

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.25	1
US 2Y*	3.95	-1
Germany 10Y	2.76	-2
UK 10Y	4.71	6
Japan 10Y	1.51	0

Source: Bloomberg, *semi-annual

G-sec yield:

G-Sec	Yield (in %)	1-Day Change in Bps
6.75% GS 2029*	6.50	-3
6.79% GS 2034* (10Y)	6.62	-1
6.92% GS 2039*	6.76	-1
1-Month T-bill	6.63	6
3-Month T-bill	6.47	0
6-Month T-bill	6.54	-2
12-Month T-bill	6.48	-2

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	96	96	33	97
AA	178	180	117	181
A	369	372	311	377

Source: FIMMDA, as on 20 Mar, 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	9.05
SOFR	4.29

Source: RBI, Federal Reserve Bank of New York

Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	165.2	6.33
Triparty Repo	3,901.2	6.30
Market Repo	1,623.3	6.39
Repo in corporate bond	24.3	6.63

Source: RBI, as of 21 Mar, 2025

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	76,906	0.7
NIFTY	23,350	0.7
NASDAQ	17,784	0.5
S&P 500	5,668	0.1
Nikkei 225	37,677	-0.2
Euro Stoxx 50	5,424	-0.5

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	72.2	0.0
Natural gas Nymex (USD/MMBtu)	4.0	2.6
Gold Comex (USD/t oz.)	3,021.4	-0.7
Copper Comex (USD/lb)	511.4	-0.2
Wheat cbot (USD/bu.)	558.3	0.5

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	85.98	-0.5
GBP/ INR	111.16	-0.6
EUR/ INR	92.91	-0.6
EUR/USD	1.08	-0.2
DXI Index	104.15	0.3

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

India: VRR auctions; Flash PMI: India, US, Eurozone, Japan

News:

Domestic:

PLI investments cross Rs. 1.6 trn (Source: PIB): PLI schemes for 14 sectors have attracted investments of Rs. 1.6 trn as of Nov'24, with sales of Rs. 14 trn against target of Rs. 15.5 trn up to FY25 and exports surpassing Rs. 5.3 trn. Notably, Rs. 140.2 bn have been disbursed as incentives to 10 sectors.

Union considers against extending PLI deadlines (Source: ET): According to media sources, the Union has decided that production deadlines will not be extended for PLI schemes, as firms are unable to meet production schedules amidst delay in subsidy payments. Notably, alternative schemes are in the works.

Union imposes anti-dumping duty on Chinese products (Source: BS): Union has imposed anti-dumping duty for 5 years on 5 Chinese products including aluminium foil and vacuum insulated flasks, to protect domestic players from cheap imports. Notably, duties range between USD 276 to USD 1,732 per tonne.

RBI issues clarification on treatment of right-of-use (RoU) assets for non-banks (Source: RBI): The Central Bank said that NBFCs (including HFCs) and ARCs implementing Ind AS shall not be required to deduct a RoU asset created in terms of Ind AS-116 on Leases from Owned Fund/CET 1 capital/Tier 1 capital provided that underlying asset taken on lease is a tangible asset. The risk weight shall be 100%.

SEBI considers easing entry of brokers in GIFT City (Source: SEBI): SEBI has proposed to allow stockbrokers to operate in GIFT City without prior approval, under a separate business unit, ensuring activities of both entities are ring-fenced, maintaining arms-length relationship.

VRR auctions conducted successfully (Source: RBI): 5-day VRR worth Rs. 462 bn were auctioned (notified amount: Rs. 500 bn) at cut-off rate of 6.26%. 3-day VRR worth Rs. 966 bn were auctioned (notified amount: Rs. 1.5 trn) at cut-off rate 6.26%.

International:

POTUS assures flexibility on reciprocal tariffs (Source: CNBC): POTUS Mr. Trump announced that there would be flexibility in his tariff plans, but exceptions would not be made. He also announced his plans to hold talks with China on retaliatory tariffs.

US Fed officials favour cautious approach amidst uncertainty (Source: Reuters):

- Mr. Williams noted that modestly restrictive monetary policy is appropriate, given solid labour market and stubborn inflation
- Mr. Goolsbee argued to be patient until clarity emerged on impact of tariff hikes on challenging inflation situation, as economy remained strong
- Mr. Waller and Ms. Hammack dissented against slowing of balance sheet run down claiming that financial system liquidity remains ample

UAE commits to invest in US (Source: Reuters): UAE has committed to invest USD 1.4 trn in the US over 10 years, investing in AI infrastructure, semiconductors, energy and manufacturing, while unveiling a deal for investment in the first aluminium smelter in the US in 35 years.

UK considers cutting digital tax to avoid potential US tariffs (Source: Bloomberg): According to media sources, UK is in talks to slash or abolish its digital services tax before 2 Apr'25 as it seeks to avoid reciprocal tariffs from the US. The move is contingent on exemption for UK from punitive tariffs.

Russia holds high policy rate to contain rampant inflation (Source: Reuters): Russia kept its policy rate at 21%, its highest levels in more than 2 decades, despite requests from President Mr. Putin and business leaders to not cool the economy, in an effort to contain inflationary pressures, while not ruling out further hikes.

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