29 December 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.13	-2
US 2Y*	3.48	-2
Germany 10Y	2.86	0
UK 10Y	4.50	0
Japan 10Y	2.03	0

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.33	2
6.48% GS 2035* (10Y)	6.56	2
6.68% GS 2040*	7.01	3
1-Month T-bill	5.26	2
3-Month T-bill	5.28	3
6-Month T-bill	5.50	3
12-Month T-bill	5.55	3

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	132	90	108	79
AA	228	190	205	172
A	413	382	399	367

Source: FIMMDA, as on 24 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	85,041	-0.4
NIFTY	26,042	-0.4
NASDAQ	23,593	-0.1
S&P 500	6,929	0.0
Nikkei 225	50,750	0.7
Euro Stoxx 50	5,746	0.0

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	60.6	-2.7
Natural gas Nymex (USD/MMBtu)	4.4	2.3
Gold Comex (USD/t oz.)	4,552.7	0.5
Copper Comex (USD/lb)	584.0	2.4
Wheat cbot (USD/bu.)	519.0	-0.5

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	89.85	0.1
GBP/ INR	121.20	0.1
EUR/ INR	105.71	0.0
EUR/USD	1.18	-0.1
DXY Index	98.05	0.1

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: IIP Nov’25, OMO Auction; **US:** Pending Home Sales Nov’25

Domestic

Union mulls setting moderate debt target for FY27BE (Source: BS, Reuters): According to media sources, Union may set a debt-to-GDP target of 54.5% to 55.5% for FY27BE, down from 56.1% in FY26BE, in an effort to follow a moderate consolidation path moving forward. This echoes comments made by the FM that bringing down this figure will be a core priority in FY27.

Union envisages duties to temper import dependence (Source: ET): According to media sources, Union is considering higher custom duties and targeted incentives for goods where import remains high despite local production, aimed at narrowing merchandise trade gap and reduce dependence on single-source supply chains. These changes could be operationalised in the next Union Budget.

State capex progresses at varied pace in 8MFY26 (Source: BS): According to analysis of 21 States, State capex stood at 38.3% of FY26BE in 8MFY26, with 16 of 21 States spending less than half of FY26BE. Notably, capex utilization as % of FY26BE for Telangana was at 99.8%, Haryana at 92.7% and Kerala at 58.2% in 8MFY26.

Union considers rationalizing trading fees to moderate electricity prices (Source: The Hindu Businessline): According to media sources, CERC is mulling moderating transaction fees on power trading exchanges from current cap of 2 paise per unit to fixed fee of 1.5 paise per unit across trading segments, aimed at potentially lowering electricity prices as power sector moves towards market coupling.

International

China promises proactive fiscal support for CY26 (Source: Reuters): China’s Finance Ministry announced that it will adopt more proactive measures in CY26, to stimulate both consumption and investments, support innovation in new growth engines and improve social security

China industrial profits fall rapidly in Nov’25 (Source: Reuters): China industrial profits slid 13.1% y/y in Nov’25, its biggest drop in 14-months, with weak domestic demand offset by export resilience. Notably, 47% y/y plunge in coal mining profits was offset by 10% y/y rise in high-tech manufacturing and 8% y/y rise in automotives.

China unveils VC fund to boost innovation (Source: Xinhua): China launched the national venture capital guidance fund to leverage government capital and attract broad based participation from local governments, financial institutions and private investors for strategic, emerging and future industries.

Japan proposes budget support with debt restraint (Source: Reuters): Japan’s cabinet approved draft budget of USD 783 bn for next fiscal year, proposing record spending while reducing the proportion of budget financed by fresh debt to the lowest in 3 decades.

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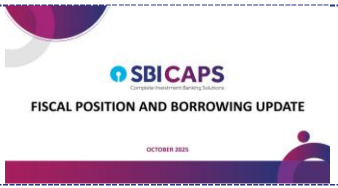

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