

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.36	-7
US 2Y*	4.71	-3
Germany 10Y	2.58	-2
UK 10Y	4.17	-8
Japan 10Y	1.08	1

Source: Bloomberg, \*semi-annual

## G-sec yield:

G-Sec	Yield (in %)	1-Day Change in Bps
7.37% GS 2028*	6.98	-2
7.10% GS 2034* (10Y)	7.00	-1
7.18% GS 2037*	7.03	-1
91-day T-bill	6.78	-2
182-day T-bill	6.90	-2
364-day T-bill	6.95	-1

Source: CCL, RBI, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	86	42	121	48
AA	157	111	194	127
A	346	301	388	328

Source: FIMMDA, as on 2 Jul, 2024

## Key rates:

Policy	Rate (in %)
Repo rate	6.50
Standing Deposit Facility Rate	6.25
Bank rate	6.75
1-year median MCLR of SCBs	8.85
SOFR	5.35

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	121.2	6.49
Triparty Repo	3,935.4	6.34
Market Repo	1,569.7	6.36
Repo in corporate bond	8.1	6.57

Source: RBI, as of 03 Jul, 2024

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	79,986	0.7
NIFTY	24,286	0.7
NASDAQ	18,188	0.9
S&P 500	5,537	0.5
Nikkei 225	40,580	1.3
Euro Stoxx 50	4,966	1.2

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	86.9	0.3
Natural gas Nymex (USD/MMBtu)	2.4	-0.8
Gold Comex (USD/t oz.)	2,367.6	1.7
Copper Comex (USD/lb)	453.5	2.4
Wheat cbot (USD/bu.)	574.0	-1.4

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	83.53	0.0
GBP/ INR	106.43	0.5
EUR/ INR	89.99	0.4
EUR/USD	1.08	0.4
DX Index	105.31	-0.4

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

None

## News:

Domestic:

**SEBI reduces face value of debt securities (Source: SEBI):** SEBI cut the face value of debt securities to Rs. 10k from Rs. 100k, subject to appointing a merchant banker and the instrument being a plain vanilla one, to boost retail participation. Notably, credit enhancements are permitted.

**Rising demand fuels services output growth in Jun'24 (Source: S&P Global):** Services PMI rose to 60.5 in Jun'24 from 60.2 in May'24, driven by rising new orders and record expansion in international orders leading to increasing staffing. Composite PMI expanded at a faster rate of 60.9 in Jun'24, from 60.5 in May'24 with manufacturing leading the rise.

**Union urges power companies to fast-track capacity additions (Source: BS):** According to media sources, Union has asked power companies to order equipment worth USD 33 bn to fast track capacity additions of coal-fired power, adding 31 GW of capacity in the next 4-5 years.

**Madhya Pradesh presents Budget for FY25 (Government of MP):** Highlights

- Revenue receipts are expected to grow by 17% to Rs. 2.63 trn (FY25BE vs. FY24RE). State's tax revenues are expected at Rs. 1.97 trn
- Total expenditure will increase by 16% at Rs. 3.65 trn (FY25BE vs. FY24RE). While revenue expenditure will increase by 16% at 2.61 trn, capex will also be higher by 15%.
- This will lead to a fiscal deficit of Rs. 625.6 bn in FY25BE (which is 4.11% of nominal GSDP vs. 4.02% in FY24RE)

**T-bill and VRRR auctions conducted successfully (Source: RBI):**

- 91-day T-bills worth Rs. 80 bn were auctioned (notified: Rs. 80 bn; cut-off rate: 6.7810%). 182-day T-bills worth Rs. 60 bn were auctioned (notified: Rs. 60 bn; cut-off: 6.9%). 364-day T-bills worth Rs. 60 bn were auctioned (notified: Rs. 60 bn; cut-off rate: 6.9498%)
- 2-day VRRR worth Rs. 251 bn were auctioned against a notified amount of Rs. 500 bn at a cut-off rate of 6.49%.

International:

**US FOMC Minutes for Jun'24 meeting released (Source: CNBC, US Fed):** Officials believe that PCE is moving in the right trajectory but not quickly enough for them to lower rates, until additional evidence is garnered. Some even indicated the need to raise rates if needed, while others interjected Fed should be ready to respond should the economy falter. Vast majority of members saw economic growth gradually cooling and that the current policy is restrictive

**US private payrolls growth slows down in Jun'24 (Source: Reuters):** According to ADP report, private payrolls increased 150k in Jun'24, after rising 157k in May'24, below expectations of 160k indicating slowing labour market momentum.

**US trade deficit widens in May'24 (Source: US BEA):** US goods and services trade deficit rose from USD 74.5 bn in Apr'24 to USD 75.1 bn in May'24, as exports decreased more than imports. Exports reduced USD 1.8 bn m/m to USD 261.7 bn while imports fell by USD 1.2 bn m/m to USD 336.7 bn.

**Global growth hits speedbreaker in Jun'24 (Source: S&P Global):**

- Global Services PMI grew to 53.1 in Jun'24 from 54 in May'24 underpinned by rising export business. Global Composite PMI slid to 52.9 in Jun'24 from 53.7 in May'24
- US Services PMI rose to 55.3 in Jun'24 from 54.8 in May'24, the highest since Apr'22, with increasing order volumes raising output
- Eurozone services PMI fell to 3-month low of 52.8 in Jun'24 from 53.2 in May'24 as export orders drag, with most demand coming locally.

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**Details of Research Analysts**

Name	Rajan Jain	Name	Siddharth Sarma
Qualification	PGDBA	Qualification	MBA
Designation	Head- Credit Research	Designation	Associate

**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	<a href="mailto:compliance.officer@sbicaps.com">compliance.officer@sbicaps.com</a>
Telephone Number	+91 22 4196 8542

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