11 September 2026

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.97	13
US 2Y*	4.59	16
Germany 10Y	3.50	6
UK 10Y	5.37	11
Japan 10Y	2.97	5

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.36% GS 2031*	6.52	1
6.94% GS 2036* (10Y)	6.98	2
7.06% GS 2041*	7.12	1
1-Month T-bill	4.77	1
3-Month T-bill	5.17	-2
6-Month T-bill	5.58	-2
12-Month T-bill	5.89	-1

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

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	126	110	85	75
AA	204	195	171	162
A	388	375	352	345

Source: FIMMDA, as on 09 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	3.64

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	74,903	0.2
NIFTY	23,478	0.2
NASDAQ	26,082	-0.7
S&P 500	7,592	-0.6
Nikkei 225	65,271	0.2
Euro Stoxx 50	6,269	-0.7

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	107.9	6.6
Natural gas Nymex (USD/MMBtu)	2.8	1.4
Gold Comex (USD/t oz.)	4,365.6	-2.1
Copper Comex (USD/lb)	654.4	-4.5
Wheat cbot (USD/bu.)	736.0	1.4

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	95.45	0.4
GBP/ INR	129.12	0.2
EUR/ INR	110.69	0.1
EUR/USD	1.16	-0.3
DXY Index	99.05	0.2

Source: Bloomberg, Morningstar, Marketwatch

Key Events

India: G-sec & VRRR Auctions; **US:** CPI Aug’26; **World:** IEA Report, WASDE Report; **Russia:** Policy Rate, GDP Q2CY26, CPI Aug’26

Domestic

Mutual fund flows remain muted in Aug’26 (Source: CEIC): Total inflows at Rs. 413.5 bn were down 21% y/y. The morosity was exemplified by a 12% drop in equity fund flows as significant withdrawals ensued in large-cap and ELSS funds. Debt funds continued to bleed, seeing outflows of Rs. 81.3 bn and reversing the gains made last month. There was a sharp outflow in overnight funds.

Governor reiterates RBI’s commitment to build Fintech (Source: RBI): Mr. Malhotra outlined trust as a pillar of the financial system. He advocated multiple steps to build trust, including addressing risks pertaining adopting AI. He expounded on treating data as a fiduciary responsibility and called on financial institutions to take on responsibility fitting their size. Finally, he discouraged businesses from exploiting regulatory gaps.

Central Bank continues liquidity absorption drive (Source: RBI):

- Overnight VRRR for Rs. 6 trn saw bids and acceptance of Rs. 3.97 trn at a cut-off rate of 5.24%
- A 26-day VRRR will be conducted on 11 Sep’26 for a total quantum of Rs. 5 trn

International

ECB hikes rates to combat runaway inflation (Source: ECB): As expected, the ECB raised its three key interest rates by 25bps. With this, the main refinancing rate stands at 2.65%. The Central Bank said that headline inflation is expected to average 3.0% y/y in CY26, not returning to the target even in CY28. Growth on the other hand is better than earlier envisaged expected at 0.9% y/y in CY26 and 1.4% in CY27. The Council said it is not committing to any future path.

Producer prices soar worldwide in Aug’26 (Source: Bloomberg):

- US PPI ballooned 5.4% y/y, 0.1pp above forecast. Driving prices were goods, airline fares, and hospital services. Sequentially, the index advanced by 0.4% m/m
- Japanese PPI clocked a whopping 7.6% y/y, well above projection and cooling only slightly from last month. PPI continues to be driven by JPY import price pressure

Oil demand to be weaker than earlier factored (Source: Reuters): The OPEC, in its monthly report, lowered its world oil demand forecast by 380kbpd for CY26. However, its demand forecast remains stronger than most others. For CY27, it raised its projection.

US stutters on copper tariffs (Source: Reuters): As per media sources, the White House is hesitant to impose tariffs on refined copper amid concerns over higher manufacturing costs. Copper prices are near record highs due to stockpiling.

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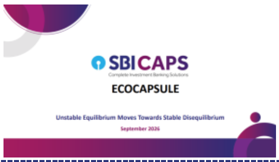

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