

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.42	-2
US 2Y*	3.94	-1
Germany 10Y	3.06	-2
UK 10Y	5.06	10
Japan 10Y	2.49	0

Source: Bloomberg, \*semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.36% GS 2031*	6.73	-4
6.48% GS 2035* (10Y)	7.02	0
6.68% GS 2040*	7.32	0
1-Month T-bill	4.96	-9
3-Month T-bill	5.27	0
6-Month T-bill	5.41	-1
12-Month T-bill	5.62	-1

Source: CCL, Bloomberg, \*semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	127	80	49	46
AA	202	156	126	126
A	385	346	319	323

Source: FIMMDA, as on 04 May, 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	3.63

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	77,018	-0.3
NIFTY	24,033	-0.4
NASDAQ	25,326	1.0
S&P 500	7,259	0.8
Nikkei 225	59,513	0.0
Euro Stoxx 50	5,870	1.8

Source: Google Finance, Investing.com

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	108.4	-4.5
Natural gas Nymex (USD/MMBtu)	2.8	-1.8
Gold Comex (USD/t oz.)	4,654.3	2.4
Copper Comex (USD/lb)	608.2	3.3
Wheat cbot (USD/bu.)	625.5	-3.0

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	95.29	0.2
GBP/ INR	128.85	0.1
EUR/ INR	111.48	0.4
EUR/USD	1.17	0.3
DXY Index	98.44	0.1

Source: Morningstar, Marketwatch

## Key Events

**India:** T-Bill Auction; **Services PMI Apr'26:** India, China, Eurozone

## Domestic

**Banks could issue foreign currency bonds to support the INR (Source: Bloomberg):** As per media sources, the RBI is weighing a plan for state-owned lenders to sell foreign-currency bonds to draw capital inflows. The maturity for such bonds could potentially be 5-years. The Central Bank is also considering offering forex swaps through which banks can buy FCY from the RBI at a future date at a pre-determined price

**FDI norms for countries sharing land border amended (Source: DD News, ET):** Investments where entities from land-bordering countries hold non-controlling beneficial ownership upto 10% are now permitted through the automatic route. A 60-day approval timeline is mandated for such investments in capital goods, electronic capital goods, electronic components, polysilicon, ingot-wafer manufacturing, advanced battery components, and rare earth processing.

**Prudential Norms on Specified Non-financial Assets (SFNA) Directions released (Source: RBI):** Only exposures which end up with regulated entities due to being classified as non-performing may fall in its purview. In cases of partial extinguishment of claims against borrower, the residual exposure will be treated as restructured. SNFA shall be recorded and carried at lower of the Net Book Value or Distressed Sale Value. Maximum holding period of 7 years is proposed, the SFNA cannot be sold back to the related party of the borrower.

**Securities regulator proposes expanding investment space of OBPP (Source: The Hindu Businessline):** SEBI has proposed changes to regulations for Online Bond Platform Providers (OBPP), including allowing them to offer products regulated by the IFSCA, thereby enabling access to overseas listed debt securities. Allowing the providers to allow access to 54EC bonds is also proposed.

**Central Bank's inflation target could be slimmed (Source: RBI):** DG Ms. Gupta opined that the country could lower the inflation target and trim the tolerance band if GDP growth remains robust with a more stable inflation over the next five years.

**Auto retails maintain momentum in Apr'26 (Source: FADA):** Total vehicle retails totalled 2.6 mn during the month, up 12.9% y/y. This is the best ever April on record. This was led by a 13.0% growth in 2W sales to 1.9 mn. PV sales also grew well at 12.2% to 407k. Other segments also did well, barring CE.

## Union Cabinet takes key decisions (Source: PIB):

- ECLGS 5.0 was launched with total additional credit flow of Rs. 2.55 trn (including Rs. 50 bn for airlines). The scheme provides 100% credit guarantee coverage for MSMEs and 90% for non-MSME & airlines
- Three multi-tracking projects of Railways worth Rs. 234.4 bn to be completed by FY31 have been greenlighted
- Two more semiconductor manufacturing units have been allowed with cumulative investment of >Rs. 39.9 bn
- Ship repair facility in Vadinar approved for cost of Rs. 15.7 bn

**Continued...**

06 May 2026

# The Daily Digest

## International

**US trade deficit widens in Mar'26 (Source: WSJ):** Overall trade deficit clocked USD 60.3 bn, up 4.4% m/m from a revised USD 57.8 in Feb'26. Imports increased faster than exports. The goods deficit, which grew, was partially offset by higher services surplus. AI related computer experienced a surge in imports, with fuel being a key export. Deficit with China widened for a third consecutive month (USD 14 bn), however, largest deficits are with Taiwan, Vietnam, and Mexico.

**US economic indicators remain robust for now (Source: BLS, S&P Global):**

- Number of job openings remained unchanged from the previous month at 6.9 mn in Mar'26. Hires stood at 5.9 mn
- US Services PMI recorded an expansion in Apr'26 at 51.0, up from 49.8 in Mar'26. The growth was modest, however, by historical standards. Composite PMI stood at 51.7 due to strength in both services and manufacturing

**Australia hikes policy rate (Source: CNBC):** RBA raised its policy rate to 4.35% from 4.10%, matching the Dec'24 peak. This was in line with expectations and supported 8-1 in the Committee. Inflation has picked up materially in H2CY25, with the same expected to remain above the 2-3% acceptable range for some time. Its economic forecast pencils the rate to go to 4.7% in Dec'26.

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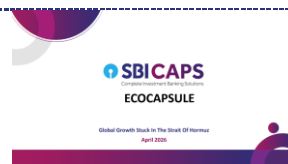


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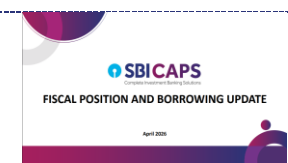


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