diesel consumption grew by 2.1%, whereas ATF consumption fell by 2.8% (flash estimate)
- Coal production by CIL dropped 15.6% y/y to 46.4 mn tonnes, with offtake dropping 11.4% to 53.7 mn tonnes
- FASTag revenues grew 19.6% y/y to Rs. 66.7 bn
- UPI transactions rose 22% y/y in value terms to Rs. 25 trn

GST collections rise in Jul'25 (Source: New Indian Express): Gross collections at Rs. 1.96 trn, rose by 7.5% y/y. Gross collections from domestic transactions showed growth of 6.7%, with imports growing well at 9.5%. Net GST collections were worse, growing by 1.7% to Rs. 1.69 trn. For 4MFY26, gross GST collections grew by 10.7% y/y.

Union plans entry norms for private sector in nuclear power (Source: ET): Union is considering allowing private companies to operate nuclear power plants by setting qualifying criteria focused on financial health, technical expertise, and large-scale project experience. Also, proposed changes to the Atomic Energy and Civil Liability for Nuclear Damage Acts are under legal review.

Union extends PM E-Drive scheme (Source: The Hindu Businessline): As per media sources, Union has extended PM E-Drive scheme that was launched with a deadline of Mar'26 by 2 years. Notably, there will be no extra budget allocated to the extension.

International

US labour market cracks widen as job growth hits stall speed (Source: Reuters): US non-farm payrolls added just 73k in Jul'25, above 14k in Jun'25 and below expectations of 100k. June and May totals were revised sharply lower, down by a combined 258k from previously announced levels. Unemployment rate rose to 4.2%, in line with the forecast. On wages, average hourly earnings increased by 3.9% y/y slightly higher than expected.

Manufacturing activity slows in Jul'25 (Source: S&P Global):

- Global manufacturing PMI dropped to 49.7 (Jun: 50.4), with reflecting downturns in output, new orders and exports
- US manufacturing PMI declined to 49.8 (Jun: 52.9), as demand stagnated and tariff uncertainty continued to dominate
- Eurozone manufacturing PMI inched upwards to 49.8 in Jul'25 (May: 49.5), as production volumes ticked up

04 August 2025

The Daily Digest

POTUS urges US Fed Board to assume control (Source: Reuters): Mr. Trump urged US Fed Board to assume control if the Chair Mr. Powell continues to refuse to lower interest rates. Further, Ms. Kugler resigned 7 months ahead of her tenure ending, potentially opening a slot for a Mr. Trump nominee.

Eurozone inflation holds steady at target (Source: Reuters): Euro zone inflation held steady at the 2% y/y target in Jul'25, confirming benign view on prices and strengthening the case to keep interest rates on hold after rapidly cutting borrowing costs. Core inflation remained unchanged at 2.3% in Jul'25.

Big hike from OPEC+ pushes down oil prices (Source: Bloomberg): The cartel agreed on adding 547 kbpd next month. This completes the accelerated reversal of a 2.2 mbpd cutback made by eight members in CY23. OPEC+ will keep its options open regarding another layer of halted output, amounting to about 1.66 mbpd, which currently expires at the end of CY26.

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