02 December 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.08	7
US 2Y*	3.53	4
Germany 10Y	2.75	6
UK 10Y	4.48	4
Japan 10Y	1.87	7

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.26	4
6.48% GS 2035* (10Y)	6.53	3
6.68% GS 2040*	6.96	2
1-Month T-bill	5.27	-2
3-Month T-bill	5.36	2
6-Month T-bill	5.53	3
12-Month T-bill	5.52	1

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	74	44	32	44
AA	173	152	137	143
A	363	344	330	338

Source: FIMMDA, as on 28 Nov, 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	8.50
SOFR	4.12

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	85,641	-0.1
NIFTY	26,175	-0.1
NASDAQ	23,275	-0.4
S&P 500	6,812	-0.5
Nikkei 225	49,303	-1.9
Euro Stoxx 50		

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	63.2	1.3
Natural gas Nymex (USD/MMBtu)	4.9	0.8
Gold Comex (USD/t oz.)	4,249.5	-0.1
Copper Comex (USD/lb)	525.0	-0.4
Wheat cbot (USD/bu.)	534.0	-0.8

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	89.56	3.6
GBP/ INR	118.39	0.1
EUR/ INR	104.00	1.5
EUR/USD	1.16	0.1
DXY Index	99.42	-0.1

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: SGS Auction; **Eurozone:** CPI Nov'25; **UK:** Policy Decision

Domestic

Current account deficit moderates in Q2FY26 (Source: RBI): CAD clocked USD 12.3 bn or 1.3% of nominal GDP in the quarter, well down from 2.2% of nominal GDP in Q2FY25. Merchandise trade deficit was a shade lower, even as net services receipts grew driven by computer services and other business services. Remittances rose on year, reaching USD 38.2 bn. A net inflow in FDI was met with a net outflow in FPI. In H1FY26, CAD recorded USD 15 bn or 0.8% of nominal GDP.

HFIs remain buoyant in Nov'25 (Source: S&P Global, CEIC, NPCI, ET, BS, The Hindu Businessline):

- Manufacturing PMI printed 56.6 from 59.2 in Oct'25, with substantial upturn in order book volumes from domestic clients, offset by 13-month low export orders, indicative of effects of US tariffs
- Power demand fell 0.8% y/y. This represents second month of dip
- UPI transactions rose 22% y/y to Rs. 26.3 trn
- FasTag collections rose 16% y/y to Rs. 70.5 bn, the highest since May'25, despite volumes growing tepid 3%
- Domestic PV wholesales maintained momentum as per preliminary estimates, clocking 420-425k, up ~21% y/y

Factory output growth slows to 13-month low in Oct'25 (Source: PIB): IIP rose 0.4% y/y (Sep'25: 4.5%), as the festive season dampened industrial production. Manufacturing rose 1.8% in Oct'25, driven by metals and electronics, offset by 1.8% fall in mining and 7% fall in electricity. As per use-based classification, infra-goods rose 7.1%.

Imports buoyed GST growth in Nov'25 (Source: ET): Gross GST collections grew 0.7% y/y to Rs. 1.7 trn, with domestic collections falling 2.3% to Rs. 1.24 trn, while imports grew 10.2% to Rs. 460 bn in Nov'25. Refunds fell 4%, leading to a 1.3% rise in net GST collections to Rs. 1.5 trn.

International

Global manufacturing expands at slower pace (Source: S&P Global):

- Global manufacturing PMI stood at 50.5 in Nov'25, from 50.9 in Oct'25, with slower expansions in new orders and productions
- US manufacturing PMI stood at 52.2 in Nov'25 (Oct: 52.5), with surge in production underpinned by modest demand and falling prices
- Eurozone manufacturing PMI turned contractionary at 49.6 in Oct'25, with renewed deterioration in new orders and muted output

New trade concessions being made by the US (Source: Reuters):

- Under a new US-Britain agreement, Britain will raise the net price it pays for new US medicines by 25%. In return, UK-made medicines, drug ingredients, and medical technology will be exempt from Section 232 sectoral tariffs and any future Section 301 country tariffs
- US is set to lower tariffs on S. Korean autos to 15%, with retrospective effect from 1 Nov'25, as confirmed by Mr. Lutnick

US LNG exports hit record high in Nov’25 (Source: Reuters): With several trade agreements enforcing such purchases, the all-time high was reached for a second consecutive month, driven by cooler weather and robust output from the two largest producers. Europe received 70% of LNG exports in Nov’25.

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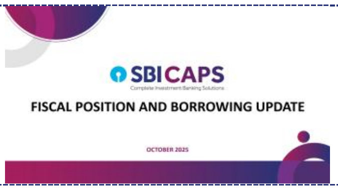

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