

MORNING MOCHA

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 ECONOMIST
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Global markets witnessed realignment of risk sentiments over reports of two-week ceasefire extension between US and Iran. Equity markets showed some respite weighing the arrival of a likely truce. Sovereign asset class also witnessed sell off. Oil and Gold prices traded in narrow ranges. On macro front, Fed Beige book hinted that conflict in Middle East has raised uncertainty in business outlook. Thus, US companies have been in a limbo over hiring, pricing and capital investment. Elsewhere, in China, Q1GDP rose at the fastest pace in past 3 quarters by 5%. Industrial production also rose by 5.7% in Mar'26, on YoY basis. However, retail sales softened to 1.7%. On price front, the impact of war is not visible. On domestic front, India's exports grew by 4.2% to US\$ 860.1bn in FY26. Imports grew at a faster pace by 6.5% to US\$ 979bn. Trade deficit expanded to US\$ 119bn in FY26 from 94.7bn in FY25.

- Barring Dow Jones and FTSE, other global indices, closed higher as investors monitored growing optimism around the Middle East. The focus is slowly shifting towards corporate earnings reports and macro data. Sensex was the biggest gainers amongst other indices led by consumer durable and power stocks. It is trading further higher today in line with other Asian indices.

Table 1 – Stock markets

	14-04-2026	15-04-2026	Change, %
Dow Jones	48,536	48,464	(0.1)
S & P 500	6,967	7,023	0.8
FTSE	10,609	10,560	(0.5)
Nikkei	57,877	58,134	0.4
Hang Seng	25,872	25,947	0.3
Shanghai Comp	4,027	4,027	0
Sensex	76,848	78,111	1.6
Nifty	23,843	24,231	1.6

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 14 Apr 2026

- Global currencies traded thinly. DXY index inched up despite hopes of a peace deal and reduced risk of inflationary pressures. INR closed stable. However, it is trading stronger today while Asian currencies are trading mixed.

Table 2 – Currencies

	14-04-2026	15-04-2026	Change, %
EUR/USD (1 EUR / USD)	1.1796	1.1799	0
GBP/USD (1 GBP / USD)	1.3567	1.3561	0
USD/JPY (JPY / 1 USD)	158.79	159.00	(0.1)
USD/INR (INR / 1 USD)	93.38	93.38	0
USD/CNY (CNY / 1 USD)	6.8158	6.8190	0
DXY Index	98.12	98.23	0.1

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 14 Apr 2026



- Global yields inched up as risk sentiment improved over likely rounds of negotiation between US and Iran. US 10Y yield rose the most followed by UK. China's 10Y yield fell a tad tracking major macro releases. India's 10Y yield fell by 7bps as optimism got build over likely end to the war. It is trading at 6.89% today.

Table 3 – Bond 10Y yield

	14-04-2026	15-04-2026	Change, bps
US	4.25	4.28	4
UK	4.78	4.81	3
Germany	3.02	3.04	2
Japan	2.42	2.42	0
China	1.79	1.78	(1)
India	6.94	6.87	(7)

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 14 Apr 2026

Table 4 – Short term rates

	14-04-2026	15-04-2026	Change, bps
Tbill-91 days	5.27	5.20	(7)
Tbill-182 days	5.46	5.47	1
Tbill-364 days	5.58	5.58	0
G-Sec 2Y	6.06	5.98	(8)
India OIS-2M	5.30	5.28	(2)
India OIS-9M	5.66	5.62	(4)
SONIA int rate benchmark	3.73	3.73	0
US SOFR	3.63	3.66	3

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 14 Apr 2026

Table 5 – Liquidity

Rs tn	13-04-2026	15-04-2026	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	5.2	5.2	0

Source: RBI, Bank of Baroda Research | Note: Markets in India were closed on 14 Apr 2026

Table 6 – Capital market flows

	10-04-2026	13-04-2026	change (US\$ mn/Rs cr)
FII (US\$ mn)	114.0	(179.0)	(293.0)
Debt	(48.9)	(25.3)	23.7
Equity	162.9	(153.7)	(316.7)
Mutual funds (Rs cr)	9,774.9	6,682.4	(3,092.5)
Debt	4,830.1	1,195.3	(3,634.8)
Equity	4,944.7	5,487.0	542.3

Source: Bloomberg, Bank of Baroda Research | Note: Mutual Fund data as of 6 Apr and 7 Apr 2026

- Crude price inched up marginally but remained below the US\$ 95/bbl mark amidst hopes of further de-escalation of West Asia conflict.

Table 7 – Commodities

	14-04-2026	15-04-2026	Change, %
Brent crude (US\$/bbl)	94.8	94.9	0.1
Gold (US\$/ Troy Ounce)	4,841.8	4,791.0	(1.0)
Copper (US\$/ MT)	13,253.0	13,188.7	(0.5)
Zinc (US\$/MT)	3,322.4	3,386.2	1.9
Aluminium (US\$/MT)	3,563.0	3,621.5	1.6

Source: Bloomberg, Bank of Baroda Research



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