06 March 2026

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.13	2
US 2Y*	3.58	3
Germany 10Y	2.84	9
UK 10Y	4.54	10
Japan 10Y	2.15	1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.26	-3
6.48% GS 2035* (10Y)	6.64	-6
6.68% GS 2040*	7.06	-4
1-Month T-bill	5.20	50
3-Month T-bill	5.31	0
6-Month T-bill	5.51	-1
12-Month T-bill	5.58	-1

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	129	98	66	62
AA	221	186	153	147
A	414	376	344	341

Source: FIMMDA, as on 04 Mar, 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	3.67

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	80,016	1.1
NIFTY	24,766	1.2
NASDAQ	22,749	-0.3
S&P 500	6,831	-0.6
Nikkei 225	55,278	1.9
Euro Stoxx 50	5,783	-1.5

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	84.4	1.0
Natural gas Nymex (USD/MMBtu)	3.0	0.3
Gold Comex (USD/t oz.)	5,131.7	-1.1
Copper Comex (USD/lb)	585.5	-1.4
Wheat cbot (USD/bu.)	585.5	2.6

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	91.61	-0.6
GBP/ INR	122.45	-0.6
EUR/ INR	106.36	-0.6
EUR/USD	1.16	-0.1
DXY Index	99.32	0.6

Source: Morningstar, Bloomberg, Marketwatch

Key Events

India: G-sec Auction, State Budgets – Maharashtra, Karnataka; **US:** Non-farm Payrolls Feb'26, Retail Sales Jan'26; **Eurozone:** GDP CY25

Domestic

Vehicle retails remain meteoric in Feb'26 (Source: FADA): Vehicle retail sales rose 25.6% y/y to 2.4 mn. This was egged on by a 25.0% rise in 2W sales to 17 mn, with healthy rise in PV sales by 26.1% to 394k complementing the same. Gains were seen across categories, with the CE category alone seeing a mild dip. The outlook of dealers has normalised as PV inventory levels are down 5 days m/m to 27-29 days. For 11MFY26, vehicle retails showed 12.1% y/y rise.

Energy options being sought amidst Iran War (Source: ET): The country is looking at alternative markets to buy gas and is in talks with Australia and Canada for the same. The Government is also considering availing the US insurance for ships on the Strait of Hormuz. Meanwhile, the US has granted India a 30-day permission to purchase Russian oil stranded at sea.

MPC member acknowledges global headwinds to economy (Source: ET): Mr. Kumar said fiscal and monetary policies need to work in tandem to push GDP growth to a higher trajectory amid immediate-term challenges from the Middle East conflict. He identified a hike oil prices, export disruptions, and impact on remittances as issues.

RBI intervenes to stabilise bond market (Source: ET): As per media sources quoting market experts, the RBI did on-screen bond buying to offset its forex market activity to balance INR liquidity. Purchases under 'others' category, which includes Central Banks reached Rs. 172.5 bn on 05 Mar'26 and Rs. 202.9 bn on 04 Mar'26.

International

Global economic activity remained robust at the dawn of war (Source: S&P Global): Global Composite PMI soared to a 21-month high of 53.3 in Feb'26 (Jan'26: 52.6), aided by Services PMI reaching 53.4. The gains were broad-based, with financial and consumer services being the stars. Regionally, Asia was a bright spot with India, China, and Japan emerging as leaders.

US employment statistics remain strong (Source: Reuters): Initial jobless claims remained unchanged on week at 213k for the week ended 28 Feb'26, below forecast levels. This was due to a very few jobs being lost – Challenger Report indicated that only 48.3k jobs were lost, a 72% y/y decline. Productivity also improved, with non-farm productivity up 2.8% q/q in Q4CY25.

US mulls fresh rules for AI chips (Source: Reuters): As per media reports, US officials are debating a new framework which would mandate foreign nationals to invest in US AI data centres or security guarantees as a condition for granting exports of 200k chips or more. Foreign firms that want up to 100k chips would need to provide government-to-government assurances, with installations of even less than 1,000 chips needing license. This applies to even US allies.

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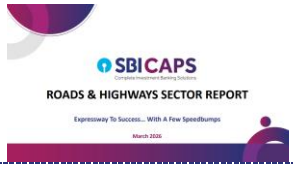

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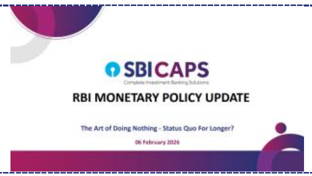

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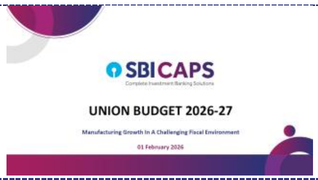

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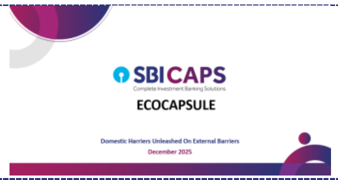

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