

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.37	0
US 2Y*	3.88	0
Germany 10Y	3.03	0
UK 10Y	4.96	-5
Japan 10Y	2.49	-2

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.36% GS 2031*	6.73	-2
6.48% GS 2035* (10Y)	6.98	-1
6.68% GS 2040*	7.35	0
1-Month T-bill	5.06	1
3-Month T-bill	5.28	3
6-Month T-bill	5.46	0
12-Month T-bill	5.66	2

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	128	86	52	46
AA	211	169	137	132
A	407	358	329	329

Source: FIMMDA, as on 29 Apr, 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	8.55
SOFR	3.66

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	76,914	-0.8
NIFTY	23,998	-0.7
NASDAQ	25,114	0.9
S&P 500	7,230	0.3
Nikkei 225	59,513	0.4
Euro Stoxx 50	5,882	1.1

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	108.0	-0.1
Natural gas Nymex (USD/MMBtu)	2.8	1.8
Gold Comex (USD/t oz.)	4,625.5	-0.4
Copper Comex (USD/lb)	598.8	0.1
Wheat cbot (USD/bu.)	635.3	-0.4

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	94.92	0.1
GBP/ INR	128.89	0.2
EUR/ INR	111.26	0.0
EUR/USD	1.17	0.0
DXY Index	98.16	-0.1

Source: Morningstar, Marketwatch

Key Events

Manufacturing PMI Apr'26: India, Eurozone; **US:** Factory Orders Mar'26; **CPI Apr'26:** Indonesia, Turkey

Domestic

High frequency metrics solid in Apr'26 (Source: The Hindu, ET, CEIC):

- Gross GST collections hit an all-time high of Rs. 2.43 trn, up 8.7% y/y, as expected seasonally. Net GST collections printed Rs. 2.11 trn (up 7.3%). Gross collections were driven by imports
- Electricity energy supply, at 154 BU, was up 4.4% y/y, driven by 14.3% spike in energy demand from SR
- 4.72 TWh was traded during the month on IEX, up 8.5% y/y. Price escalated mildly by 1% to Rs. 5.2/unit with ceiling touched sometimes
- CIL's output fell nearly 10% y/y to 56.1 mn tonnes, with offtake dipping by a modest 2%, continuing to exceed production
- Auto sales are estimated to touch 0.45 mn units, well above 3.5 mn units sold in Apr'25
- Fastag collections clocked Rs. 65.7 bn, down 3.4% y/y, the first instance of degrowth since the pandemic
- Value of UPI payments was Rs. 29 trn, up 21.2%

Key leaders ponder on the economy (Source: BS, ET):

- RBI Governor Mr. Malhotra pointed that enhancing G-sec liquidity across all tenors, broadening OTC interest rate derivatives beyond a few products, encouraging Indian banks to evolve as global INR market makers, expanding usage of FX Retail platform, and developing the credit derivatives market are the five key areas for him
- RBI DG Ms. Gupta said that the country can grow at a real rate of 7.5% y/y per annum in a non-inflationary manner. She admitted the long end of the yield curve has not seen transmission well
- CEA Mr. Nageswaran estimated that the ongoing West Asia crisis could expand CAD to 2% of nominal GDP in FY27 from <1% in FY26. He added gross FDI in FY26 would be ~USD 90-95 bn
- DFS Secy said that fiscal stress is a reality, but highways, railways, shipping, ports, and urban development sectors would be the focus for FY27 capex

FDI norms see a revamp (Source: ToI):

- The Union eased FDI rules to:
- Under FEMA, allow overseas firms with upto 10% Chinese (or any country with land border with India) ownership to invest in India, subject to these firms not being registered there.
 - MLIs/funds where India is a member will not be treated as entities of a specific country
 - Transfer of "participating interest or right" in oil fields by Indian companies to a person resident outside India will be treated as foreign investment
 - Allow 100% FDI in insurance companies and intermediaries (except LIC).

Fuel levies altered by the Union (Source: BS): The government has slashed export duty on diesel and ATF to Rs. 23/L and Rs. 33/L, respectively, effective from 1 May'26. The rate of duty on exports of petrol continues to remain nil.

Continued...

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The Daily Digest

Credit growth was vibrant in Mar'26 as rates dipped (Source: RBI):

- Non-food bank credit grew by an impressive 15.9% y/y, with all segments showing excellent traction
- Credit to industry recorded a 15.0% rise, with large industry credit posting 8.9% jump. MSMEs continued their handsome performance. Among industries to show meteoric growth were 'gems and jewellery', 'petroleum, coal products and nuclear fuels', and 'all engineering'
- Services credit growth posted 19.0% rise while personal loans recorded a 16.2% velocity
- WALR (fresh) dipped 4 bps m/m to 8.40%. 1-year MCLR for Apr'26 showed a rise of 15bps to 8.55%
- WADTDR (fresh) rose sharply 42bps in Mar'26 vs. Feb'26 as banks hunted for deposits, though o/s remained unchanged

International

American economy shows uncanny resilience (Source: BEA, S&P Global): Real US GDP grew at 2.0% q/q saar in Q1CY26, accelerating from 0.5% pace recorded in Q4CY25. Contributing to the cause was strong investment and export growth, with consumer spending in healthcare too showing a rise. Nominal GDP clocked 5.6% q/q saar indicating a fervent inflationary undercurrent. The momentum from this quarter also reflects in manufacturing PMI for Apr'26 which printed at impressive 54.5, the strongest since May'22.

US inflation soars in Mar'26 (Source: Reuters): PCE inflation shot up to 3.5% y/y, the biggest rise since May'23, much faster than 2.8% in Feb'26. The average national retail gasoline price surged 24.1% during the month. Core PCE inflation advanced 3.2% following a similar increase last month.

US Fed speakers firm up their views on rates (Source: Reuters): Ms. Hammack said it is no longer appropriate to signal a rate cut bias after she dissented against the hold in previous Fed policy. Another dissenter, Ms. Logan, went a step further, saying the Central Bank's next move could be a cut or hike.

War continues to simmer, impacting global energy maths (Source: Reuters, BBC): Iranian media said that the US has responded to its latest peace proposal. The 14-point proposal involves withdrawal of US forces near Iran's borders and cessation of all hostilities, including on Lebanon. It called for an agreement within 30 days. In any case, the White House declared the War had been 'terminated' and started 'Project Freedom' as per which US forces would escort stranded ships through Hormuz. Meanwhile, the OPEC+ has agreed to raise oil output targets in Jun'26, report media sources.

European Central Banks hold their breath on rates despite soaring inflation (Source: ECB, Eurostat, BoE):

- The ECB retained its main refinancing operations rate at 2.15%, saying it will not pre-commit to a particular rate path. Euro area inflation raced to 3.0% y/y in Apr'26 due to energy prices catching fire. GDP data released for Q1CY26 showed that the War was impacting real growth, which clocked a lower-than-expected 0.8% y/y
- BoE kept its interest rate unchanged at 3.75%. However, one member voted for a hike, unlike last time when there was consensus

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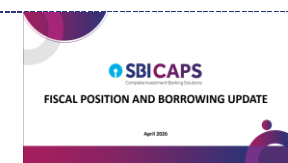


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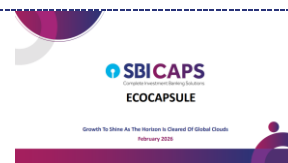


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