

## Tables:

## Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.78	1
US 2Y*	4.36	-2
Germany 10Y	2.65	4
UK 10Y	4.89	1
Japan 10Y	1.22	-2

Source: Bloomberg, \*semi-annual

## G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.77	-5
6.79% GS 2034* (10Y)	6.82	-3
7.23% GS 2039*	6.94	-2
1-Month T-bill	6.51	-9
3-Month T-bill	6.59	0
6-Month T-bill	6.68	1
12-Month T-bill	6.69	0

Source: CCL, Bloomberg, \*semi-annual

## Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	103	36	26	26
AA	179	128	113	106
A	369	317	308	309

Source: FIMMDA, as on 13 Jan, 2025

## 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	4.29

Source: RBI, Federal Reserve Bank of New York

## Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	72.0	6.53
Triparty Repo	3,960.8	6.30
Market Repo	1,631.6	6.51
Repo in corporate bond	18.1	6.86

Source: RBI, as of 14 Jan, 2025

## Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	76,499	0.2
NIFTY	23,207	0.5
NASDAQ	19,044	-0.2
S&P 500	5,843	0.1
Nikkei 225	38,474	-1.8
Euro Stoxx 50	4,980	0.6

Source: Google Finance

## Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	79.9	-0.9
Natural gas Nymex (USD/MMBtu)	3.9	-0.8
Gold Comex (USD/t oz.)	2,689.7	0.2
Copper Comex (USD/lb)	432.8	-0.3
Wheat cbot (USD/bu.)	544.8	0.0

Source: Bloomberg

## Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	86.64	0.1
GBP/ INR	105.56	-0.1
EUR/ INR	89.07	0.5
EUR/USD	1.03	0.6
DXI Index	109.26	-0.3

Source: Morningstar, Bloomberg, Marketwatch

## Today's Key Macro Events:

**India:** Trade Balance Dec'24, T-Bill & VRR Auctions; **US:** CPI Dec'24; **World:** IEA Monthly Report; **UK:** CPI Dec'24

## News:

Domestic:

**WPI rises on the back of volatile food prices (Source: PIB):** WPI rose to 2.4% y/y in Dec'24, from 1.9% y/y in Nov'24, driven by a broad-based rise across categories. Primary articles rose 6% y/y in Dec'24, as mild easing across food prices was offset by 93% y/y rise in potato. Manufactured products rose 2.2% y/y in Dec'24 due to rise in food products, while fuel and power contracted 3.8% y/y in Dec'24.

**Union approves fund raise for 5 PSBs (Source: CNBC-TV18):** According to media sources, Union has approved fund raising plan worth Rs. 100 bn for 5 public sector banks through QIP route, starting Q4FY25. Further, DIPAM has received mandates to sell stake in these 5 PSBs through OFS route.

**PV sales jubilant in CY24 (Source: SIAM):** PV wholesales grew 11.4% y/y to 315k units, driven by OEM discounts, while 3W grew a modest 3.5% y/y, offset by a 8.8% y/y drop in 2W in Dec'24. In CY24, PV wholesale rose a robust 4.2% y/y to a record high of 4.3 mn units, driven by SUV sales, while 2W wholesale rose 14.5% y/y.

**RBI Governor seemingly fine with flexible INR (Source: FE):** According to media sources, Mr. Malhotra has signalled willingness to allow the INR to move more flexibly, in tandem with regional peers, while intervening only to curb excessive volatility and prevent speculative attacks.

**SGS auctions conducted successfully (Source: RBI):** SGS worth Rs. 180 bn were auctioned by 10 states with cut-off yields ranging between 7.22% - 7.24%. Notably, 10Y yields were at 7.22%

International:

**China credit growth revives in Dec'24 (Source: Reuters):** China's new yuan loans grew to CNY 990 bn in Dec'24, from CNY 580 bn, higher than expectations of CNY 800 bn. Outstanding loans grew 7.6% y/y in Dec'24, in-line with expectations, slower than 7.7% y/y in Nov'24. Total social financing grew 48% y/y to CNY 2,860 bn in Dec'24, above expectations of CNY 2,000.

**US President-Elect prepares key executive orders (Source: Reuters, WSJ):** Mr. Trump announced the creation of External Revenue Services, a new government agency to collect tariffs, duties and revenues from foreign sources. Further, according to media sources, Mr. Trump is preparing executive orders to promote fossil fuels, reverse policies supporting EVs, undo restrictions on offshore and federal land drilling and roll back tail-pipe emission rules.

**US finalizes crackdown on Chinese EVs (Source: Reuters):** POTUS Mr. Biden finalised a sweeping ban on Chinese software and hardware in vehicles in US, prohibiting nearly all Chinese cars from plying on US roads. Notably, exemptions were made on vehicles above 10,000 lbs, exempting buses and trucks.

**US Fed officials expound on inflation concerns (Source: Forexlive):**

- Mr. Schmid opined that rates are at appropriate levels for Fed to meet its mandates, while being optimistic about growth and easing inflation.
- Mr. Williams interjected that housing affordability remains a concern as demand for housing outstrips supply

**US PPI rises below expectations in Dec'24 (Source: Reuters):** US PPI rose 3.3% y/y in Dec'24, from 3% y/y in Nov'24, albeit lower than expectations of 3.4% y/y, as higher cost of goods was offset by stable services prices.

**US budget deficit surpasses expectations in Dec'24 (Source: Reuters):** US budget deficit rose to USD 87 bn in Dec'24, higher than expectations of USD 75 bn, taking the Q1 FY25 deficit to USD 711 bn, rising 40% y/y to the highest ever for the quarter.

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