12 December 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.15	1
US 2Y*	3.53	-1
Germany 10Y	2.84	-1
UK 10Y	4.48	-2
Japan 10Y	1.93	0

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.01% GS 2030*	6.29	-4
6.48% GS 2035* (10Y)	6.58	-5
6.68% GS 2040*	7.00	-2
1-Month T-bill	5.24	3
3-Month T-bill	5.27	1
6-Month T-bill	5.41	-6
12-Month T-bill	5.45	-4

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

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	124	85	38	77
AA	223	193	143	176
A	413	385	336	371

Source: FIMMDA, as on 10 Dec, 2025

Key rates	
Policy	Rate (in %)
Repo rate	5.25
Standing Deposit Facility Rate	5.00
Bank rate	5.50
1-year median MCLR of SCBs	8.50
SOFR	3.95

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	84,818	0.5
NIFTY	25,899	0.5
NASDAQ	23,594	-0.3
S&P 500	6,901	0.2
Nikkei 225	50,149	-0.9
Euro Stoxx 50	5,754	0.8

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	61.7	-1.4
Natural gas Nymex (USD/MMBtu)	4.2	-8.4
Gold Comex (USD/t oz.)	4,301.5	0.8
Copper Comex (USD/lb)	547.4	0.8
Wheat cbot (USD/bu.)	534.5	0.7

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	90.37	0.5
GBP/ INR	120.99	0.6
EUR/ INR	105.95	0.8
EUR/USD	1.17	0.3
DXY Index	98.35	-0.4

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: CPI Nov’25, G-sec Auction; **China:** New Yuan Loans, Total Social Financing Nov’25

Domestic

OMO purchase auction conducted successfully (Source: RBI): RBI purchased G-Sec worth Rs. 500 bn under OMO purchase auction, vs Rs. 1.11 trn offered by participants. 7.26% GS 2032 worth Rs. 211.9 bn were accepted at cut-off yield of 6.6021%; 7.02% GS 2031 worth Rs. 153.2 bn were accepted at cut-off yield of 6.4391%; 6.75% GS 2029 worth Rs. 66.38 bn were accepted at cut-off yield of 6.1277%.

Equity funds drive mutual fund flows in Nov’25 (Source: AMFI): Mutual fund flows stood at Rs. 332.2 bn in Nov’25, with Rs. 299 bn inflows in equity funds offset by Rs. 257 bn worth outflows in debt funds. Under debt funds, overnight and liquid funds witnessed steepest outflows, offset by money market funds. Equity funds saw increased m/m flows across categories, led by large and mid-cap funds. Rs. 133 bn worth flows in hybrid funds was driven by multi-asset allocation and arbitrage funds.

CEA confident on India-US trade resolution in FY26 (Source: ET): CEA Mr. Nageswaran interjected that India-US trade deal could be finalized by Mar’26, expressing optimism on strong FY27 with the INR being undervalued relative to fundamentals

RBI eases current account norms for borrowers (Source: ET): RBI has allowed borrowers below Rs. 100 mn exposure to open current and overdraft accounts with any bank without additional conditions (vs Rs. 50 mn previously). For borrowers above Rs. 100 mn in loans, bank may operate current or OD accounts if it holds atleast 10% of the borrowers’ total or fund-based exposure. Further, RBI has removed all restrictions on opening of cash credit accounts, allowing banks to offer these facilities to borrowers without any restrictions

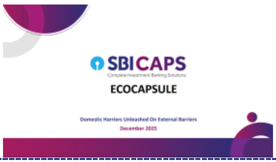
International

US trade deficit falls to lowest since the pandemic (Source: Reuters): US trade deficit fell 11% m/m to USD 52.8 bn in Sep’25, its lowest since mid-CY20. Exports rose 3% m/m to USD 289.3 bn, while imports were flattish m/m at USD 342 bn in Sep’25. Notably, trade deficit rose 17% y/y in 9MCY25 to USD 112.6 bn with imports surging faster than exports.

US labour markets wobbly in end Nov’25 (Source: Bloomberg): US initial jobless claims rose to 236k in the week ending 29 Nov’25, from 191k previously and expectations of 220k. However, continuing claims fell to 1.84 mn, from 1.94 mn.

Global oil demand to remain robust (Source: OPEC): World oil demand is forecast at 105.14 mbpd in CY25 and 106.52 mbpd in CY26, unchanged from previous estimates. World oil supply forecast is set to meet demand, with OPEC+ pumping 43 mbpd in CY26, unchanged from previous forecasts, alleviating fears of supply glut.

Our Recent Publications



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Details of Research Analysts

Name	Rajan Jain	Name	Siddharth Sarma
Qualification	PGDBA	Qualification	MBA
Designation	Head- Credit Research	Designation	Senior Associate

Details of Research Analyst entity

Name	SBI Capital Markets Limited
Registration Number	INH000007429
Address	15th floor, A & B Wing, Parinee Crescenzo Building, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400 051
Telephone Number	+91 22 4196 8300
Compliance Officer	Bhaskar Chakraborty
Email id	compliance.officer@sbicaps.com
Telephone Number	+91 22 4196 8542

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