23 December 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.15	-1
US 2Y*	3.50	1
Germany 10Y	2.90	1
UK 10Y	4.53	1
Japan 10Y	2.04	-4

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.44	8
6.48% GS 2035* (10Y)	6.67	7
6.68% GS 2040*	7.07	6
1-Month T-bill	5.29	4
3-Month T-bill	5.19	-26
6-Month T-bill	5.35	-13
12-Month T-bill	5.50	0

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	116	89	93	80
AA	212	189	190	174
A	397	381	384	369

Source: FIMMDA, as on 19 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	3.66

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	85,567	0.8
NIFTY	26,172	0.8
NASDAQ	23,429	0.5
S&P 500	6,878	0.7
Nikkei 225	50,402	1.8
Euro Stoxx 50	5,744	-0.3

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	62.0	1.7
Natural gas Nymex (USD/MMBtu)	4.0	-1.5
Gold Comex (USD/t oz.)	4,516.0	2.6
Copper Comex (USD/lb)	549.2	-0.3
Wheat cbot (USD/bu.)	515.0	0.6

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	89.65	0.4
GBP/ INR	120.85	1.5
EUR/ INR	105.51	1.5
EUR/USD	1.18	0.5
DXY Index	98.29	-0.3

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: SGS, VRR Auctions; **US:** GDP Q3CY25, PCE Oct'25, Industrial Production Nov'25, Durable Goods Orders Oct'25

Domestic

Core industrial production ambled along in Nov'25 (Source: PIB): The index of Eight Core Industries printed a 1.8% y/y growth, better than -0.1% recorded for Oct'25. Buoyancy was seen in cement (14.5%), steel (6.1%), and fertilisers, indicating continued construction activity post-monsoons. Energy products continued to struggle with dips in all sub-segments barring coal. For 8MFY26, growth was 2.4% y/y.

Uncertainty on downward trend, creating benign financing conditions (Source: RBI): Highlights of Dec'25 RBI Bulletin:

- Global uncertainty retreated further from its highly elevated levels. Domestic demand conditions remained robust in Nov'25
- NRI deposit inflows have slowed in 7MFY26, clocking USD 8.3 bn vs. USD 11.9 bn in 7MFY25. Slowdown is evident in FCNR(B) deposits
- 40-currency trade-weighted REER remained unchanged between Oct'25 and Nov'25
- Outstanding net forward sales of USD stood at USD 63.6 bn as of Oct'25, with highest share of more-than-1-year forwards
- Flow of financial resources to the commercial sector totalled Rs. 22.6 trn in YTDFY26 (upto 28 Nov) vs. Rs. 18.3 trn in the same period last year. Major gains were seen in corporate bonds and FDI, besides non-food bank credit. Outstanding credit is up 13.2% y/y

Trade agreement with key power in Oceania signed (Source: ANI): A Free Trade Agreement (FTA) was signed by India and New Zealand. Investment of USD 20 bn from New Zealand to India is expected over the next 15 years. 95% of the island's exports to India will be tariff free. Kiwi exports will likely increase by USD 1.1-1.3 bn/year for the next two decades. Dairy sector remains excluded.

Rabi sowing saturates as season progresses (Source: The Hindu Businessline): Sown area was up just 1.9% as of 19 Dec'25, after being 10% up as of 14 Nov'25. Over 580 mn ha have been cropped, which is 91% of season's normal area. Acreage of wheat, rice, maize, mustard was strong.

International

Japan warns of strong action against forex speculation (Source: Bloomberg): Finance Minister Ms. Katayama issued a stern warning that the country has a "free hand" to take bold action against currency movements which are not in line with fundamentals. The JPY strengthened against the USD after these remarks.

USD maintains dominance in global reserves (Source: Reuters): IMF data showed the USD's share in global currency reserves edged lower to 56.92% as of Sep'25, while EUR-denominated reserves crept up. This shows stabilisation in the USD's position after large swings were seen in Q2CY25 due to tariff announcements.

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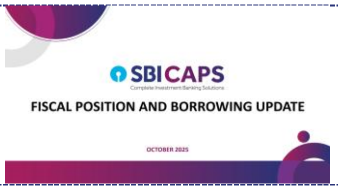

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