

WEEKLY YIELD

Update of Equity & Debt Market

June 6, 2025

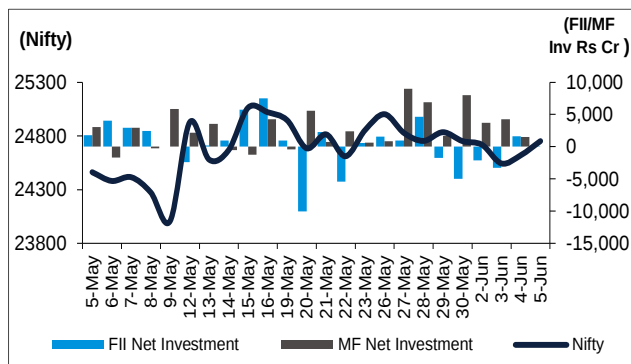


DOMESTIC EQUITY

- Indian equities ended higher this week after the Reserve Bank of India (RBI) delivered a larger-than-expected rate cut. Support also came from easing global trade concerns from the United States (US)-China, steady foreign inflows and improved domestic cues. BSE Sensex and Nifty 50 rose 0.91% and 1.02%, respectively.
- Most sectors ended higher, with realty, metal and auto gaining the most. BSE Realty, BSE Metal and BSE Auto rose 9.65%, 1.65% and 1.48%, respectively.

Broad Indices	Week change%	3 month change%	1 year change%
BSE Sensex	0.91	10.56	9.48
Nifty 50	1.02	10.90	9.56
BSE Midcap	2.13	15.21	5.83
BSE Smallcap	1.96	18.06	12.05
BSE Bankex	0.64	14.42	13.18
BSE CG	-0.41	20.74	4.29
BSE FMCG	0.82	8.65	-0.85
BSE IT	-0.15	-1.79	6.05
BSE Healthcare	1.45	8.87	21.03

Source: BSE, NSE



Source: SEBI, NSE

Past performance may or may not be sustained in the future.



GLOBAL EQUITY

- US stocks rose during this week mainly over potential trade negotiations between the US and China and upbeat US job openings for April 2025. Furthermore, strong earnings and easing inflation concerns led to additional gains.
- Britain's FTSE index ended higher led by gains in mining stocks tracking higher metal prices and as potential trade talks between the US and China eased global trade worries. However, a downward revision in the United Kingdom's growth forecast by the Organisation for Economic Co-operation and Development (OECD) limited the gains.
- Asian equities closed mixed this week. Japan's Nikkei index ended lower this week led by a fall in automobile shares amid persistent US-China trade concerns and a strong yen.
- Hong Kong's Hang Seng Index ended higher this week as upbeat data on China's services sector eased concerns surrounding economic growth.
- China's Shanghai Composite Index closed higher during this week mainly due to gains from banking, automobile and artificial intelligence stocks.



DOMESTIC DEBT

Indicators	June 6, 2025	Previous Week	Trend
Call Rate	5.00%	5.75%	↓
3 M CP	6.05%	6.43%	↓
1 Yr CP	6.56%	6.90%	↓
3 M CD	5.74%	6.10%	↓
1 Yr CD	6.17%	6.51%	↓
5 Yr AAA	6.61%	6.73%	↓
1 Yr G-Sec*	5.44%	5.66%	↓
5 Yr G-Sec*	5.81%	5.86%	↓
10 Yr G-Sec*	6.23%	6.27%	↓
USD/INR*	85.79	85.48	↓

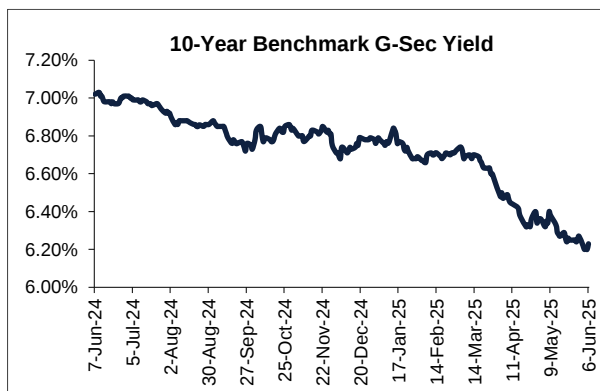
Source: CRISIL Fixed Income Database, RESERVE BANK OF INDIA
*Weighted Average Yield

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- Government bond prices closed flat in the week ended June 6, 2025. The yield on the 10-year benchmark 6.79% 2034 paper closed at 6.29% on June 6, 2025, unchanged from May 30, 2025.
- Meanwhile, the yield of the 10-year benchmark 6.33% 2035 paper closed at 6.24% compared with 6.22%.
- Bond prices were little changed throughout the week as investors remained on the edge ahead of the outcome of the monetary policy.
- However, bond prices settled lower at the end of the week after, in an unexpected move, the Monetary Policy Committee (MPC) cut the policy repo rate 50 bps to 5.50%, which weakened demand for longer-tenure debt.
- The MPC shifted the policy stance to 'neutral' from 'accommodative', indicating limited policy space and the need to monitor data closely to balance growth and inflation.
- Meanwhile, in the weekly debt sale held on June 6, 2025, the RBI auctioned 6.92% GS (Government Security) 2029 and 6.90% GS 2065 for a total notified amount of Rs 32,000 crore.



Source: CRISIL Fixed Income Database

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GLOBAL DEBT

- US Treasury prices were little changed as investors remained on the edges due to concerns around US-China trade talks.
- The US Treasury yield declined as investors parsed inflation data and considered the latest news on President Trump's reciprocal tariffs proposals
- However, a further fall halted as investors awaited the upcoming nonfarm payrolls report for more clarity on the state of the US economy. It declined further due to escalations in trade tariff tensions
- The yield on the 10-year benchmark Treasury bond ended at 4.40% on June 6, 2025, compared with 4.41% on May 30, 2025.



DOMESTIC NEWS

- The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) voted unanimously to cut the policy repo rate by 50 basis points (bps) to 5.50%.
- Accordingly, the standing deposit facility (SDF) rate, the marginal standing facility (MSF) rate and bank rate have been revised to 5.25%, 5.75% and 5.75%, respectively.
- The MPC shifted the policy stance to 'neutral' from 'accommodative', indicating limited policy space and the need to monitor data closely to balance growth and inflation.
- Gross Goods and Services Tax collections surged 16.4% in May 2025 to Rs 2.01 lakh crore from a year earlier.
- The Organisation for Economic Co-operation and Development (OECD) lowered this fiscal's growth forecast for India by 10 bps to 6.3%.
- The India HSBC Manufacturing PMI (Purchasing Managers' Index) edged down to 57.6 in May 2025 compared with 58.2 in April 2025; services PMI increased to 58.8 compared with 58.7 and composite PMI stood at 59.3 from 59.7.
- The Centre has increased central deputation allowance for certain categories of officers.

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- Central government employees retired under the National Pension Scheme with 10+ years of service can now claim additional pension benefits under the new Unified Pension Scheme by June 30, 2025.
- The Central Government approved an additional instalment of Rs 81,735 crore in tax devolution to State Governments, which will be released on June 2, 2025.
- The Union Cabinet approved the development of a four-lane highway between Badvel and Nellore in Andhra Pradesh at a total cost of Rs 3,653.10 crore.
- RBI data showed private-sector banks had a sharper drop in loan growth in fiscal 2025; overall growth moderated to 11.1% from 15.3% the year before.
- The Securities and Exchange Board Commission (SEBI) came out with an operational framework for issuance of social, sustainability and sustainability-linked bonds, which together will be known as Environment, Social and Governance (ESG) debt securities.
- The market regulator tweaked the investor charter for investment advisers and research analysts to enhance financial inclusion and financial literacy.
- SEBI decided to automate the process of invocation and sale of pledged securities to facilitate ease of doing business and safeguard investor interest.
- US ISM Services PMI declined to 49.9 in May 2025 compared to 51.6 in April 2025.
- US S&P Global US Manufacturing PMI increased to 52 in May 2025 compared to 50.2 in April 2025.
- US S&P Global Services PMI rose to 53.7 in May 2025, compared to 50.8 in April 2025 while the S&P Global Composite PMI edged up to 53.0 from 50.6.
- The European Central Bank (ECB) cut key interest rates by 25 bps to 2.15% from 2.4%, deposit Facility Rate to 2.0% and the marginal lending rate to 2.4% at its June 2025 meeting, based on updated inflation and economic forecasts.
- Eurozone Producer Prices Index eased down 0.7% in April 2025 compared to 1.9% in March 2025.
- Eurozone HCOB Manufacturing PMI increased to 49.4 in May 2025, compared to 49.0 in April 2025.
- Eurozone annual inflation rate eased to 1.9% in May 2025 compared to 2.2% in April 2025 while the annual core inflation rate fell to 2.3% from 2.7%.
- UK S&P Global Services PMI higher to 50.9 in May 2025 compared to 49 April 2025 while the S&P Global Composite PMI was up to 50.3 from 48.5.
- UK S&P Global Manufacturing PMI edged up to 46.4 in May 2025 compared to 45.4 in April 2025.
- China Caixin General Manufacturing PMI declined to 48.3 in May 2025 compared to 50.4 April 2025.
- China Official NBS Manufacturing PMI rose to 49.5 in May 2025 compared to 49.0 in April 2025 while the Official NBS Non-Manufacturing PMI edged down to 50.3 from 50.4.
- China NBS Composite PMI Output Index inched up to 50.4 in May 2025 compared to 50.2 in April 2025.
- China Caixin General Services PMI rose to 51.1 in May 2025, compared to 50.7 in April 2025 while the Caixin China General Composite PMI dropped to 49.6 from 51.1.
- Japan Jibun Bank Manufacturing PMI rose to 49.4 in May 2025 compared to 48.7 in April 2025.



GLOBAL NEWS

- US JOLTs job opening rose by 191,000 to 7.391 million in April 2025 from 7.2 million in May 2025.
- The US economy added 37000 workers to their payrolls in May 2025, compared to a downwardly revised 60000 in April 2025.
- The US trade gap narrowed sharply to \$61.6 billion in April 2025, the lowest since September 2023, compared to a \$138.3 billion gap in March 2025.
- US ISM Manufacturing PMI fell to 48.5 in May 2025 compared to 48.7 in April 2025.

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DAY	EVENTS
Monday, June 9, 2025	• US Consumer Inflation Expectations May • China Inflation Rate May • China PPI May • China trade balance, May • Japan GDP Growth Annualized Final Q1
Tuesday, June 10, 2025	• UK Unemployment Rate April
Wednesday, June 11, 2025	• US Inflation Rate May • Japan PPI May
Thursday, June 12, 2025	• US PPI May • US Initial Jobless Claims June 07 • UK GDP April • UK balance of trade, April • UK Industrial Production April • India Inflation Rate May
Friday, June 13, 2025	• Eurozone industrial Production, April • Japan Industrial Production Final April • India Balance of Trade May • India Foreign Exchange Reserves June/06 2025

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Source: CRISIL

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