10 September 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.08	3
US 2Y*	3.55	6
Germany 10Y	2.66	2
UK 10Y	4.62	2
Japan 10Y	1.57	2

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.24	3
6.33% GS 2035* (10Y)	6.49	3
6.68% GS 2040*	6.85	3
1-Month T-bill	5.45	10
3-Month T-bill	5.47	-3
6-Month T-bill	5.57	-4
12-Month T-bill	5.61	-4

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	92	93	106	78
AA	197	195	203	168
A	390	382	395	368

Source: FIMMDA, as on date 05 Sep, 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	8.60
SOFR	4.40

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	81,101	0.4
NIFTY	24,868	0.4
NASDAQ	21,879	0.4
S&P 500	6,512	0.3
Nikkei 225	43,486	-0.4
Euro Stoxx 50	5,368	0.1

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	67.0	0.9
Natural gas Nymex (USD/MMBtu)	3.1	0.0
Gold Comex (USD/t oz.)	3,672.5	-0.5
Copper Comex (USD/lb)	457.6	-0.1
Wheat cbot (USD/bu.)	520.3	0.2

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	88.12	0.1
GBP/ INR	119.04	-0.1
EUR/ INR	103.17	-0.4
EUR/USD	1.17	-0.8
DXY Index	97.78	0.0

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: T-Bill Auctions; **China:** CPI, PPI Aug'25; **US:** PPI Aug'25

Domestic

Trade relations with US could thaw even as India is set to take interim steps (Source: Bloomberg, Mint, BS): POTUS Mr. Trump exclaimed that he looks forward to meeting PM Mr. Modi, assuring successful conclusion to negotiations addressing trade barriers. PM Mr. Modi affirmed POTUS' claims, exuding confidence on negotiations to unlock limitless potential. According to media sources, Union is formulating a support package for steel and aluminium sectors to deal with tariffs.

Union allows manufacturers to revise prices on unsold stock (Source: ET): Department of Consumer Affairs has allowed manufacturers to revise MRP on unsold stock to GST rate revision, providing relief to both consumers and companies.

E-way bill generation hints at sustained goods movement amidst festive delight (Source: BS): E-way bill generation rose 22.5% y/y to 129.2 mn in Aug'25, its second highest ever showing after Jul'25, as domestic producers meet festive demand amidst US tariffs imposition. This augurs well for Sep'25 GST collections.

CPSE capex slows down in Aug'25 (Source: The Hindu Businessline): Capex by 60 CPSEs fell 1% y/y to Rs. 515 bn in Aug'25, likely due to unusually high rainfall impeding construction activity. In 5MFY26, capex rose 1.8% y/y to Rs. 2.72 trn, at 34.7% of FY26BE.

SGS auctions conducted successfully (Source: RBI): SGS worth Rs. 149 bn by 6 states, vs Rs. 153 bn notified, with yields ranging between 6.74% - 7.52%. Notably, Nagaland didn't accept any amount in 10Y security.

International

US labour markets appear shakier than previously envisaged (Source: WSJ): Annual revisions to US non-farm payrolls indicated that US added 911k fewer jobs in the 12 month ending Mar'25, its largest downward revision since CY00, halving the average monthly pace from 147k to 70k. Notably, hospitality payrolls were revised 176k lower, while retail and manufacturing lost significant shares.

POTUS seeks allies to ramp up sanctions on Russia and its trade partners (Source: Reuters): According to US and EU diplomats, POTUS Mr. Trump has urged EU policymakers to hit China with up to 100% tariffs and impose a similarly expensive levy on India, as part of a strategy to get Russia on the negotiation table

China's inflation data suggests demand weakness (Source: CNBC, Bloomberg): Consumer price inflation dipped below 0% for the first time in 3 months, at -0.4% y/y in Aug'25. The unexpectedly deep dip was owing to tanking food prices and a high base. Additionally, the PPT declined by 2.9% y/y, matching expectations.

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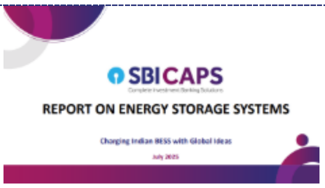

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