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The Daily Digest

SBICAPS
Complete Investment Banking Solutions

Foreign G-Sec Bond Yield		
G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.61	3
US 2Y*	4.27	4
Germany 10Y	3.11	5
UK 10Y	4.97	10
Japan 10Y	2.75	-1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	Yield (in %)	1D Change (bps)
6.36% GS 2031*	6.40	1
6.94% GS 2036* (10Y)	6.73	2
6.68% GS 2040*	6.95	1
1-Month T-bill	5.18	0
3-Month T-bill	5.27	0
6-Month T-bill	5.41	-3
12-Month T-bill	5.61	0

*Source: CCIL, Bloomberg, *semi-annual*

Spreads in bps for Corporates				
Annualized Spreads	3-year	5-year	7-year	10-year
AAA	120	102	75	78
AA	199	182	156	162
A	384	369	344	350

Source: FIMMDA, as on 10 July, 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	8.50
SOFR	3.55

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	Last	1D Change (%)
BSE SENSEX	77,616	0.1
NIFTY	24,211	0.0
NASDAQ	25,873	-1.6
S&P 500	7,515	-0.8
Nikkei 225	67,243	-1.9
Euro Stoxx 50	6,271	0.0

Source: Google Finance

Commodities Futures		
Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	83.9	6.1
Natural gas Nymex (USD/MMBtu)	2.9	-0.7
Gold Comex (USD/t oz.)	4,020.8	-1.2
Copper Comex (USD/lb)	631.1	1.6
Wheat cbot (USD/bu.)	634.5	-1.7

Source: Bloomberg

Exchange Rates		
Currency pair	Rate	1D Change (%)
USD/ INR	95.62	0.3
GBP/ INR	128.15	0.1
EUR/ INR	108.82	0.0
EUR/USD	1.14	0.0
DXY Index	101.24	0.3

Source: Bloomberg, Morningstar, Marketwatch

Key Events

India: WPI Jun’26, SGS Auction; **US:** CPI Jun’26; **China:** Trade Balance, New CNY Loans, TSF Jun’26; **Singapore:** GDP Q2CY26

Domestic

CPI crosses RBI target after 17 months (Source: PIB, CEIC, ET): Consumer prices expanded by 4.38% y/y in Jun’26, with CFPI clocking 5.32%. Heady inflation was seen in precious metals and select foot items, including tomato. Personal care items continued to see skyrocketing price rise, recording 16.9% spike. Rural inflation outpaced urban inflation, with southern states seeing generally higher dearness. Sequentially, CPI accelerated to 1.03% m/m due to sharp rise in transport and food prices.

Goods trade deficit zooms in Jun’26 (Source: BS): Imports widened by a startling 31% y/y to USD 70.8 bn, while exports rose by 15.5% to USD 40.4 bn. Higher imports were attributable to crude oil, electronics, machinery, and precious metals. This meant that the trade deficit scorched to USD 30.4 bn. In Q1FY27, exports rose 15.9%, with imports beating them by growing 19.9%.

Sowing shows slight improvement even as monsoon takes a break (Source: UPAG, IMD, CWC):

- Total sown area of kharif crops stood at 53.1 mn ha, down 16.0% y/y. Rice sowing is 8.6% down, with significant shortfalls in coarse cereals, oilseeds, and pulses. This is as of 10 Jul’26
- Monsoon is 19.4% below normal as of 13 Jul’26. Largest shortfall is in East and NE India, followed by South Peninsular India, even as all regions remain deficient
- Live storage in key water reservoirs is slightly above long period average as of 09 Jul’26 at 32.4%, though down significantly from level seen last year

International

War escalates as fate of Hormuz is uncertain (Source: AP): POTUS said that the US is reinstating a blockade on Iran in the Strait of Hormuz. He added that the US would charge ships for safe passage an amount equal to 20% of the value of the cargo held. Iran responded by saying that it would provide safe passage instead and charge a fee.

US Fed speaker calls for rate hikes (Source: Reuters): Mr. Waller warned that the Fed may need to raise rates “in the near term” if the coming data shows inflation continuing well above the 2% target. He said monetary policy is at a crossroads and the Fed should not be lackadaisical. He said several months of lower Core inflation readings would be needed to prove any progress towards the goal.

Chinese trade surplus widens sharply in Jun’26 (Source: Reuters): Exports surged 27.0% y/y (forecast: 18.2%), accelerating from May’26. This is attributable to demand for AI-based technology products. Imports jumped by 36.0% y/y (forecast: 24.0%) to reach a 5-year high, albeit on a smaller base. This meant that trade surplus clocked a stunning USD 125.6 bn, above expectations.

Continued…

China unveils plan to unleash consumption (Source: Reuters): The State Council has created a five-year plan till 2030 for the same which pledges to boost services consumption in areas including elderly care, childcare, healthcare, culture, tourism, sports, and education. Retail sales of CNY 60 trn are being targetted.

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