20 July 2026

The Daily Digest

SBICAPS
Complete Investment Banking Solutions

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.55	0
US 2Y*	4.18	5
Germany 10Y	3.12	-1
UK 10Y	4.95	-1
Japan 10Y	2.68	-3

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.36% GS 2031*	6.46	3
6.94% GS 2036* (10Y)	6.78	3
6.68% GS 2040*	6.99	2
1-Month T-bill	5.19	-3
3-Month T-bill	5.29	-2
6-Month T-bill	5.50	-2
12-Month T-bill	5.61	-2

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	122	94	74	81
AA	203	176	157	166
A	384	362	343	352

Source: FIMMDA, as on 16 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	3.62

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	78,151	1.2
NIFTY	24,334	1.1
NASDAQ	25,520	-1.4
S&P 500	7,458	-1.0
Nikkei 225	64,141	-4.0
Euro Stoxx 50	6,231	-0.8

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	90.4	6.6
Natural gas Nymex (USD/MMBtu)	2.9	0.7
Gold Comex (USD/t oz.)	4,010.1	0.7
Copper Comex (USD/lb)	629.1	1.0
Wheat cbot (USD/bu.)	684.5	2.2

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	96.28	-0.1
GBP/ INR	129.82	0.0
EUR/ INR	106.69	-3.1
EUR/USD	1.14	0.0
DXY Index	100.77	0.0

Source: Bloomberg, Morningstar, Marketwatch

Key Events

India: VRR Auction; **China:** Policy Rate; **Canada:** CPI Jun'26

Domestic

RBI Governor voices out on policy issues (Source: BS): Mr. Malhotra said that the RBI will continue to prioritise inflation while supporting economic growth. He accepted that geopolitical tensions, particularly those emanating from West Asia, and weather-related uncertainties remain key concerns. He revealed that the RBI looks at components of CPI and not just the headline.

ALMM exemption extended for select projects (Source: BS): The MNRE has extended the exemption available to net-metering projects and open-access RE projects from adhering to ALMM-II (for cells) till 31 Dec'26. This is to provide protection for PV panel makers for investments already made.

Central Bank concludes key auctions (Source: RBI):

- Rs. 110 bn 6.03% GS 2029 and 6.68% GS 2033 were allotted at a cut-off yield of 6.1988% and 6.6203% respectively. Rs. 100 bn of 7.24% GS 2055 was allocated at 7.3941%
- Two 3-day VRR auctions were held. The first one saw bids worth Rs. 1.10 and allocation of Rs. 750.03 bn against notified amount of Rs. 750 bn, at a cut-off rate of 5.26%. The second one saw bids and allocation of Rs. 8.2 bn vs. notified Rs. 500 bn, at the same cut-off

International

US industrial output remains moderate in Jun'26 (Source: WSJ): Industrial production ambled ahead by 0.1% m/m, only half the rate forecast. The glum was set by flattish manufacturing output sequentially against 0.1% expansion recorded in May'26. Durable goods output declined in the period, offset by gains in energy commodities. Capacity utilisation was at 76.1%, same as last month.

US Fed reserve member concerned about inflation (Source: Bloomberg): Ms. Hammack said that inflation pressure remains broad-based, with businesses calling for policy action and consumers struggling to cover expenses. She added growth figures remain solid, while consumer spending is stable.

US housing market suffers in Jun'26 (Source: Reuters): US single-family homebuilding fell for the third consecutive month (down 0.2% m/m to 895k) while permits for future construction dropped to their lowest in 10 months (down 2.4% m/m to 871k). The morosity was due to high mortgage rates coupled with a supply overhang, besides higher costs of homebuilding materials.

Chinese Central Bank takes call on policy rate (Source: The Business Times): The PBoC kept its benchmark lending rate unchanged for the 14th consecutive meeting. The 5-year Loan Prime Rate (LPR) thus remained steady at 3.50%, while 1-year LPR is at 3.00%. The decision was in line with expectations.

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