18 September 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.07	4
US 2Y*	3.54	4
Germany 10Y	2.67	-2
UK 10Y	4.62	-2
Japan 10Y	1.60	0

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.18	-6
6.33% GS 2035* (10Y)	6.47	-2
6.68% GS 2040*	6.81	-2
1-Month T-bill	5.47	3
3-Month T-bill	5.49	0
6-Month T-bill	5.59	0
12-Month T-bill	5.62	0

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	91	85	116	57
AA	205	185	213	151
A	398	375	408	353

Source: FIMMDA, as on 16 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	82,693	0.4
NIFTY	25,330	0.4
NASDAQ	22,261	-0.3
S&P 500	6,600	-0.1
Nikkei 225	44,790	-0.3
Euro Stoxx 50	5,369	-0.1

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	67.8	-0.8
Natural gas Nymex (USD/MMBtu)	3.1	-1.0
Gold Comex (USD/t oz.)	3,697.0	-0.6
Copper Comex (USD/lb)	462.3	-0.8
Wheat cbot (USD/bu.)	529.5	-0.6

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	87.81	-0.3
GBP/ INR	119.78	-0.1
EUR/ INR	103.81	-0.3
EUR/USD	1.18	-0.3
DXY Index	96.87	0.2

Source: Morningstar, Bloomberg, Marketwatch

Key events

Policy Rate: UK, Norway, Turkey, South Africa

Domestic

SEBI considers expanding ambit of commodities markets (Source: Reuters): SEBI Chairperson announced that SEBI is in works with Union to enable banks and pension funds to trade commodities, while considering allowing FPIs to trade in non-cash settled, non-agricultural derivatives contracts to strengthen commodities markets.

Union tightens bid provision framework for highway projects (Source: BS): NHAI has tightened provisions for national highway project bids by introducing stringent criteria in various clauses including clarifying 'similar work' criteria which was often misrepresented, penalizing unauthorized excess sub-contracting and prohibiting submission of third-party sourced bid and performance securities, to improve execution, accountability and transparency.

EU announces strategic intent to boost trade ties (Source: The Hindu Businessline): EU unveiled new strategic agenda to strengthen ties with India, focusing in key sectors in defence, trade and technology, but Union's purchase of Russian oil remains a point of contention. Further, PM Mr Modi and EC President Ms von der Leyen affirmed commitment to conclude India-EU FTA by end of CY25.

Union envisages scheme to promote decarbonisation in steel sector (Source: The Hindu Businessline): Steel Secretary Mr. Poundrik said that Union has earmarked Rs. 50 bn under the National Mission for Sustainable Steel, to promote lower carbon emissions in steel.

International

US cuts policy rate on souring labour market (Source: US Federal Reserve): Highlights

- US FOMC cut policy rate by 25 bps to 4%-4.25%, noting shifts in balance of risks as risks on labour market risk, amidst elevated inflation. Notably, one dissenter voted for outsized 50 bps cut
- Projections indicate median Federal Funds Rate at 3.6% in CY25, 3.4% in CY26 and 3.1% in CY27 and CY28, lower 30 bps across years.
- GDP projections were raised 20 bps, with CY25 at 1.6% y/y, CY26 and CY27 at 1.8%
- Mr. Powell noted that US Fed is open to accepting more risk on inflation side to prevent deeper labour market cracks

Most global Central Banks on easing path, Brazil diverges (Source: Reuters, Bloomberg):

- Bank of Canada cut its benchmark rate by 25 bps, leaving room for further cuts, amidst weak labour markets and slow growth
- Bank Indonesia unexpectedly cut its policy rate by 25 bps to 4.75%, despite pressure on IDR and concerns of fiscal discipline
- Hong Kong cut its policy rate by 25 bps, in line with US Fed, to maintain HKD's tight range while providing relief to the economy
- Brazil kept the benchmark Selic rate at 15%, as inflation risks persist, with rate cuts in sight only after Mar'26

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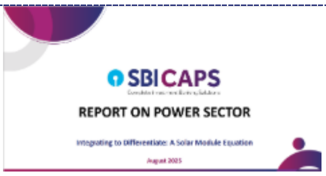

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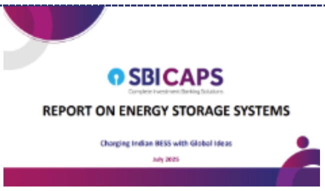

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