The Daily Digest

06 August 2025

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.22	2
US 2Y*	3.73	3
Germany 10Y	2.62	0
UK 10Y	4.51	0
Japan 10Y	1.47	0

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.75% GS 2029*	5.97	1
6.33% GS 2035* (10Y)	6.33	-5
6.92% GS 2039*	6.69	3
1-Month T-bill	5.34	1
3-Month T-bill	5.34	-2
6-Month T-bill	5.46	-3
12-Month T-bill	5.46	-3

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	106	99	75	77
AA	216	197	170	168
A	398	384	362	369

Source: FIMMDA, as on 04 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	4.33

Source: RBI, Federal Reserve Bank of New York

Money Market instruments		
Instrument	**Volume (in Rs. Bn)**	**Weighted Avg Rate (%)**
Call Money	158.2	5.36
Triparty Repo	3,944.4	5.20
Market Repo	1,886.6	5.26
Repo in corporate bond	28.8	5.43

Source: RBI, as of 05 August, 2025

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	80,710	-0.4
NIFTY	24,650	-0.3
NASDAQ	20,917	-0.7
S&P 500	6,299	-0.5
Nikkei 225	40,550	0.6
Euro Stoxx 50	5,250	0.1

Source: Google Finance

Commodities futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	68.0	-1.0
Natural gas Nymex (USD/MMBtu)	3.0	2.4
Gold Comex (USD/t oz.)	3,431.3	0.0
Copper Comex (USD/lb)	439.4	-1.4
Wheat cbot (USD/bu.)	508.5	-0.8

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	87.80	0.2
GBP/ INR	116.84	-0.1
EUR/ INR	101.55	0.3
EUR/USD	1.16	0.1
DXY Index	98.78	-0.1

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: Policy Rate, T-Bill Auction; **Eurozone:** Retail Sales Jun'25

Domestic

New measures to be instituted to boost domestic growth (Source: ET): Amidst external headwinds, all Ministries and Departments have been asked to identify measures that can be quickly rolled out over the next few months. The command is from the highest level. Discussions are underway for the same and focussed on reducing multiple clearances, reducing dependence on a single country for imports, and improving FDI. This is as per media sources.

PMI indicator jubilant in Jul'25 (Source: S&P Global): Services PMI remained extremely expansionary, printing 60.5 (Jun'25: 60.4), helped by sustained increase in business intake, especially international demand. Composite PMI rose similarly by 0.1 to 61.1, with both manufacturing and services going strong.

POTUS reissues chilling warning on tariffs (Source: BS, CNBC): Mr. Trump said he would increase the tariffs on Indian imports "very substantially" over the next 24 hours if India continues to buy Russian oil. He however desisted from revealing a number for the tariff.

F&O expiry tenure could be increased (Source: The Hindu Businessline): As per media sources, SEBI is weighing a proposal to replace the current weekly expiry cycle in derivatives with bi-monthly or monthly expiries to reduce short term volatility and steer traders back to the cash market.

State capex surges in Q1FY26 (Source: The Hindu Businessline): Data for 23 states showed that aggregate capex touched Rs. 994.8 bn, up 22% y/y. 16 of the 23 states recorded a rise in capex compared to last year.

International

Global PMI in Jul'25 shows improvement (Source: S&P Global):

- Global composite PMI rose to a 7-month high of 52.4 (Jun'25: 51.7), with services doing much better than manufacturing
- US services PMI rose sharply to 55.7 (Jun'25: 52.9) helped by higher orders. Composite PMI also scorched to 55.1 (Jun'24: 52.9)
- Helped by improving services activity, composite PMI remained expansionary at 50.9 in the Eurozone

US trade deficit narrows in Jun'25 (Source: BEA, Bloomberg): Overall trade deficit printed USD 60.2 bn, better than forecast USD 62.6 bn and vastly improved from May'25. This is a near 2-year low. The sequential improvement was based on a large decline in imports being met with a modest dip in exports.

POTUS promises gradual increase in pharma tariffs (Source: CNBC): Mr. Trump said the initial tariff on pharmaceuticals will be small, which will be raised to 150% in 1-1.5 years. Eventually, the tariffs would reach 250%.

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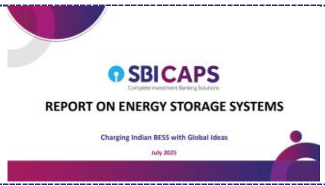

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