19 December 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.13	-1
US 2Y*	3.47	0
Germany 10Y	2.85	-1
UK 10Y	4.48	1
Japan 10Y	1.97	0

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.31	-1
6.48% GS 2035* (10Y)	6.57	-3
6.68% GS 2040*	6.97	-3
1-Month T-bill	5.23	0
3-Month T-bill	5.27	-3
6-Month T-bill	5.49	4
12-Month T-bill	5.49	0

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	137	94	39	76
AA	233	194	136	169
A	418	386	330	364

Source: FIMMDA, as on 17 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	3.69

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	84,482	-0.1
NIFTY	25,816	0.0
NASDAQ	23,006	1.4
S&P 500	6,775	0.8
Nikkei 225	49,002	-1.0
Euro Stoxx 50	5,742	1.1

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	59.7	-0.7
Natural gas Nymex (USD/MMBtu)	3.9	-4.4
Gold Comex (USD/t oz.)	4,350.2	-0.3
Copper Comex (USD/lb)	542.6	0.6
Wheat cbot (USD/bu.)	506.5	0.1

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	90.26	-0.1
GBP/ INR	120.79	0.0
EUR/ INR	105.67	-0.3
EUR/USD	1.17	-0.1
DXY Index	98.43	0.1

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: G-sec auction, MPC Minutes; **US:** PCE Oct'25; **Japan:** Policy Rate, CPI Nov'25; **UK:** Retail Sales Nov'25

Domestic

Another round liquidity infusion concludes (Source: RBI):

- A cumulative Rs. 500 bn was accepted in an OMO purchase auction against the same notified amount (bids: Rs. 1.39 trn), with maximum purchases of 6.54% GS 2032, 6.33% GS 2035, and 6.10% GS 2034. Cut-off yield for 10Y security (6.33% GS 2035) was 6.5905%
- A 4-day VRR for Rs. 750 bn saw interest of Rs. 501 bn, with allotment same as bids received. Cut-off rate was 5.26%

Securities regulator smoothens ZCB rules (Source: BS): SEBI has allowed ZCB to be issued in reduced denominations of Rs. 10,000 by modifying the conditions under which issuers can lower the face value of non-convertible debt securities and non-convertible redeemable preference shares issued through private placement

Government working to improve supply of essential items (Source: BS): The power ministry is working with the industry on preparing a list of critical items in the electricity sector that are currently imported and require support for their localisation. The list includes items like subsea cables, permanent magnets and high-conductivity copper rods. This is as per media sources quoting the CEA.

International

Japan raises rates to a three decade high on searing inflation (Source: Bloomberg): The BoJ lifted its uncollateralised overnight call rate to around 0.75% from 0.5% previously. The basic loan rate applicable under the complementary lending facility will be 1%. These were decided unanimously. This came as consumer inflation, clocking 2.9% y/y, came above the Central Bank's target for the 44th consecutive month.

US CPI undershoots by a wide margin in Nov'25 (Source: CNBC): Consumer inflation printed 2.7% y/y, much lower than 3.1% expected. Core CPI also chimed in lower than expectations at 2.6%, 0.4pp below forecast. Energy prices were up by a stiff 4.2% even as food and shelter indicated progress towards the 2% goal.

Eurozone keeps rates stagnant as expected (Source: Bloomberg): ECB kept the benchmark policy rates unchanged. Inflation is expected to average 2.1% y/y in CY25, dropping within the range in CY26. Real GDP growth was revised upwards to 1.4% y/y in CY25, slowing to 1.2% in CY26.

UK slashes interest rates on easier inflation and difficult growth (Source: BoE): The Bank Rate was dipped by 25bps to 3.75% by a slim 5-4 majority, with the minority choosing a status quo. The Committee noted a fall in inflation though it remains above target, as also subdued economic growth and building slack in the labour market.

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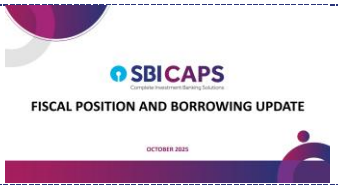

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