11 September 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.05	-3
US 2Y*	3.54	-1
Germany 10Y	2.65	-1
UK 10Y	4.63	1
Japan 10Y	1.56	-1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.01% GS 2030*	6.25	1
6.33% GS 2035* (10Y)	6.48	-2
6.68% GS 2040*	6.84	-1
1-Month T-bill	5.45	0
3-Month T-bill	5.50	3
6-Month T-bill	5.61	4
12-Month T-bill	5.65	4

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

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	119	96	105	62
AA	223	198	202	153
A	416	385	394	353

Source: FIMMDA, as on date 09 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	81,425	0.4
NIFTY	24,973	0.4
NASDAQ	21,886	0.0
S&P 500	6,532	0.3
Nikkei 225	43,838	0.8
Euro Stoxx 50	5,361	-0.1

Source: Google Finance

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	67.5	0.7
Natural gas Nymex (USD/MMBtu)	3.0	-2.3
Gold Comex (USD/t oz.)	3,681.5	0.2
Copper Comex (USD/lb)	460.4	0.6
Wheat cbot (USD/bu.)	516.0	-0.8

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	88.10	0.0
GBP/ INR	119.16	0.1
EUR/ INR	102.98	-0.2
EUR/USD	1.17	-0.1
DXY Index	97.78	0.0

Source: Morningstar, Bloomberg, Marketwatch

Key events

ECB: Policy Rate; **US:** CPI Aug'25; **World:** IEA Monthly Report, OPEC Monthly Report; **Japan:** PPI Aug'25

Domestic

Mutual funds see tepid flows in Aug'25 (Source: CEIC): Debt funds saw an outflow of Rs. 79.8 bn after a sharp increase in Jul'25. Severe outflows were seen in liquid funds and inflows into all categories of lower duration funds tanked. Equity funds saw inflows, albeit at 22% y/y slower pace, clocking Rs. 334 bn. There was traction in mid- and small- cap funds, with thematic funds seeing another good month.

Securities regulator eases rules for investors (Source: SEBI):

- Framework with respect to angel funds under AIF Regulations has been altered. Aspects covered include fund raising, investments, offering and allocation of investment opportunities. All existing angel funds shall be Category I AIF – Angel Funds instead of being a sub-category under Category I AIF – Venture Capital Funds
- FPIs who invest exclusively in G-secs through FAR route shall not be required to furnish investor group details. Such investors will be called GS-FPI. This circular is effective from 08 Feb'26

Rating agency revises GDP forecast skywards (Source: DD News): Fitch bumped up the country's real GDP growth forecast to 6.9% y/y from 6.5% for FY26. This is helped by higher-than-expected growth in Q1. Strong services growth backed by private and public consumption spending are responsible for the revision. For FY27, it expected growth to taper down to 6.3%, and then in FY28 to 6.2%.

Key developmental proposals for Bihar approved (Source: PIB): The Cabinet approved the following:

- 82.4 km, 4-lane access-controlled greenfield expressway on the Mokama-Munger route at a cost Rs. 44.5 bn on HAM mode
- Doubling of Bhagalpur-Dumka-Rampurhat railway line with a length of 177 km at a cost of Rs. 31.7 bn

International

US producer prices drop in Aug'25 (Source: PPI, Bloomberg): PPI chimed at -0.1% m/m, registering the first drop since Apr'25. This is below expectations of a 0.3% rise. Notably, services inflation fell 0.2% even as goods inflation was at +0.1%. Core PPI also declined at a similar sequential rate to the headline.

EU not to follow Mr. Trump on tariffs (Source: Reuters): The bloc is very unlikely to impose crippling tariffs on India or China as per media sources. This comes in the wake of the suggestion by POTUS that they hit the countries with 100% tariffs.

Japanese PPI edges up in Aug'25 (Source: MarketScreener): Producer prices rose 2.7% y/y, in line with expectations but above Jul'25's figure. Sequentially, the PPI declined. There was also a 1.1% y/y drop in Japan's export price index.

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