

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.55	1
US 2Y*	4.14	0
Germany 10Y	3.07	3
UK 10Y	4.93	3
Japan 10Y	2.66	-2

Source: Bloomberg, *semi-annual

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.36% GS 2031*	6.57	6
6.48% GS 2035* (10Y)	6.94	3
6.68% GS 2040*	7.24	2
1-Month T-bill	5.08	0
3-Month T-bill	5.30	0
6-Month T-bill	5.50	-1
12-Month T-bill	5.90	-2

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	120	105	84	67
AA	203	189	169	154
A	389	378	360	348

Source: FIMMDA, as on 09 June, 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	

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	73,983	0.1
NIFTY	23,215	-0.1
NASDAQ	25,170	-2.0
S&P 500	7,267	-1.6
Nikkei 225	64,179	-1.9
Euro Stoxx 50	6,010	-0.7

Source: Google Finance

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	94.3	2.1
Natural gas Nymex (USD/MMBtu)	3.2	1.6
Gold Comex (USD/t oz.)	4,117.4	-2.3
Copper Comex (USD/lb)	624.0	-1.7
Wheat cbot (USD/bu.)	587.8	-0.1

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	95.27	-0.1
GBP/ INR	127.55	0.0
EUR/ INR	109.95	0.0
EUR/USD	1.16	0.1
DXY Index	99.85	-0.1

Source: Bloomberg, Morningstar, Marketwatch

Key Events

Policy Rate: Europe, Turkey; **US:** PPI May'26; **World:** OPEC Report, WASDE Report

Domestic

Mutual fund flows suffer in May'26 as market conditions take their toll (Source: AMFI, CEIC): Mutual funds saw net outflow of Rs. 640.2 bn in May'26. Vast outflow of Rs. 969.5 bn in debt funds was enough to overshadow a paltry Rs. 229.1 bn netted by equity funds. All major categories of debt funds saw reduced investor interest. Within equity funds, small- and mid- caps did relatively better. Gold ETFs saw their first net outflow in 14 months. SIP contributions declined m/m.

RBI issues final directions on lending to REIT and InvIT (Source: RBI): Key changes from the draft directions:

- Condition on effective insolvency/bankruptcy mechanism being in jurisdiction where overseas branches lend to REITs has been relaxed. Such funding may not exceed 20% of the total and is subject to 150% risk weight
- Clarity provided that lending is permitted to privately placed listed InvIT, not only publicly listed ones
- Condition on three-year track record for REIT/InvIT with positive NDFC for 2 years relaxed. Now, atleast 80% of the underlying assets must be generating positive CFO for >= 1 year. Similarly, 'material adverse regulatory action' has been left to due diligence of bank
- InvIT and REIT which have SPVs facing 'financial difficulty' may be lent to as long as the funds are not used for such SPVs
- Framework for commercial banks extending acquisition finance to InvIT/REIT, and AIFs to InvIT is prescribed. SFBs may not extend acquisition finance to InvIT
- Restriction on bullet/ballooning loan structures relaxed. Further, bonds, debentures, and CP structured so is allowed in any case
- Certain changes with respect to security of assets

Government announces certain levy exemptions (Source: ET): The Union abolished excise duty on petrol blended 22%-30% ethanol. The exemption on anti-dumping duty on aluminium foil imported from China, Malaysia, Thailand, and Indonesia was extended till 15 Dec'26.

International

War takes an ugly turn on American aggression (Source: CNN): The US launched attacks against multiple targets in Iran. This was in line with Mr. Trump's threat to do so given insufficient progress on talks. Iran responded with strikes of its own and declared the Strait of Hormuz closed.

American consumer prices surge in May'26 (Source: CNBC): CPI rose 4.2% y/y, climbing above 4% for the first time in three years, even though the print was expected. Core CPI clocked 2.9%, indicating that the headline surge was squarely on a 25.3% jump in energy prices. Sequentially, CPI printed 0.5% m/m, with the core index at a milder 0.2% as core commodity prices dipped owing to muted tariff pressure.

Continued

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The Daily Digest

Canada holds rates steady (Source: Bloomberg): The Bank of Canada kept its policy rate at 2.25% for the fifth consecutive meeting. The Governor acknowledged that the economy had softened even as inflation had hardened. He added that second round effects from energy prices were yet to be observed.

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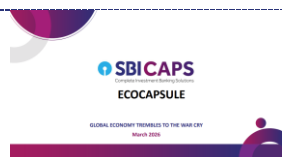
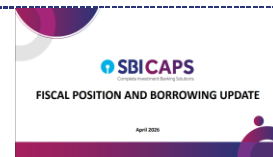


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