WEEKLY YIELD

Update of Equity & Debt Market

December 12, 2025

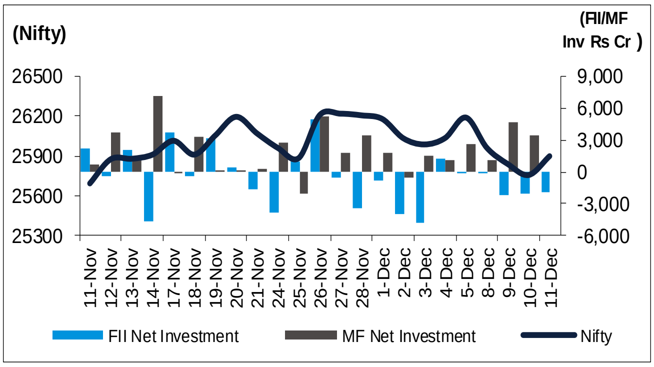
DOMESTIC EQUITY

- Indian equity ended lower this week, dragged down by persistent foreign fund outflows and profit booking. However, some gains were seen after the US Federal Reserve (Fed) delivered a 25 basis points (bps) rate cut, boosting liquidity optimism. The BSE Sensex and Nifty 50 fell 0.52% and 0.53%, respectively.
- Most of the major sectors ended lower, with consumer durables (CD), capital goods (CG) and fast-moving consumer goods (FMCG) losing the most. BSE CD, BSE CG and BSE FMCG fell 1.47%, 1.28% and 0.99%, respectively.

Broad Indices	Week change%	3 month change%	1 year change%
BSE Sensex	-0.52	4.11	4.89
Nifty 50	-0.53	3.71	6.10
BSE Midcap	-0.30	0.63	-2.80
BSE Smallcap	-0.40	-4.96	-10.91
BSE Bankex	-0.53	8.49	10.17
BSE CG	-1.28	-4.18	-8.43
BSE FMCG	-0.99	-3.68	-3.00
BSE IT	-0.96	4.31	-18.54
BSE Healthcare	-0.76	-1.86	-0.21

Source: BSE, NSE

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



Source: SEBI, NSE

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GLOBAL EQUITY

- US stocks rose this week, led by the Fed's decision to cut interest rates by a quarter percentage point, as expected, and gains in technology and retail stocks. Additionally, the Fed's less-hawkish policy update than expected boosted investor sentiment, favouring financial stocks and leading to further gains.
- Britain's FTSE index ended higher this week after the Fed's decision to cut interest rates and the softer tone on the monetary policy path lifted investor sentiment. Additionally, gains in banking stocks and Bank of England's decision to ease capital requirements to support growth led to further gains.
- Asian equities ended mixed this week. Japan's Nikkei index ended higher, driven by real estate and banking stocks, as well as short covering amid a stable Yen.
- Hong Kong's Hang Seng Index ended lower this week, weighed down by concerns over China's policy direction and caution ahead of the Fed's meeting.
- China's Shanghai Composite Index closed lower this week due to persistent deflationary strains and losses in technology and banking stocks.

DOMESTIC DEBT

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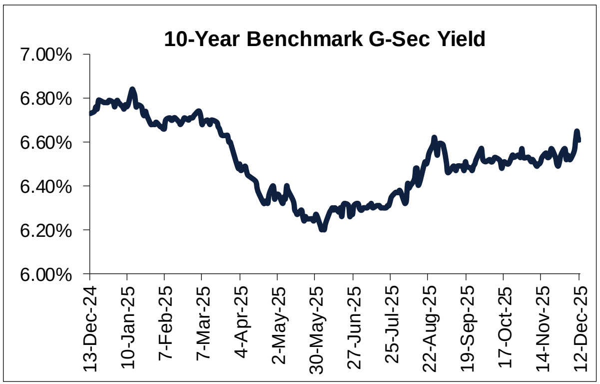
Source: CRISIL Fixed Income Database, RESERVE BANK OF INDIA
**Weighted Average Yield*

- Government bond prices ended lower in the week ended December 12, 2025 and the yield on the 10-year benchmark 6.33% 2035 paper closed at 6.61% on December 12, 2025 compared with 6.52% on December 5, 2025.
- Bond prices declined after the RBI excluded the liquid 10-year note from its Rs 1 lakh crore open market operation (OMO) plan.
- However, later in the week, bond prices witnessed few gains as traders trimmed positions amid supply worries and declining prospects of further interest rate cuts by the RBI.
- In the weekly debt sale held on December 12, 2025 the RBI auctioned 6.68% Government Security (GS) 2040 and 6.90% GS 2065 for a total notified amount of Rs 28,000 crore.



Source: CRISIL Fixed Income Database

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GLOBAL DEBT

- US treasury prices were flat during the week amid mixed macro signals and a cautious investor stance.
- On the positive side, expectations of further Fed rate cuts—reinforced by the recent policy move and CME FedWatch projections—continued to anchor yields, while softer labour market trends and

Indicators	Dec 12, 2025	Previous Week	Trend
Call Rate	5.20%	5.35%	↓
3 M CP	6.55%	6.35%	↑
1 Yr CP	7.05%	6.80%	↑
3 M CD	6.05%	5.87%	↑
1 Yr CD	6.60%	6.40%	↑
5 Yr AAA	6.93%	6.82%	↑
1 Yr G-Sec*	5.50%	5.51%	↓
5 Yr G-Sec*	6.31%	6.18%	↑
10 Yr G-Sec*	6.61%	6.52%	↑
USD/INR*	90.48	89.92	↓

subdued inflation outlook supported the demand for safer assets.

- However, upside pressure on yields from stronger-than-expected US jobs data and resilient economic indicators limited bond price gains. Markets also appeared to have already priced-in a significant portion of the anticipated rate-cut cycle, reducing the potential for further near-term upside.
- The yield on the 10-year benchmark Treasury bond ended at 4.14% on December 11, 2025, unchanged from December 5, 2025.

DOMESTIC NEWS

- The Asian Development Bank (ADB) raised India's growth forecast for Financial Year 2025-26 (FY26) to 7.2% from 6.5%, primarily driven by robust domestic consumption supported by recent tax cuts.
- Mexico imposed a tariff of up to 50% on imports from its non-preferential trade partners, including India.
- India and Liberia signed an Memorandum of understanding (MoU) to bolster cooperation in pharmacopoeia, aiming to establish shared quality standards for medicines.
- The government said the new income tax return (ITR) forms will be notified ahead of Financial Year 2027-28 (FY28), simplifying the annual financial management exercise.

- The central government approved road projects worth Rs 44,771 crore in Odisha and approved a proposal for constructing a thoroughfare between Bhubaneswar and Paradip.
- The finance ministry directed state-run banks and financial institutions to immediately report any adverse information on whole-time directors and Board-level appointees, with instances of delayed disclosures raising governance concerns in the lending ecosystem.
- The Reserve Bank of India (RBI) issued the final Master Direction on Rupee Interest Rate Derivatives, 2025 after reviewing stakeholder feedback and updating the framework to reflect developments in the Interest Rate Derivatives (IRD) market, enhance transparency and better support system-wide risk-management needs.
- The RBI mandated Board approval to ensure that any overlap in businesses undertaken by the group has a proper rationale and justification, while allowing multiple entities in a bank group to undertake the same business but cater to different segments.
- The RBI wants microfinance companies to explore new asset classes to bring stability in their businesses, as well as to increase their contribution to the economy.
- The RBI lifted all restrictions on banks opening and maintaining cash credit accounts, offering greater flexibility for short-term working-capital loans.
- The Securities and Exchange Board of India (SEBI) eased the re-KYC process for non-resident Indians (NRIs) by removing the requirement for their physical presence in India during digital verification.
- SEBI launched the Past Risk and Return Verification Agency (PaRRVA), a new verification mechanism designed to authenticate past performance claims made by regulated market intermediaries.

GLOBAL NEWS

- US annual Personal consumption expenditures (PCE) inflation accelerated to 2.8% in September 2025 compared to 2.7% in August 2025.
- US Consumer Inflation Expectations unchanged at 3.2% in November 2025 compared to October 2025.
- The US recorded a trade deficit of $52.8 billion in September 2025, compared to a $59.3 billion gap in August 2025.
- US Initial jobless claims climbed by 44,000 from the previous week to 236,000 for the period ending December 6, 2025, compared to 192,000.
- The Eurozone economy grew 1.4% year-on-year in the third quarter of 2025, compared to the 1.6% expansion recorded in both the first and second quarters.
- The Federal Reserve cut the federal funds rate by 25 bps to a range of 3.5%–3.75% in its December 2025 meeting, following similar reductions in September 2025 and October 2025
- China annual inflation rate accelerated to 0.7% in November 2025 compared to a 0.2% rise in October 2025.
- China producer prices fell -2.2% year-on-year in November 2025, compared to a -2.1% decline in October 2025.
- China trade surplus topped a record $1 trillion in the first 11 months of the year despite a deepening slump in shipments to the US with exports rising 5.4% while imports shrank 0.6%.
- The Japanese economy shrank 2.3% annualized in Q3 2025, compared to a downwardly revised 2.1% expansion in Q2 2025.

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DAY	
Monday, December 15, 2025	• Eurozone Industrial Production, Oct • China Industrial Production, Nov • China Retail Sales, Nov • India WPI Inflation index, Nov • India Unemployment Rate, Nov
Tuesday, December 16, 2025	• US Nonfarm Payrolls, October • US Unemployment Rate, Nov • US Industrial/manufacturing production, Nov • Eurozone Trade Balance, October • Eurozone HCOB Manufacturing/ Services/Composite PMI Flash, Dec • UK S&P Global Manufacturing/ Services/ Composite PMI flash, Dec • UK unemployment rate, October • Japan S&P Global Manufacturing/ Services/ Composite PMI flash, Dec
Wednesday, December 17, 2025	• US retail sales, November • Eurozone inflation, November • UK Inflation, November • UK PPI output/ input, November • UK Retail prices index, November • Japan balance of trade, November
Thursday, December 18, 2025	• US Inflation, November • US CPI, November • US Initial Jobless Claims, Dec/13 • ECB interest rate decision • UK BoE Interest Rate Decision

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Friday, December 19, 2025	• US Export/ Import, Oct • US Existing Home Sales, Nov • Eurozone current account, October • UK GfK Consumer Confidence, Dec • Japan inflation, Nov

Source: CRISIL

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY