

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.59	1
US 2Y*	4.33	0
Germany 10Y	2.32	0
UK 10Y	4.56	2
Japan 10Y	1.04	1

Source: Bloomberg, \*semi-annual

## G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.73	0
6.79% GS 2034* (10Y)	6.78	0
7.23% GS 2039*	6.88	1
1-Month T-bill	6.55	5
3-Month T-bill	6.69	25
6-Month T-bill	6.69	8
12-Month T-bill	6.68	8

Source: CCIL, Bloomberg, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	91	84	83	64
AA	169	170	173	160
A	362	361	365	355

Source: FIMMDA, as on 23 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	4.31

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	108.3	6.71
Triparty Repo	4,299.1	6.54
Market Repo	1,478.3	6.63
Repo in corporate bond	19.5	6.87

Source: RBI, as of 24 Dec, 2024

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	78,473	-0.1
NIFTY	23,728	-0.1
NASDAQ	20,031	1.3
S&P 500	6,040	1.1
Nikkei 225	39,130	-0.1
Euro Stoxx 50	4,858	0.1

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	73.6	0.8
Natural gas Nymex (USD/MMBtu)	4.0	6.2
Gold Comex (USD/t oz.)	2,635.5	0.1
Copper Comex (USD/lb)	411.0	0.2
Wheat cbot (USD/bu.)	534.8	-0.8

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	85.20	0.1
GBP/ INR	107.20	0.5
EUR/ INR	88.48	0.1
EUR/USD	1.04	-0.1
DXY Index	108.12	0.0

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

India: T-bill Auction; US: Jobless Claims

## News:

## Domestic:

## RBI releases Monthly Bulletin for Dec'24 (Source: RBI): Highlights:

- RBI said that economy is recovering from the slowdown in momentum witnessed in Q2FY25, driven by strong festival activity and a sustained upswing in rural demand, with growth trajectory poised to lift in H2FY25 supported by foodgrain levels and govt capex. Global headwinds pose risk
- Time to excoriate inflation is now, since price pressures are impacting consumption and investment on expenditure side and thereby weakening sales-led slowdown in manufacturing on the production side
- Net FDI decelerated to USD 2.1 bn during 7MFY25 (H1FY25: 3.6), vs USD 7.7 bn last year
- ECB registrations increased m/m in Oct'24 to USD 5.5 bn (Sep'24: USD 4.8 bn), despite rising costs
- NRI deposits flows increased to USD 11.9 bn in 7MFY25 from USD 6.1 over the same period last year

**Dividend from CPSEs likely to exceed budget estimates (Source: THB):** As per media sources, dividend from CPSEs is expected to exceed the Rs. 560 bn FY25BE with Union already mopping up Rs. 480 bn, fuelled by energy sector CPSEs. Further, the dividend is likely to exceed FY24A of Rs. 630 bn, estimated via advance tax instalments paid by these CPSEs.

**Union reviews sulphur cutting programme for coal plants (Source: ET):** Union is reviewing a USD 30 bn program to cut sulphur emissions from coal-fired power plants due to the high costs and limited impact of current technology. It is considering using cheaper local electrostatic precipitators instead, which might affect plans to boost coal-fired capacity by 37% by 2032.

## SGS and VRR auctions conducted successfully (Source: RBI):

- SGS worth Rs. 306.0 bn were auctioned by 15 states, with 10 year cut-off yield ranging between 7.11-7.15%
- 3-day VRR worth Rs. 379.5 bn were conducted against a notified amount of Rs. 750 bn at a cut-off yield of 6.51%

## International:

**China vows several fiscal measures to spur consumption in CY25 (Source: Reuters):** As per Finance Ministry of China, they will ramp up fiscal support for consumption next year by raising pensions and medical insurance subsidies for residents as well as expanding consumer goods trade-ins. Additionally, as per media sources, it plans record USD 411 bn special treasury bond issuance in CY25, 2x increase from CY24 levels.

**PBoC keeps rate steady as it withdraws most cash since CY14 (Source: Bloomberg):** China refrained from cutting the rates, keeping 1Y MLF at 2%, while draining the most cash since CY14 with 1Y MLF (USD 158 bn), keeping its powder dry ahead of possible escalation in trade tensions with the US in CY25.

**BOJ chief warns of excessive easing (Source: Nippon):** Mr. Ueda claimed that if BOJ keeps its policy rate at the current lows for a prolonged period, that could make the monetary policy easing excessive. He added that BOJ would raise rates and adjust monetary accommodation if the economy and prices move in line with projections.

**Thailand approves measures to meet target of above 3% growth in CY25 (Source: Reuters):** Thailand's cabinet approved new minimum wage increases from Jan'25, tax breaks to boost spending and the second phase the government's signature handout scheme.

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