

28 January 2026

# The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.23	1
US 2Y*	3.57	-2
Germany 10Y	2.87	1
UK 10Y	4.52	2
Japan 10Y	2.25	-2

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.01% GS 2030*	6.44	4
6.48% GS 2035* (10Y)	6.72	6
6.68% GS 2040*	7.14	5
1-Month T-bill	5.10	-4
3-Month T-bill	5.47	1
6-Month T-bill	5.54	-7
12-Month T-bill	5.70	3

Source: CCIL, Bloomberg, \*semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	138	87	195	86
AA	234	181	286	174
A	423	372	480	372

Source: FIMMDA, as on 23 Jan, 2026

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	8.45
SOFR	3.66

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	81,857	0.4
NIFTY	25,175	0.5
NASDAQ	23,817	0.9
S&P 500	6,979	0.4
Nikkei 225	53,334	0.8
Euro Stoxx 50	5,995	0.6

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	67.6	3.6
Natural gas Nymex (USD/MMBtu)	6.7	0.1
Gold Comex (USD/t oz.)	5,240.9	2.8
Copper Comex (USD/lb)	592.2	0.5
Wheat cbot (USD/bu.)	524.8	0.8

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	91.72	-0.3
GBP/ INR	126.25	0.6
EUR/ INR	109.64	0.7
EUR/USD	1.20	1.0
DX Index	96.22	-0.8

Source: Morningstar, Bloomberg, Marketwatch

## Key events

**India:** IIP Dec'25, T-Bill & VRR Auction; **Policy Rate:** US, Canada, Brazil

## Domestic

**India and EU sign “the mother of all deals” (Source: PIB, ET):** As per the deal:

- 99%+ of Indian exports will gain preferential entry into the EU. The EU will get access to 102 subsectors (97% of their exports to India) and the deal is expected to double the EU's exports to India by 2032
- Tariffs on key goods such as machinery and electrical equipment (up to 44%), aircraft and spacecraft (up to 11%), optical, medical, and surgical equipment (up to 27.5%), plastics (up to 16.5%), chemicals (up to 22%), iron and steel (up to 22%), and pharmaceuticals (11%), will be reduced 0% for most or all of the products
- Motor vehicle tariffs will be slashed from 110% to 10% under a quota of 250,000 vehicles a year
- The EU will benefit from a reduction in a vast reduction in duties on food items, particularly spirits
- The deal also includes EUR 500 mn in climate funding over next 2 years. Any future CBAM concessions made by the EU will automatically apply to India as well

**Central Bank advances liquidity operations as yields spike (Source: RBI, CCIL):** OMO purchases of Union G-secs for Rs. 500 bn on each day will be held on 29 Jan'26 and 05 Feb'25 instead of 05 Feb'26 and 12 Feb'26. Further, a Rs. 500 bn 2-day VRR will be conducted on 28 Jan'26. Notably, benchmark 10Y Union G-sec was up 6bps d/d to 6.72%.

**The country to eschew annual clean energy targets (Source: The Hindu Businessline, Reuters):** As per media sources, after missing last year's target (15 GW tendered vs. 50 GW target), no such target will be provided from here on. This comes in the light of a large backlog of projects without a buyer, though less than half of this is likely to be cancelled.

## International

**Americans lose confidence in their economy (Source: The Conference Board):** The Consumer Confidence Index fell by 9.7 points m/m to 84.5 in Jan'26, printing its lowest value since 2014. Consumers were morose about both the present and future, with concerns about the business conditions and employment outlook.

**US home prices jumped in Nov'25 (Source: Reuters):** US single-family home prices jumped 0.6% m/m, exhibiting an acceleration from the pace seen in Oct'26. This along with high mortgage rates is impacting homebuyers.

**S. Africa weighs big tariffs to protect its auto industry (Source: Bloomberg):** The African power is considering imposing levy of upto 50% on vehicles from China and India. This would align the rate to the WTO's most-favoured nation status. Current rates stand at ~25%. On components, there is room to manoeuvre between 10-12%. This is as per media reports quoting an official.

# Our Recent Publications

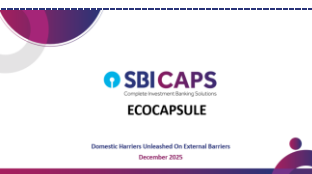


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### Details of Research Analysts

<u>Name</u>	Venkatesh Balakrishnan	<u>Name</u>	Siddharth Sarma
<u>Qualification</u>	PGDM	<u>Qualification</u>	MBA
<u>Designation</u>	Head- Credit Research	<u>Designation</u>	Senior Associate

### Details of Research Analyst entity

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

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