The Daily Digest

03 September 2026

SBICAPS
Complete Investment Banking Solutions

Foreign G-Sec Bond Yield

G-sec	Yield (in %)	1D Change (bps)
US 10Y*	4.77	-3
US 2Y*	4.36	-4
Germany 10Y	3.37	3
UK 10Y	5.23	1
Japan 10Y	2.95	-4

*Source: Bloomberg, *semi-annual*

G-sec yield

G- Sec	Yield (in %)	1D Change (bps)
6.36% GS 2031*	6.55	-3
6.94% GS 2036* (10Y)	6.98	2
7.06% GS 2041*	7.13	1
1-Month T-bill	5.01	-1
3-Month T-bill	5.25	1
6-Month T-bill	5.64	2
12-Month T-bill	5.90	9

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

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	135	112	91	74
AA	213	197	177	161
A	397	377	358	344

Source: FIMMDA, as on 01 September, 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	8.70
SOFR	3.66

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices

Indices	Last	1D Change (%)
BSE SENSEX	76,570	-0.5
NIFTY	23,914	-0.6
NASDAQ	26,218	0.5
S&P 500	7,667	0.5
Nikkei 225	64,326	-2.9
Euro Stoxx 50	6,362	-0.1

Source: Google Finance

Commodities Futures

Commodities	Last	1D Change (%)
Brent Crude (USD/bbl)	95.6	-0.2
Natural gas Nymex (USD/MMBtu)	3.0	2.0
Gold Comex (USD/t oz.)	4,465.5	2.8
Copper Comex (USD/lb)	660.0	1.2
Wheat cbot (USD/bu.)	773.3	-0.3

Source: Bloomberg

Exchange Rates

Currency pair	Rate	1D Change (%)
USD/ INR	94.98	0.0
GBP/ INR	127.22	-0.9
EUR/ INR	110.05	0.2
EUR/USD	1.16	0.2
DXY Index	99.60	-0.1

Source: Bloomberg, Morningstar, Marketwatch

Key Events

India: VRRR Auction; **Services PMI Aug'26:** India, US, China, Eurozone; **US:** Trade Balance Jul'26, Initial Jobless Claims

Domestic

Sovereign rating upgraded to a new category (Source: ET): The country's credit rating now stands at A-, upgraded by one notch from BBB+. This rating is given by JCRA. The agency attributed this change to sustained high economic growth, stronger financial system, and policies aimed at improving productivity and economic development. The country ceiling is now enhanced to A. The rating is back to this category after 35 years.

Forex inflows in special scheme cross all expectations (Source: RBI): Total inflows from 08 Jun'26 till 31 Aug'26 (closure of scheme) came in at USD 136.4 bn. Of this, USD 127.2 bn consisted of FCNR(B) deposits, with USD 5.3 bn in OFCBs, and USD 3.9 bn in ECBs. These figures are provisional.

Fuel consumption makes moderate gains in Aug'26 (Source: PPAC): Petrol consumption moved up by 7.9% y/y to 3.8 mn tonnes, while diesel usage also increased handsomely by 6.5% to 7.0 mn tonnes. These indicate that industrial and commercial activity were robust amidst calm monsoons. ATF consumption showed an anaemic rise, while LPG used was down for another month.

International

Private payroll growth moderates in Aug'26 (Source: ADP): Private employers added 38k (forecast: 47k) jobs, the slowest pace since Jan'26. Manufacturing, professional services, and information shed jobs. Education and health care, construction, and leisure and hospitality all showed solid hiring.

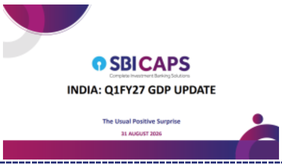
East Asian services activity improves in Aug'26 (Source: S&P Global):

- China's Caixin Services PMI rose to 51.4, signalling another month of modest expansion. Companies linked higher activity to greater market demand, financial improvements, client additions etc. With this, the Composite PMI was at 52.1 (Jul'26: 50.8)
- Japan Services PMI was at 52.5, with greater amounts of new work and public sector projects helping. Composite PMI chimed in at 53.5, with the heavy lifting being done by manufacturing

Canada holds policy rate, but only just (Source: Reuters): The BoC kept its key policy rate at 2.25% as expected. However, Governor Mr. Macklem said policymakers were prepared to raise them if inflation remained too high. He averred upside risks to inflation dominate, unlike earlier statements where he had said risks were balanced.

Taiwan to up its investment in the US (Source: Reuters): Taiwanese Economy Minister Mr. Kung said that Taiwanese companies were very actively investing in the US and that another USD 20 bn in investments are planned. He said AI and chip orders are very lively.

Our Recent Publications



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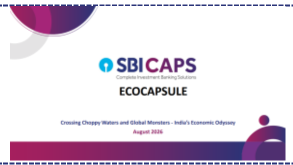

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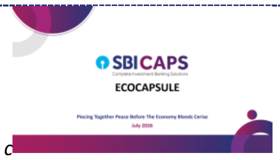

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