12 September 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.03	-2
US 2Y*	3.54	0
Germany 10Y	2.65	0
UK 10Y	4.61	-2
Japan 10Y	1.58	2

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.27	2
6.33% GS 2035* (10Y)	6.47	-1
6.68% GS 2040*	6.83	-1
1-Month T-bill	5.49	4
3-Month T-bill	5.49	-1
6-Month T-bill	5.61	0
12-Month T-bill	5.64	-1

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	101	102	108	77
AA	205	204	205	168
A	398	391	397	368

Source: FIMMDA, as on 10 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	4.39

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	81,549	0.2
NIFTY	25,006	0.1
NASDAQ	22,043	0.7
S&P 500	6,587	0.8
Nikkei 225	44,373	1.2
Euro Stoxx 50	5,387	0.5

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	65.9	-2.3
Natural gas Nymex (USD/MMBtu)	2.9	-3.3
Gold Comex (USD/t oz.)	3,687.8	0.2
Copper Comex (USD/lb)	467.6	1.6
Wheat cbot (USD/bu.)	520.5	0.9

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	88.44	0.4
GBP/ INR	119.80	0.5
EUR/ INR	103.49	0.5
EUR/USD	1.17	0.2
DXY Index	97.64	-0.1

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: CPI Aug'25, G-Sec Auction; **China:** New CNY Loans Aug'25; **Russia:** Policy Rate; **UK:** GDP Jul'25; **US:** WASDE Report

Domestic

Union to incentivise domestic manufacturing of solar ingots & wafers (Source: The Hindu Businessline): Mr. Joshi, Union Minister commented that Union is aiming to incentivise domestic manufacturing of solar photovoltaic ingots and wafers. It is also working on a trajectory to bring both the products under the Approved List of Models and Manufacturers (ALMM).

New highway concession model likely (Source: Mint): The Government plans to introduce a new model concession agreement by end of Sep'25 as per media sources. The model envisages a plan where the investor could take up the entire risk of building a greenfield highway and collect toll during the concession period. It also includes a provision for compensation payment and easier substitution.

Union widens scope of fast-track mergers (Source: CNBC): The Union has expanded the scope of fast-track merger process to ease compliance and facilitate quicker approvals for corporate restructuring exercises. the revised rules now allow mergers and demergers between: Two or more unlisted companies, A holding company and its subsidiary, Subsidiaries of the same holding company with conditions.

Steel exports surge in Aug'25 (Source: The Hindu Businessline): Steel trade flows diverged sharply in Aug'25, with exports climbing while imports tumbled as country turned a net importer. Exports of finished steel rose over 54% y/y in Aug'25 to 0.53 mn tonne, while imports at 0.67 mn tonne was down 31%.

International

ECB holds rate unchanged (Source: Reuters): ECB left interest rates unchanged at 2% as expected and maintained an upbeat view on growth and inflation. It now sees inflation at 1.9% y/y in CY27 - below the 2.0% projected in Jun'25.

US CPI surges in Aug'25 (Source: US BLS): CPI printed 2.9% y/y in Aug'25 up from 2.7% in Jul'25 highest point since Jan'25. In contrast, the index for energy rose only 0.2% y/y in Aug'25 as the index for gasoline decreased 6.6%. Notably, Core inflation accelerated to 3.1%.

IMF indicates that the US economy is showing strains (Source: Reuters): IMF mentioned that US economy is showing some strains after years of resilience, with domestic demand moderating and job growth slowing. It also sees upside risk to inflation largely due to tariffs imposed on imports by US administration.

Major agencies differ on oil demand trajectory (Source: IEA, OPEC):

- World oil demand is forecast to increase by 740 kbpd in CY25, 20 kbpd above previous estimates, with AEs holding strong vs. EMs
- OPEC kept world oil demand growth forecast unchanged at 1.3 mbpd in CY25 and 1.4 mbpd in CY26 driven mainly by China and India

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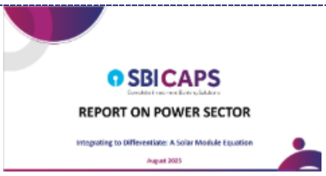

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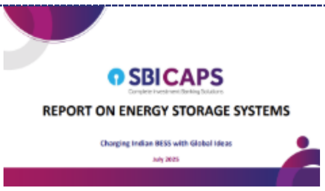

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