17 December 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.15	-2
US 2Y*	3.50	0
Germany 10Y	2.84	-1
UK 10Y	4.52	3
Japan 10Y	1.96	2

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.32	0
6.48% GS 2035* (10Y)	6.57	-2
6.68% GS 2040*	6.99	-2
1-Month T-bill	5.23	-3
3-Month T-bill	5.30	3
6-Month T-bill	5.45	-1
12-Month T-bill	5.49	1

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	89	47	35	43
AA	185	147	132	136
A	370	339	326	331

Source: FIMMDA, as on 15 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	3.75

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	84,680	-0.6
NIFTY	25,860	-0.6
NASDAQ	23,111	0.2
S&P 500	6,800	-0.2
Nikkei 225	49,383	-1.6
Euro Stoxx 50	5,718	-0.6

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	59.4	-1.4
Natural gas Nymex (USD/MMBtu)	4.0	-1.5
Gold Comex (USD/t oz.)	4,354.7	0.4
Copper Comex (USD/lb)	539.2	0.5
Wheat cbot (USD/bu.)	509.3	-1.6

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	91.03	0.3
GBP/ INR	122.02	0.5
EUR/ INR	106.72	0.1
EUR/USD	1.17	-0.1
DXY Index	98.15	-0.2

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: T-bill Auction; **Japan:** Trade Balance Nov’25; **UK:** CPI Nov’25; **Thailand:** Policy Rate

Domestic

Central Bank manoeuvres to inject liquidity (Source: RBI):

- A USD 5 bn USD/INR Buy/Sell swap auction was conducted. Total bids for USD 10.4 bn were witnessed. Weighted average premium of accepted bids stood at 777.57 paisa
- 10-day VRR auction with a notified amount of Rs. 1.5 trn saw bids worth Rs. 774 bn at a cut-off rate of 5.26%. A 2-day VRR auction with a notified amount of 500 bn saw allotment of Rs. 498 bn at a similar cut-off rate

Commodity derivate rules could be relaxed (Source: The Hindu Businessline): News sources claimed that a panel of SEBI will recommend easing curbs on commodity derivates and suggest steps to make the market more attractive to institutional investors. A ban on derivatives trading of 7 agricultural commodities is likely to be lifted. Clarity on GST on commodity derivatives will be given.

Economy likely to end CY25 on a calm note (Source: S&P Global): Flash Composite PMI remained sharply expansionary at 58.9 in Dec’25, though a tad below Nov’25. Both manufacturing (55.7) and services (59.1) saw a few points shaved off. Rate of growth of export orders increased and customer demand improved.

International

US labour market shows resilience (Source: US BLS, Bloomberg): Non-farm payrolls clocked 64k in Nov’25 (forecast: 50k) after posting a decline of 105k in Oct’25. Unemployment rate was a tad worse than forecast at 4.6%. Federal government jobs were lost in both Oct’25 and Nov’25, even as private payrolls gained.

US retail sales flat in Oct’25 (Source: Census Bureau): Seasonally adjusted retail sales remained flat sequentially in Oct’25 from a downward revised growth for Sep’25. Core retail sales showed surprising spine, rising 0.4% m/m, twice the velocity expected. On year, retail sales were up 3.5% y/y.

Economic activity slow but steady in the AEs (Source: S&P Global):

- US Flash Composite PMI printed 53.0 in Dec’25 (Nov’25: 54.2), sinking to a 6-month low. This was due to a slip in both manufacturing and services. Business inflows were poor.
- Eurozone Composite PMI eased to a 3-month low of 51.9 in Dec’25 as per flash estimates, as Manufacturing slipped into contraction even as Services maintained their gusto

Trade remains unimpeded by US tariffs (Source: Eurostat, Reuters):

- The Eurozone recorded a good trade surplus of EUR 18.4 bn in Oct’25, a sharp increase from Oct’24 owing to energy goods
- Japan recorded a trade balance of JPY 322 bn (forecast: JPY 71.2 bn) on surging exports even as imports rose stoically

Our Recent Publications

SBICAPS Monthly EcoCapsule: Domestic Harriers Unleashed on External Barriers

December 2025

RBI MPC: RBI Issues Festival Bonus For The Markets

December 2025

India: Q2FY26 GDP Update
From Capex to Consumption: How Policy Initiatives Sparked a GDP Beat

November 2025

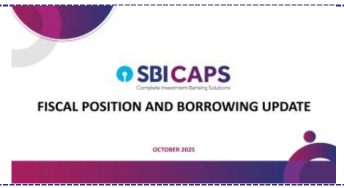
SBICAPS Monthly EcoCapsule: Indian Festivals Lighten Up Global Doom

November 2025

SBICAPS Monthly EcoCapsule: Growth With (Purse) Strings Attached
October 2025

Report on Fiscal Position and Borrowing Update

October 2025



RBI MPC: A PRELUDE TO A RATE CUT?

October 2025

Report on Power Sector:
Sustainable Growth Of Sustainable Energy: A Solar Story

September 2025

Tariffs are Made in the USA, but Resilience is Made in India

September 2025

To access our Reports, subscribers may check their e-mail. Others may please visit [SBICAPS Research](#) to request these and other Reports, or drop a mail to research@sbicaps.com

Disclaimers and Disclosures

Research Analyst(s) Certification

The views expressed in this research report ("Report") accurately reflect the personal views of the research analysts ("Research Analysts") employed by SBI Capital Markets Limited ("SBICAPS"), having SEBI Registration No. INH000007429 as Research Analyst, about any and all of the subject issuer(s) or company(ies) or securities. This Report has been prepared based upon information available to the public and sources, believed to be reliable. I/We also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this Report.

The Research Analysts engaged in preparation of this Report or his/her relative:-

a) do not have any financial interests in the subject company mentioned in this Report;
b) do not own 1% or more of the equity securities of the subject company mentioned in the Report as of the last day of the month preceding the publication of the Report;
c) do not have any material conflict of interest at the time of publication of the Report.

The Research Analysts engaged in preparation of this Report:-

a) have not received any compensation from the subject company in the past twelve months;
b) have not managed or co-managed public offering of securities for the subject company in the past twelve months;
c) have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months;
d) have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months;
e) has not received any compensation or other benefits from the subject company or third party in connection with the Report;
f) has not served as an officer, director or employee of the subject company;
g) is not engaged in market making activity for the subject company

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

Registration granted by SEBI, membership of and certification from National Institute of Securities Markets in no way guarantee performance of SBICAPS or provide any assurance of returns to investors.

Other Disclosures:

SBI Capital Markets Limited ("SBICAPS") is registered with the Securities and Exchange Board of India ("SEBI") as a "Category I" Merchant Banker and has obtained the Certificate of Registration as Research Analyst from SEBI. SBICAPS is engaged into investment banking, corporate advisory and financial services activities. SBICAPS is a wholly owned subsidiary of State Bank of India (SBI), the largest commercial bank in India. Hence, State Bank of India and all its subsidiaries and all subsidiaries of SBICAPS are treated and referred to as Group Entities of SBICAPS.

We hereby declare that our activities were neither suspended nor we have materially defaulted with any regulatory authority with whom we are registered in last five years. However, SEBI has conducted the routine inspection and based on their observations has issued advice letters from time to time. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time

SBICAPS or its Group Entities, may: (a) from time to time, have long or short position in, and buy or sell the securities of the company mentioned in the Report or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company discussed herein or act as an advisor or lender/borrower to such company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

SBICAPS does not have actual / beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the Report. However, since Group Entities of SBICAPS are engaged in the financial services business, they might have in their normal course of business financial interests or actual / beneficial ownership of one per cent or more in various companies including the subject company mentioned herein this Report.

SBICAPS or its Group Entities might have managed or co-managed public offering of securities for the subject company in the past twelve months and might have received compensation from the companies mentioned in the Report during the period preceding twelve months from the date of this Report for services in respect of managing or co-managing public offerings/corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction.

Compensation paid to Research Analysts of SBICAPS is not based on any specific merchant banking, investment banking or brokerage service transaction.

SBICAPS or its Group Entities did not receive any compensation or any benefit from the subject company or third party in connection with preparation of this Report.

This Report is for the personal information of the authorized recipient(s) and is not for public distribution and should not be reproduced, transmitted or redistributed to any other person or in any form without SBICAPS' prior permission. The information provided in the Report is from publicly available data, which we believe, are reliable. While reasonable endeavours have been made to present reliable data in the Report so far as it relates to current and historical information, but SBICAPS does not guarantee the accuracy or completeness of the data in the Report. Accordingly, SBICAPS or any of its Group Entities including directors and employees thereof shall not be in any way responsible or liable for any loss or damage that may arise to any person from any inadvertent error in the information contained, views and opinions expressed in this Report or in connection with the use of this Report.

Disclaimers and Disclosures

Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian securities market.

The projections and forecasts described in this Report should be carefully evaluated as these:

1. Are based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies.
2. Can be expected that some of the estimates on which these were based, will not materialize or will vary significantly from actual results, and such variances may increase over time.
3. Are not prepared with a view towards compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these.
4. Should not be regarded, by mere inclusion in this Report, as a representation or warranty by or on behalf of SBICAPS the authors of this Report, or any other person, that these or their underlying assumptions will be achieved.

This Report is for information purposes only and SBICAPS or its Group Entities accept no liabilities for any loss or damage of any kind arising out of the use of this Report. Though disseminated to recipients simultaneously, not all recipients may receive this Report at the same time. SBICAPS will not treat recipients as clients by virtue of their receiving this Report. It should not be construed as an offer to sell or solicitation of an offer to buy, purchase or subscribe to any securities. This Report shall not form the basis of or be relied upon in connection with any contract or commitment, whatsoever. This Report does not solicit any action based on the material contained herein.

It does not constitute a personal recommendation and does not take into account the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this Report may not be suitable for all the investors. SBICAPS does not provide legal, accounting or tax advice to its clients and you should independently evaluate the suitability of this Report and all investors are strongly advised to seek professional consultation regarding any potential investment.

Certain transactions including those involving futures, options and other derivatives as well as non-investment grade securities give rise to substantial risk and are not suitable for all investors. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment.

The price, value and income of the investments referred to in this Report may fluctuate and investors may realize losses on any investments. Past performance is not a guide for future performance. Actual results may differ materially from those set forth in projections. SBICAPS has reviewed the Report and, the current or historical information included here is believed to be reliable, the accuracy and completeness of which is not guaranteed. SBICAPS does not have any obligation to update the information discussed in this Report.

The opinions expressed in this Report are subject to change without notice and SBICAPS or its Group Entities have no obligation to tell the clients when opinions or information in this Report change. This Report has not been approved and will not or may not be reviewed or approved by any statutory or regulatory authority in India, United Kingdom or Singapore or by any Stock Exchange in India, United Kingdom or Singapore. This Report may not be all inclusive and may not contain all the information that the recipient may consider material.

The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this Report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. Distributing/taking/sending/ dispatching/transmitting this document in certain foreign jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with this restriction may constitute a violation of laws in that jurisdiction.

Legal Entity Disclosure Singapore:

The recommendation in this Report is intended for general circulation and the recommendation does not take into account the specific investment objectives, financial situation/circumstances and the particular needs of any particular person. Advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

This Report is distributed in Singapore by State Bank of India, Singapore Branch (Singapore Registration No. S77FC2670D). State Bank of India, Singapore Branch is a bank, an Exempt Capital Markets Services Entity and Exempt Financial Adviser regulated by the Monetary Authority of Singapore. This Report is not intended to be distributed directly or indirectly to any other class of persons other than persons who qualify as Institutional Investors, Expert Investors or Accredited Investors (other than individuals) [collectively "Intended class of Persons"] as defined in section 4A(1) of the Securities and Futures Act2001. Persons in Singapore should contact State Bank of India, Singapore Branch in respect of any matters arising from, or in connection with this Report via email at headmb@sbising.com or by call at +65 6506 4245.

Section 45 of the Financial Advisers Act 2001 provides that when sending a circular or other written communication in which a recommendation is made in respect of securities, a financial adviser is required to include a concise statement, in equally legible type, of the nature of any interest in, or any interest in the acquisition or disposal of, those securities that it or an associated or connected person has at the date on which the circular or other communication is sent. Such circular or written communication must be retained by the financial adviser for five (5) years.

Under Regulation 35 of the Financial Advisers Regulations, State Bank of India, Singapore Branch is exempted from compliance with section 45 of the Financial Advisers Act 2001 and is not required to include such a statement of interest in securities in any written recommendation or document that State Bank of India, Singapore Branch may send to the Intended class of Persons. The Intended class of Persons are therefore not protected by the requirements of section 45 of the Financial Advisers Act 2001 if no disclosure is made of any interest that State Bank of India, Singapore Branch or any associated or connected person may have in the securities that State Bank of India, Singapore Branch may recommend in such document.

For the avoidance of doubt, State Bank of India, Singapore Branch emphasizes that this Report is for informational purposes only, and that neither State Bank of India, Singapore Branch, SBICAPS, SBICAPS' Associates nor the Analysts accept any liability for any loss or damage of any kind arising out of or caused by any use or reliance on this Report.

Legal Entity Disclosure Abu Dhabi:

SBI Capital Markets Limited, based in Abu Dhabi Global Market, is authorised and regulated by the Financial Services Regulatory Authority (FSRA). This document is directed at Professional Clients and not Retail Clients. Any other persons in receipt of this document must not rely upon or otherwise act upon it.

This document is provided for informational purposes only. Nothing in this document should be construed as a solicitation or offer, or recommendation, or to engage in any other transaction.