

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.48	-5
US 2Y*	4.26	-4
Germany 10Y	2.43	1
UK 10Y	4.50	1
Japan 10Y	1.35	2

Source: Bloomberg, *semi-annual

G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
7.04% GS 2029*	6.66	0
6.79% GS 2034* (10Y)	6.71	0
6.92% GS 2039*	6.86	0
1-Month T-bill	6.29	2
3-Month T-bill	6.45	1
6-Month T-bill	6.55	1
12-Month T-bill	6.54	1

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	90	81	91	34
AA	173	167	176	115
A	367	357	369	313

Source: FIMMDA, as on 13 Feb, 2025

Key rates:

Policy	Rate (in %)
Repo rate	6.25
Standing Deposit Facility Rate	6.00
Bank rate	6.50
1-year median MCLR of SCBs	9.00
SOFR	4.33

Source: RBI, Federal Reserve Bank of New York

Money Market instruments (Term segment):

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Notice Money	124.2	6.38
Term Money	7.3	-
Triparty Repo	3,908.7	6.32
Market Repo	1,639.3	6.36
Repo in corporate bond	0.0	NA

Source: RBI, as of 14 Feb, 2025

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	75,939	-0.3
NIFTY	22,929	-0.4
NASDAQ	20,026	0.4
S&P 500	6,114	0.0
Nikkei 225	39,149	-0.8
Euro Stoxx 50	5,493	-0.1

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	74.7	-0.6
Natural gas Nymex (USD/MMBtu)	3.7	2.5
Gold Comex (USD/t oz.)	2,900.7	-1.9
Copper Comex (USD/lb)	471.3	-1.7
Wheat cbot (USD/bu.)	613.5	2.7

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	86.83	-0.1
GBP/ INR	108.81	-0.1
EUR/ INR	90.81	0.2
EUR/USD	1.05	0.3
DX Index	106.79	-0.3

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

India: Trade Balance Jan'25, VRR Auction; **Odisha:** State Budget; **GDP CY24:** Japan, Thailand

News:

Domestic:

WPI cools in Jan'25 as food prices recede (Source: PIB): WPI rose by 2.31% y/y in Jan'25, from 2.37% y/y in Dec'24, driven by slowing of vegetable inflation. Primary articles rose at a slower pace of 4.7% y/y in Jan'25 (Dec'24: 6% y/y), fuel and power fell 2.8% y/y in Jan'25 (Dec'24: -3.8% y/y), and manufactured products rose 2.5% y/y in Jan'25 (Dec'24: 2.1% y/y).

Union aims at raising energy imports from US (Source: ET): Foreign Secretary Mr. Misri said that Union targets increasing its purchase of US energy output by 66.6% to USD 25 bn in the near term, for which US oil and gas has to be competitively priced to offset higher freight costs as compared to other supplier countries.

SEBI proposes revisions in disclosures for REITs and InvITs (Source: BS): SEBI has proposed aligning REITs and InvITs disclosures in offer documents with public issue and listing norms, including requirement of combined financial statements for IPO, removing option of disclosing condensed financial statements, mandating quarterly submissions of deviations in use of proceeds from debt securities and disclosures of net borrowings ratio in financial results.

Anti-dumping duty on key solar panel component could be in store (Source: FE): As per media sources, the DGTR has recommended anti-dumping duty on imports of textured tempered glass from China and Vietnam.

G-Sec and VRR auctions conducted successfully (Source: RBI):

- 6.64% GS 2027 worth Rs. 70 bn were auctioned at a cut-off yield of 6.6112%. 6.79% GS 2034 worth Rs. 220 bn were auctioned at a cut-off yield of 6.7086%. 7.09% GS 2074 worth Rs. 100 bn were auctioned at a cut-off yield of 7.0735%.
- 49-day VRR worth Rs. 750 bn were auctioned, with bids received worth Rs. 997 bn at cut-off yield of 6.28%.
- 3-day VRR worth Rs. 1.5 trn were auctioned, with bids received worth Rs. 1.9 trn, at cut-off yield of 6.26%.

International:

US retail sales posts biggest slide in 2 years in Jan'25 (Source: US Census Bureau): US retail sales fell 0.9% m/m in Jan'25, after rising 0.7% m/m in Dec'24, against expectations of 0.1% m/m drop, with broad-based slowdown across categories weighed by frigid temperatures and wildfires. Sporting goods dropped 4.6% m/m, motor vehicles dropped 2.8% m/m, offset by 0.9% m/m rise in food services.

US Fed official signals caution on rate cuts (Source: Reuters): Ms. Logan reiterated her views that US Fed should not slash rates further, even if inflation nears 2% target in near term as companies typically implement price hikes in H1CY.

Global growth shows mixed trends in CY24 (Source: Nikkei Asia):

- Eurozone GDP grew by 0.7% y/y in CY24, helped by an upward revision in Q4 numbers. Spain and Poland did well in Q4, evened out by German weakness
- Japan's real GDP grew 0.1% y/y in CY24, from 1.9% y/y in CY23, driven by strong exports and moderate consumption, despite volatile JPY.
- Thailand's real GDP grew 2.5% y/y in CY24, from 1.9% y/y in CY23, underwhelming market expectations of 2.7% y/y

PBoC Governor highlights importance of stable CNY (Source: Reuters): Mr. Pan noted that a stable CNY is important for global financial stability, with PBoC set to let markets play decisive role in deciding the exchange rate.

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Chinese policy stimulus boosts credit growth in Jan'25 (Source: Reuters): China's new yuan loans grew 4.7% y/y to record high CNY 5.13 trn in Jan'25, against expectations of CNY 4.5 trn, as banks rush to lending in the start of CY, aided by policy stimuli, weighed by uncertain economic outlook. Total social financing grew 8% y/y to CNY 416 trn, maintaining robust pace of Dec'24. Money supply rose 7% y/y in Jan'25, lower than 7.3% y/y in Dec'24 and expectations of 7.2% y/y.

Global economies initiate divergent responses to US tariffs (Source: Reuters):

- European Commission claimed to have lowest tariffs in the world President Ms. von der Leyen interjected that unjust tariffs would prompt proportionate and decisive countermeasures.
- Taiwan's President addressed POTUS's concerns over chip industry with vow to increase investments in US, building democratic supply chains, while vowing to increase defense purchases from US

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