

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.29	-3
US 2Y*	3.77	-4
Germany 10Y	3.00	-3
UK 10Y	4.91	-2
Japan 10Y	2.32	-3

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.01% GS 2030*	6.77	12
6.48% GS 2035* (10Y)	7.03	9
6.68% GS 2040*	7.45	14
1-Month T-bill	5.31	-15
3-Month T-bill	5.38	-5
6-Month T-bill	5.53	-1
12-Month T-bill	5.64	-1

Source: CCIL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	116	76	23	60
AA	197	160	109	147
A	392	350	300	340

Source: FIMMDA, as on 27 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	8.40
SOFR	3.63

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	71,948	-2.2
NIFTY	22,331	-2.1
NASDAQ	21,591	3.8
S&P 500	6,529	2.9
Nikkei 225	51,064	-1.6
Euro Stoxx 50	5,570	0.5

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	105.6	-1.7
Natural gas Nymex (USD/MMBtu)	2.9	0.7
Gold Comex (USD/t oz.)	4,718.5	2.8
Copper Comex (USD/lb)	563.4	2.3
Wheat cbot (USD/bu.)	620.8	1.5

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	94.81	0.0
GBP/ INR	123.43	-0.5
EUR/ INR	108.04	0.3
EUR/USD	1.16	0.9
DX Index	99.96	-0.5

Source: Morningstar, Bloomberg, Marketwatch

Key Events

Manufacturing PMI Mar'26: China, US, Eurozone; **US:** Retail Sales Feb'26, ADP Private Payroll Mar'26

Domestic

Fiscal deficit is approaching the yearly target (Source: CGA):

- Gross tax revenue touched Rs. 34.2 trn in 11MFY26, up 6.7% y/y, with fair increase in corporation tax and customs & excise offsetting tepid income tax collections
- Capex is up 14.5% to Rs. 9.3 trn, which is 84.8% of FY26RE. There was sharp rise in Feb'26 vs. Jan'26. Expenditure by Roads & Railways lag the overall growth
- Revex has reached 80.5% of FY26RE, with fertiliser subsidy already crossing yearly Budget
- Fiscal deficit touched Rs. 12.5 trn, which is 85.8% of FY26RE

External debt rose in Q3FY26 (Source: DEA):

Outstanding gross external debt was up 6.5% y/y as of Dec'25 (20.4% of GDP), with large increase in debt consumed by 'other financial corporations'. Short-term debt growth outpaced that of long-term debt. Gross external debt was USD 765.5 bn as of Dec'25, with much of it held by deposit-taking corporations.

Industrial production improves in Feb'26 (Source: PIB):

IIP growth accelerated to 5.2% y/y, a whiff better than Jan'26's 5.1% which was upwardly revised. Growth was seen in the volumetric production of motor vehicles & transport equipment, basic metals, and electrical equipment. Based on use-based classification, momentum was seen in capital goods and infrastructure/construction goods. For 11MFY26, IIP grew 4.1% y/y, unchanged from 11MFY25.

Credit growth remains strong in Feb'26 as rates fall (Source: RBI):

- Outstanding non-food bank credit rose 14.3% y/y
- Industry credit growth was sterling, printing 13.5%. Improvement was shown by large industries even as MSMEs continued to the heavy lifting. Good offtake was seen in 'gems & jewellery', 'beverage and tobacco', and 'mining and quarrying (incl. coal)
- Services credit growth clocked 16.3% rise, helped by offtake PFIs and shipping. Personal credit growth was hefty at 15.2%, led by 127.9% rise in loans against gold jewellery
- 1-year median MCLR was drop 5bps m/m to 8.40% in Mar'26. WALR (fresh) and o/s were down in Feb'26 vs. Jan'26
- WADTDR was flattish, inching down by 1bps to 5.65% in Feb'26

RBI defers key norms (Source: RBI, The Hindu):

- The Central Bank has postponed the implementation of new norms related to the enabling framework for banks to finance acquisitions by Indian corporates and rationalising the limits for lending by banks to individuals against shares, units of InvIT/REIT etc. The rules will now apply from 1 Jul'26 instead of 1 Apr'26
- Enhanced export credit period (15 months instead of 9 months) relaxation, which was set to expire on 31 Mar'26, is now extended for disbursements made till 30 Jun'26

Continued...

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The Daily Digest

International

The fate of Iran War remains lost in contradictory signals (Source: Reuters, WSJ): As per media sources, the POTUS is willing to end the Iran War even if the Strait of Hormuz remains unopened. He mentioned that military attacks could end in 2-3 weeks. At the same time, the US may be seeking payments from Arab countries for the War. Meanwhile fighting continued with a full Kuwaiti oil tanker and American University being targetted.

Chinese economic activity recovers in Mar'26 (Source: CNBC, S&P Global): China's official manufacturing PMI rose to 50.4, beating forecast of 50.1 and is the first expansionary reading in CY26. Caixin manufacturing PMI too was expansionary, clocking 50.8, though directionally it was down from Feb'26's 51.6. Official non-manufacturing PMI also emerged from contraction, printing 50.1 from 49.5 in Feb'26.

European consumer prices surged in Mar'26 (Source: Eurostat, Destatis):

- Eurozone CPI printed 2.5% y/y, a shade lower than forecast but well above Feb'26's 1.9%. Core CPI rose too, clocking 2.3%. Energy goods saw a sharp inflation of 4.9% in prices. Sequentially, CPI rose 1.2% m/m due to 6.8% spike in energy
- German CPI clocked a 2.7% y/y rise due to a meteoric 7.2% jump in fuel prices. Core inflation remained consistent at 2.5%, the same rate as witnessed in Feb'26.

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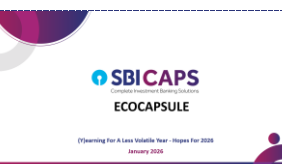


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