

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.39	-1
US 2Y*	4.24	0
Germany 10Y	2.24	-1
UK 10Y	4.44	3
Japan 10Y	1.05	2

Source: Bloomberg, \*semi-annual

## G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.67	1
7.10% GS 2034* (10Y)	6.79	2
7.23% GS 2039	6.85	1
1-Month T-bill	6.48	-8
3-Month T-bill	6.41	-4
6-Month T-bill	6.58	-3
12-Month T-bill	6.53	-4

Source: CCL, Bloomberg, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	67	50	44	34
AA	145	144	134	130
A	338	335	326	325

Source: FIMMDA, as on 13 Dec, 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	9.00
SOFR	4.60

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	135.3	6.70
Triparty Repo	3,750.8	6.69
Market Repo	1,745.3	6.63
Repo in corporate bond	13.0	6.83

Source: RBI, as of 16 Dec, 2024

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	81,749	-0.5
NIFTY	24,668	-0.4
NASDAQ	20,174	1.2
S&P 500	6,074	0.4
Nikkei 225	39,457	0.0
Euro Stoxx 50	4,947	-0.4

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	73.9	-0.8
Natural gas Nymex (USD/MMBtu)	3.2	-1.8
Gold Comex (USD/t oz.)	2,671.6	0.9
Copper Comex (USD/lb)	418.4	-0.3
Wheat cbot (USD/bu.)	550.3	-0.4

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	84.87	0.1
GBP/ INR	107.71	0.6
EUR/ INR	89.21	0.3
EUR/USD	1.05	0.2
DX Index	106.86	-0.1

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

India: SGS, VRR Auction; US: Retail Sales Nov'24, Industrial Production Nov'24

## News:

Domestic:

**Advance tax mop-up of Q3FY25 jumps (Source: FE):** Advance tax collections for Q3FY25 surged 16.8% y/y to Rs. 3.14 trn, signalling a potential economic rebound. Net direct tax collections in FY25 till 15 Dec'24 stood at Rs. 15.8 trn, up 15.2%. This consisted of Rs. 7.4 trn in corporation taxes and Rs. 8.4 trn of income taxes.

**Wholesale price inflation eases in Nov'24 as food prices correct (Source: PIB):** WPI inflation eased to 1.9% y/y in Nov'24, against 2.4% in Oct'24 with the food index moderating to 8.9% (Oct'24: 11.6%). Prices of primary articles grew at a slower pace (5.5%) while manufactured products prices rose at a faster pace (2%), than previous month. Sequentially, WPI declined by 0.1% m/m with food index and primary articles declining 0.5% and 1.2% respectively.

**Trade deficit widens to record as gold demand soars in Nov'24 (Source: Mint):**

- Merchandise exports declined by 4.9% y/y at USD 32.1 bn in Nov'24 driven by fall in gems and chemicals exports and moderate growth in pharma, while merchandise imports grew by 27.0% to USD 70.0 bn driven by 3x surge in gold imports to USD 14.9 bn alone
- Consequently, merchandise trade deficit widened to USD 37.8 bn in Nov'24, from USD 21.3 bn in Nov'23
- Services exports grew by 26.9% y/y to USD 35.7 bn, while imports grew faster at 29.2% to USD 17.7 bn, resulting in surplus of USD 18.0 bn
- Thereby, overall trade deficit was up at USD 19.8 bn (vs Nov'23: 6.9 bn)

**Union may mandate 10% battery storage for new renewable energy projects (Source: ET):** MNRE Secy Mr. Singh said that an initial mandate of 10% battery storage could be introduced in upcoming solar and wind power plants, with provisions to scale it up gradually. The move is aimed at addressing the intermittency of renewable energy supply and ensuring round the clock delivery.

**Impact of digitalisation on inflation needs close monitoring: Dy Guv RBI (Source: BS):** Mr. Patra said that the impact of digitalisation on key economic variables relevant to monetary policy demands close monitoring, especially its effect on inflation, with price disparities between online and offline goods.

**RBI conducts VRR auction successfully (Source: RBI):** 4-day VRR worth Rs. 757.8 bn were auctioned against a notified amount of Rs. 1 trn at a cut-off rate of 6.51%.

International:

**Global service activity continues to remain strong while manufacturing suffers (Source: S&P Global):**

- US flash composite PMI expanded to 56.6 in Dec'24, with higher-than-expected service activity while manufacturing contraction worsened
- Eurozone service activity entered expansionary zone at 51.4, while manufacturing PMI remained contractionary at 45.2

**ECB officials mull further policy easing (Source: Bloomberg):**

- Ms. Lagarde said that ECB can cut rates further if incoming data confirms disinflation process. Further, Eurozone growth likely to take a hit from fresh US protectionist measures
- Mr. de Guindos and Mr. Kazimir echoed this, exhibiting confidence on disinflation and advocating cuts in small steps respectively
- Ms. Schnabel added the need to be cautious while being data-dependent

**Indonesia books unexpectedly large trade surplus in Nov'24 (Source: Reuters):** Indonesia posted a USD 4.4 bn trade surplus in Nov'24, double the figure expected by analysts, as exports jumped 9.2% y/y to USD 24.0 bn and imports came in below market forecasts at USD 19.6 bn.

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