16 July 2026

The Daily Digest

SBICAPS
Complete Investment Banking Solutions

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.56	-3
US 2Y*	4.15	-4
Germany 10Y	3.12	1
UK 10Y	4.94	-3
Japan 10Y	2.68	1

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.36% GS 2031*	6.46	-2
6.94% GS 2036* (10Y)	6.77	-2
6.68% GS 2040*	6.99	-2
1-Month T-bill	5.23	2
3-Month T-bill	5.32	3
6-Month T-bill	5.55	11
12-Month T-bill	5.69	8

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	118	103	80	74
AA	197	183	161	158
A	382	370	349	346

Source: FIMMDA, as on 14 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	3.63

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	77,185	0.2
NIFTY	24,079	0.1
NASDAQ	26,269	0.6
S&P 500	7,572	0.4
Nikkei 225	68,752	1.5
Euro Stoxx 50	6,266	-0.2

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	85.3	-0.7
Natural gas Nymex (USD/MMBtu)	2.9	-0.7
Gold Comex (USD/t oz.)	4,042.4	0.1
Copper Comex (USD/lb)	635.4	-0.5
Wheat cbot (USD/bu.)	675.3	4.3

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	96.27	0.1
GBP/ INR	130.36	1.0
EUR/ INR	110.27	0.3
EUR/USD	1.15	0.2
DXY Index	100.49	-0.4

Source: Bloomberg, Morningstar, Marketwatch

Key Events

India: VRR Auction; **US:** Retail Sales Jun’26, Pending Home Sales Jun’26, Jobless Claims; **S. Korea:** Policy Rate; **Eurozone:** Trade Balance May’26

Domestic

Panel suggests measures to develop REIT, InvIT in GIFT City (Source: IFSCA, BS): The steps put forth include introduction of mortgage REIT (mREIT) to allow lenders to unlock capital given to real estate borrowers. Further, ‘mixed’ and ‘global’ REITs are suggested which would allow pooling of assets from multiple jurisdictions. The Committee further recommended that SEBI registered REIT & InvIT may be allowed to issue depository receipts and proceed with dual/secondary listing to tap the global investor base. It also recommends exemption for investment in REIT & InvIT from sectoral cap and lock-in, besides exemption for their Indian sponsors from OPI limit. Tax parity between SEBI & IFSCA registered vehicles is sought.

Current account deficit posted in May’26 (Source: RBI): The month saw a CAD of USD 2.0 bn. A net increase in merchandise trade deficit, even as services surplus remained flattish was primarily responsible. Transfers increased to USD 13.6 bn from USD 10.5 bn in May’25. Capital account saw a deficit in May’26 vs. May’25. For 2MFY27, current account is in a USD 2.8 bn surplus (2MFY26: - USD 4.1 bn).

Cabinet finalises key decisions (Source: PIB): Highlights:

- Mobile Phone Manufacturing Scheme (MPMS) approved with Budgetary outlay of Rs. 625 bn from FY27 to FY31. The scheme provides incentives at 2.25%-5% on sales plus additional incentives
- Semicon 2.0 approved with Budgetary outlay of Rs. 1.28 trn. The scheme looks at six pillars including design, machines and materials, setting up more fabs, and strengthening ATMP/OSAT industry
- Two multi-tracking projects spanning Odisha and Jharkhand with length of 145 km and cost Rs. 39.1 bn till FY31 approved
- Cabinet approved development of 6 lane Greenfield Elevated Corridor between NH19 and Varanasi Ring Road on HAM at total capital cost of Rs. 144.5 bn under NH(O)
- Cabinet approved development of 6/4 lane Elevated Corridor along Varuna riverbank on HAM at total capital cost of Rs.110.0 bn
- National Investment Policy for Urea 2026 for an additional 10 mn tonnes of capacity to be created. The changes include a band of RoE, shield against currency risk, and separation of fixed and variable costs

International

Chinese credit data disappoints in Jun’26 (Source: Morningstar, Bloomberg): New loans worth CNY 1.61 trn were sanctioned – while this was more than 3x the level seen in Jun’26, it fell short of forecast of CNY 1.95 trn. Outstanding loan growth thus recorded 5.3% y/y, a whiff below expectations. Total social financing was also shy of projections at CNY 3.36 trn, though improving from May’26.

Continued…

The Daily Digest

US producer prices chime in below forecasts (Source: BLS, Bloomberg): US PPI printed 5.5% y/y in Jun'26 (forecast: 6.2%, May'26: 6.0%). Core PPI also came in lower than projected at 4.7%. Sequentially, PPI declined 0.3% m/m against no change in prices factored in. A dip in goods prices, especially energy, cancelled out a mild increase in services prices, on month.

Global Central Banks go on divergent rate trajectory (Source: CNBC, Yahoo! Finance):

- The Bank of Canada held its benchmark rate for the sixth consecutive time at 2.25%, as widely anticipated. The Governor sees the current rate as being right to bring inflation back in control, even as he left room for adjustments
- The Bank of Korea delivered a 25bps hike to 2.75% as expected. This is the first hike since Jan'23 as the BoK admitted that inflation will remain above target for a considerable time

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Name	Venkatesh Balakrishnan
Qualification	PGDM
Designation	Head- Credit Research

Details of Research Analyst entity Name	SBI Capital Markets Limited
Registration Number	INH000007429
Address	15th floor, A & B Wing, Parinee Crescenzo Building, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400 051
Telephone Number	+91 22 4196 8300
Compliance Officer	Bhaskar Chakraborty
Email id	compliance.officer@sbicaps.com
Telephone Number	+91 22 4196 8542

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