

Tables:

Foreign G-Sec Bond Yield:

G-sec	Yield (in %)	1-Day Change in Bps
US 10Y*	4.19	-2
US 2Y*	3.90	1
Germany 10Y	2.68	-5
UK 10Y	4.64	-4
Japan 10Y	1.48	-1

Source: Bloomberg, *semi-annual

G-sec yield:

G- Sec	Yield (in %)	1-Day Change in Bps
6.75% GS 2029*	6.45	0
6.79% GS 2034* (10Y)	6.58	0
6.92% GS 2039*	6.69	0
1-Month T-bill	6.38	0
3-Month T-bill	6.34	0
6-Month T-bill	6.49	0
12-Month T-bill	6.44	0

Source: CCL, Bloomberg, *semi-annual

Spreads in bps for Corporates

Annualized Spreads	3-year	5-year	7-year	10-year
AAA	67	59	53	41
AA	151	144	139	133
A	342	337	333	329

Source: FIMMDA, as on 28 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	9.00
SOFR	4.41

Source: RBI, Federal Reserve Bank of New York

Money Market instruments:

Instrument	Volume (in Rs. Bn)	Weighted Avg Rate (%)
Call Money	28.1	6.03
Triparty Repo	309.4	6.18
Market Repo	23.0	6.74
Repo in corporate bond	10.4	7.54

Source: RBI, as of 28 Mar, 2025

Major Equity Indices:

Indices	Last	1-Day Change %
BSE SENSEX	76,024	-1.8
NIFTY	23,165	-1.5
NASDAQ	17,450	0.9
S&P 500	5,633	0.4
Nikkei 225	35,640	-0.5
Euro Stoxx 50	5,320	1.4

Source: Google Finance

Commodities futures:

Commodities	Last	1-Day Change %
Brent Crude (USD/bbl)	74.6	-0.3
Natural gas Nymex (USD/MMBtu)	4.0	-4.6
Gold Comex (USD/t oz.)	3,159.7	-0.4
Copper Comex (USD/lb)	506.6	-0.4
Wheat cbot (USD/bu.)	540.8	0.8

Source: Bloomberg

Exchange Rates:

Currency pair	Rate	1-Day Change %
USD/ INR	85.66	0.2
GBP/ INR	110.71	0.2
EUR/ INR	92.41	0.0
EUR/USD	1.08	-0.3
DX Index	104.19	0.1

Source: Morningstar, Bloomberg, Marketwatch

Today's Key Macro Events:

India: VRR auction, Manufacturing PMI Mar'25; US: ADP Report Mar'25

News:

Domestic:

HFIs end FY25 on a strong note (Source: PIB, RBI, BS, Reuters):

- Coal production grew 5% y/y to 1.05 bn tonne in FY25, driven by 28% y/y growth in commercial and captives to 197.5 mn tonnes
- Power supply rose 6.7% y/y in Mar'25 to 148.5 BU. In FY25, power supply rose 4.8% y/y
- FasTag collections rose a robust 14.5% y/y to Rs. 68 bn in Mar'25. FasTag collections rose 12.5% y/y to Rs. 730 bn in FY25
- UPI transaction value grew 25% y/y to an all-time high in Mar'25
- PV sales rose 2.6% y/y to 4.34 mn units in FY25, driven by 55% y/y rise in SUVs. PV sales rose 8% y/y to 390k units in Mar'25.
- Major port cargo volumes grew 4.4% y/y to 855 mn tonnes in FY25

GST collections display robust growth in Mar'25 (Source: ET): Gross GST collections surged 9.9% y/y to Rs. 1.96 trn in Mar'25, with CGST collections at Rs. 381 bn, SGST at Rs. 499 bn and IGST at Rs. 959 bn. Gross GST collections grew 9.4% y/y to Rs. 22.1 trn, while net collections grew 8.6% y/y to Rs. 19.6 trn in FY25.

Project capex surges in Q4FY25 even as intent is lagging (Source: FE, BS): Proposals for new projects clocked Rs. 18.7 trn in Q4FY25, bolstered by large-scale investments in the power sector. However, value of projects announced by private sector was up just 3.3% y/y. For FY25, private capex fell 9% y/y to Rs. 27 trn.

CPSE dividends surged in FY25 (Source: FE): Union's dividend from CPSEs rose 16% y/y to Rs. 740.2 bn in FY25, 35% higher than FY25RE. However, disinvestments fell 39% y/y to Rs. 101.3 bn in FY25. Subsequently, DIPAM's overall receipts rose 5% y/y to Rs. 842 bn in FY25

Karnataka raises sales tax on diesel (Source: ET): Karnataka announced 3% hike in sales tax on diesel to 21.17% from 1 Apr'25, raising diesel prices by ~Rs. 2 per litre.

International:

Looming tariffs triggers fight or flight response (Source: Reuters, WSJ):

- White House officials have reiterated reciprocal tariff stance, which would go down only if nations met US demands on trade.
- POTUS Mr. Trump exclaimed confidence on India dropping tariffs substantially
- European Commission President Ms. von der Leyen claims that EU has strong retaliatory plans for potential US tariffs on 2 Apr'25.
- China's state media has claimed that China, Japan and South Korea have agreed to a joint response

IMF chief highlights global challenges, recession not one of them (Source: Reuters): Ms. Georgieva highlighted that US' push for tariffs is creating uncertainty but won't likely trigger a recession. She added the somewhat weakening high frequency indicators warrant downward revision to growth estimates.

US Fed official ponders over impact of tariffs (Source: Bloomberg):

- Mr. Barkin is seeing evidence that tariffs could have bigger than expected impact, making determining path of rates challenging moving forward.
- Mr. Goolsbee interjected that a surge in imports could raise the cost of production and change demand patterns, leading to slowdown.

Trajectory of inflation bodes well for ECB (Source: Eurostat): Eurozone inflation cooled to 2.2% y/y in Mar'25 from 2.3% y/y in Feb'25, driven by 0.2 pp cooling in core inflation to 2.4% y/y in Mar'25. Mr. Rehn and Mr. Escriva subsequently exuded confidence on inflation returning to target, amidst tariffs concerns.

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Global manufacturing a mixed bag in Q1CY25 (Source: S&P Global):

- Global manufacturing PMI fell marginally to 50.3 in Mar'25 (Feb'25: 50.6), driven by slower rise in new orders amidst trade disruptions.
- US manufacturing PMI dropped to 50.2 in Mar'25 (Feb'25: 52.7), caused by a drop in production amidst higher costs from tariffs and disruptions.
- Eurozone manufacturing PMI rose to 26-month high of 48.6 in Mar'25 (Feb'25: 47.6) with rising production and flattish new orders.

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