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Continued hostilities in West Asia weighed on investor sentiments and the impact was visible on the movement in global asset classes. Supply side disruptions kept oil prices above the US\$ 100/bbl mark, raising concerns over global growth and inflation outlook. Against this backdrop, central bank meetings in US, Japan, UK, EU and Australia will be keenly awaited. Elsewhere, US GDP growth for Q4 2025 was revised down to 0.7% from 1.4% earlier. Core-PCE rose by 0.4% in Jan'26, unchanged from last month. Labour market conditions remained stable with JOLTS job openings rising by 396,000 in Jan'26. In China, industrial production rose by 6.3% in Jan-Feb'26, after rising by 5.2% in Dec'25. In the same period, retail sales increased by 2.8% compared with an increase of 0.9% in Dec'25. Fixed assets growth also inched up by 1.8% beating expectations of a decline of 5.1%.

- Global stocks indices ended in red as investors weighed the impact of higher oil prices. US stocks declined, as GDP growth for Q4 2025 was revised sharply downwards. Shanghai Comp also declined by 0.8%, despite a pickup in China's exports. Sensex dipped by 1.9%, led by losses in metal and auto stocks. It is however trading higher today, while other Asian stocks are trading mostly lower.

Table 1 – Stock markets

	12-03-2026	13-03-2026	Change, %
Dow Jones	46,678	46,558	(0.3)
S & P 500	6,673	6,632	(0.6)
FTSE	10,305	10,261	(0.4)
Nikkei	54,453	53,820	(1.2)
Hang Seng	25,717	25,466	(1.0)
Shanghai Comp	4,129	4,095	(0.8)
Sensex	76,034	74,564	(1.9)
Nifty	23,639	23,151	(2.1)

Source: Bloomberg, Bank of Baroda Research

- Global currencies depreciated. DXY rose by 0.6% to a near 10-month high on safe-haven demand. GBP declined by 0.8% as UK's GDP growth stagnated in Jan'26. INR dipped to a record low due higher oil prices and FPI outflows. It is trading at similar level today, while Asian currencies are trading mixed.

Table 2 – Currencies

	12-03-2026	13-03-2026	Change, %
EUR/USD (1 EUR / USD)	1.1512	1.1417	(0.8)
GBP/USD (1 GBP / USD)	1.3343	1.3230	(0.8)
USD/JPY (JPY / 1 USD)	159.35	159.73	(0.2)
USD/INR (INR / 1 USD)	92.20	92.46	(0.3)
USD/CNY (CNY / 1 USD)	6.8808	6.9037	(0.3)
DXY Index	99.74	100.36	0.6

Source: Bloomberg, Bank of Baroda Research



- Global yields continued to inch up. 10Y yield in Japan inched up the most by 7bps, as elevated oil prices led to inflationary concerns. UK's 10Y yield also rose by 5bps, as hopes of a rate cut faded. US 10Y yield inched up by 2bps. Following global cues, India's 10Y yield also rose by 1bps. It is trading further higher at 6.69% today.

Table 3 – Bond 10Y yield

	12-03-2026	13-03-2026	Change, bps
US	4.26	4.28	2
UK	4.77	4.82	5
Germany	2.96	2.98	3
Japan	2.19	2.26	7
China	1.82	1.83	1
India	6.67	6.68	1

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	12-03-2026	13-03-2026	Change, bps
Tbill-91 days	5.30	5.39	9
Tbill-182 days	5.52	5.53	1
Tbill-364 days	5.61	5.61	0
G-Sec 2Y	6.38	6.38	0
India OIS-2M	5.41	5.41	0
India OIS-9M	5.62	5.71	9
SONIA int rate benchmark	3.73	3.73	0
US SOFR	3.64	3.65	1

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	12-03-2026	13-03-2026	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	2.5	2.1	(0.4)

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	11-03-2026	12-03-2026	change (US\$ mn/Rs cr)
FII (US\$ mn)	(752.3)	(799.4)	(47.1)
Debt	(109.2)	(0.8)	108.4
Equity	(643.1)	(798.6)	(155.5)
Mutual funds (Rs cr)	2,555.7	(4,369.1)	(6,924.9)
Debt	(5,793.5)	(9,110.2)	(3,316.7)
Equity	8,349.3	4,741.1	(3,608.2)

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 9 Mar & 10 Mar 2026

- Oil prices continued to hover above the US\$ 100/bbl mark due to fears of supply disruptions.

Table 7 – Commodities

	12-03-2026	13-03-2026	Change, %
Brent crude (US\$/bbl)	100.5	103.1	2.7
Gold (US\$/ Troy Ounce)	5,079.2	5,019.5	(1.2)
Copper (US\$/ MT)	12,897.4	12,677.8	(1.7)
Zinc (US\$/MT)	3,256.9	3,253.4	(0.1)
Aluminium (US\$/MT)	3,516.5	3,439.5	(2.2)

Source: Bloomberg, Bank of Baroda Research



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