

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.45	1
US 2Y*	4.03	-2
Germany 10Y	3.00	6
UK 10Y	4.90	9
Japan 10Y	2.66	1

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.36% GS 2031*	6.83	-
6.48% GS 2035* (10Y)	7.02	-
6.68% GS 2040*	7.34	-
91-day T-Bill	5.56	-
182-day T-Bill	5.73	-
364-day T-Bill	6.03	-

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	121	105	89	80
AA	204	188	173	165
A	390	379	366	361

Source: FIMMDA, as on 27 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	8.65
SOFR	3.63

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	74,267	-0.7
NIFTY	23,383	-0.4
NASDAQ	27,087	0.4
S&P 500	7,600	0.3
Nikkei 225	66,934	0.9
Euro Stoxx 50	6,035	-0.3

Source: Google Finance

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	94.6	-0.5
Natural gas Nymex (USD/MMBtu)	3.2	0.3
Gold Comex (USD/t oz.)	4,516.1	0.2
Copper Comex (USD/lb)	658.7	0.5
Wheat cbot (USD/bu.)	604.8	-0.7

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	95.00	0.0
GBP/ INR	127.95	0.1
EUR/ INR	110.40	-0.1
EUR/USD	1.16	0.0
DXY Index	99.22	0.0

Source: Bloomberg, Morningstar, Marketwatch

Key Events

India: SGS Auction; **Eurozone:** CPI May'26; **Poland:** Policy Rate

Domestic

Provisional accounts for FY26 published (Source: CGA):

- Total receipts (ex-debt) at Rs. 33.9 trn corresponded to 99.4% of FY26RE, with a shortfall in revenue receipts (98.8% of FY26RE) being partially compensated by higher than estimated non-debt capital receipts (130.8% of FY26RE)
- Both revenue (Rs. 38.4 trn or 99.1% of FY26RE) and capital expenditure (Rs. 10.7 trn or 97.6% of FY26RE) missed their targets
- Fiscal deficit clocked Rs. 15.2 trn, lower than target. This meant that the target of fiscal deficit at 4.4% of nominal GDP was realised

Fiscal deficit on aggressive trajectory in Apr'26 (Source: CGA):

- Revenue receipts, at Rs. 2.0 trn, were just 5.7% of FY27BE, well below the run rate witnessed last fiscal. Non-tax revenues were particularly impacted
- Reven expanded to 9.3% of FY27BE, with a major increase in urea subsidy. Capex also covered more ground than last year, with Rs. 1.9 trn expended (15.5% of FY27BE)
- Fiscal deficit was at 21.4% of FY27BE as of Apr'26, which is high compared to 11.9% last year

GST collections middling in May'26 (Source: ET):

Gross GST collections slipped to Rs. 1.94 trn, off the record reached in Apr'26, though up 3.2% y/y. Net GST revenues rose 3.3% to Rs. 1.67 trn. Growth in collection was driven by imports, with GST revenue from this source up 19.1% even as domestic revenue slumped.

High-frequency indicators resilient in May'26 (Source: CEIC, IEX):

- Manufacturing PMI printed 55.0, edging above both Apr'26 and flash figure. Goods producers reported the fastest expansions in new orders and output in several months. New export orders rose at a softer pace
- Owing to a heatwave, energy supply spiked 11.0% y/y to 165.0 BU. Highest increases were seen in SR and WR. All regions saw growth
- Scheduled volume on IEX was up 25.4% y/y to 4.3 TWh, with prices also soaring 18.3% at Rs. 4.88/unit
- Value of UPI transactions was up 18.9% y/y, decelerating from the previous month
- Fastag collections were muted, rising 3.1% y/y
- Railway freight loading reached 145 mn tonnes in May'26, registering a mild 1.3% y/y increase

IIP on new series sees first release (Source: PIB):

Index of industrial production expanded 4.9% y/y in Apr'26. Growth was best in water supply, sewerage, and waste management segment (6.6%), followed by manufacturing (6.2%). Top contributing factors in manufacturing were car manufacturing, electrical equipment making, and machinery and equipment. On a use basis, maximum traction was in capital goods (16% y/y growth)

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02 June 2026

The Daily Digest

International

Global manufacturing retains strength in May'26 (Source: S&P Global):

- Global manufacturing PMI posted 52.6, unchanged from Apr'26. All sub-indices - new orders, output, employment, suppliers' delivery times and stocks of purchases – were expansionary
- US manufacturing PMI soared ahead to 55.1, the highest reading since May'22. Production was strong and output growth was notably faster
- Eurozone manufacturing PMI remained expansionary at 51.6, inching below from Apr'26

POTUS slashes select tariffs (Source: The White House): Tariffs on a range of agricultural and industrial equipment was slashed by 10pp to 15% until next year end. The proclamation also broadens the scope of industrial equipment eligible for the lower 15% tariff rate. Mobile industrial machinery, including bulldozers, forklifts and similar equipment imported from countries covered by US trade agreements, will now qualify for the reduced duty treatment.

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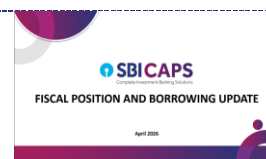
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