03 November 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.08	-2
US 2Y*	3.57	-3
Germany 10Y	2.63	-1
UK 10Y	4.41	-1
Japan 10Y	1.66	1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.01% GS 2030*	6.18	-2
6.48% GS 2035* (10Y)	6.47	-2
6.68% GS 2040*	6.89	-3
1-Month T-bill	5.38	0
3-Month T-bill	5.44	-1
6-Month T-bill	5.58	1
12-Month T-bill	5.58	1

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

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	113	100	58	79
AA	222	205	161	180
A	417	400	358	380

Source: FIMMDA, as on 30 Oct, 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	4.04

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	83,938	-0.6
NIFTY	25,722	-0.6
NASDAQ	23,724	0.6
S&P 500	6,840	0.3
Nikkei 225	52,411	2.1
Euro Stoxx 50	5,662	-0.7

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	64.8	0.0
Natural gas Nymex (USD/MMBtu)	4.1	1.5
Gold Comex (USD/t oz.)	3,996.5	-0.7
Copper Comex (USD/lb)	508.9	-0.5
Wheat cbot (USD/bu.)	534.0	1.6

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	88.77	0.1
GBP/ INR	116.81	0.2
EUR/ INR	102.24	-0.2
EUR/USD	1.15	-0.3
DXY Index	99.72	0.2

Source: Morningstar, Bloomberg, Marketwatch

Key events

Manufacturing PMI Oct'25: India, China, US, Eurozone

Domestic

HFIs rejoice festive fervour in Oct'25 (Source: ET, NPCI, RBI, Mint):

- UPI transactions rose 16% y/y to Rs. 27.3 trn in value. They rose 25% to 20.7 bn in volume, the highest ever showing
- FasTag collections rose 9.3% y/y to Rs. 66.9 bn
- As per industry estimates, PV sales rose 17% y/y to 470k in Oct'25
- As per flash estimates, petrol consumption rose 7% y/y to a 5-month high, while diesel consumption was flattish y/y. ATF consumption grew 11.1% y/y amidst festive travel
- Power consumption dipped 6% y/y to 132 BU
- DAM prices on IEX fell 32% y/y to Rs. 2.67 per unit with volumes on exchange rising 7% to 4.72 TWh
- CIL's coal production fell 10% y/y to 56.4 mn tonnes, with offtake falling 6% y/y to 58.3 mn tonnes

Fiscal deficit narrows amidst buoyant collections (Source: CGA):

- In H1FY26, revenue receipts rose 4.5% y/y to Rs. 16.95 trn, with net tax revenues flattish at Rs. 12.3 trn (43.3% of FY26BE), while non-tax receipts rose 30% y/y to Rs. 4.7 bn (80% of FY26BE)
- Total expenditure rose 9% y/y to Rs. 23 trn, driven by 42% rise in capex to Rs. 5.8 trn at 51.8% of FY26BE, while revex, at Rs. 17.2 trn, clocked 43.7% of FY26BE
- Fiscal deficit stood at Rs. 5.7 trn at 36.5% of FY26BE, lower than 38% of FY26BE in 5MFY26

GST collections rise robustly, despite rate rationalisation (Source: The Hindu Businessline): Gross GST collections rose 4.6% y/y to Rs. 1.96 trn in Oct'25. Domestic collections grew 2% to Rs. 1.45 trn and import collections surged 13%. Notably, refunds grew 40%, leading to tepid 0.2% growth in net collections of Rs. 1.69 trn.

Banking activity spurred by rate compression (Source: RBI):

- Non-food credit grew 10.2% y/y in Sep'25 (Aug: 9.9%)
- Industry credit grew 7.3% y/y, driven by 20% growth in MSME segments led by electronics and textiles
- Sustained 10.2% y/y growth in services and 11.7% growth in personal loans underscores revival in credit offtake
- Contraction in lending rates was led by 24 bps fall in WALR fresh to 8.50% leading to 6 bps fall in WALR o/s to 9.26% in Sep'25
- MCLR remained unchanged m/m at 8.60% in Oct'25
- Notably, fresh WADTDR rose 4 bps m/m to 5.60%, as deposit repricing led to 5 bps fall in WADTDR o/s to 6.82% in Sep'25

International

China suspends rare earth export curbs and probes (Source: Bloomberg): China has agreed to suspend export controls on rare earth metals, issuing general export licenses for elements like gallium, germanium, antimony, and graphite, and end investigations into US companies in the semiconductor supply chain, in accordance with pact reached with the POTUS.

The Daily Digest

China manufacturing activity slides in Oct’25 (Source: S&P Global): China RatingDog Manufacturing PMI dropped to 50.6 in Oct’25 (Sep: 51.2), with softer output driven by subdued external export orders, despite greenshoots in domestic demand. Corporate margins were under pressure with rising input prices and falling finished goods prices.

US Fed officials remain divergent on rate path (Source: Bloomberg):

- Mr. Waller called for Dec’25 rate cuts, alluding to existing data and need to shore up weakening labour market
- Ms. Logan and Ms. Hammack echoed that rates are near neutral, with no clear data evidence for further cuts
- Mr. Bostic interjected that he reluctantly supported Sep’25 cuts, acknowledging persistent inflationary woes
- Dissenter Mr. Schmid argued that the labour market weakness is likely due to structural technological changes

OPEC+ plans to curb output hikes in CY26 (Source: Reuters): OPEC+ countries agreed to increase oil output by 137 kbpd in Dec’25, while also deciding to pause production increments in Q1CY26, amidst souring outlook and sanctions on member nations.

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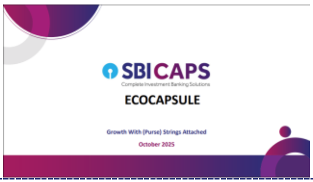

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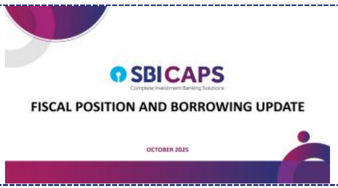

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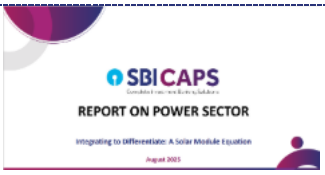

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