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ECONOMIST
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Global equity and currency markets remained under pressure over stretched asset valuation surrounding AI spending. Further, concerns reignited over relations between China and Japan surrounding Taiwan Strait crisis. On macro front, US durable goods orders remained stable at 2.9% on a MoM SA basis in Aug'25. However, core capital goods orders softened to 0.4%. In Japan, core machinery orders picked up to 4.2% on a MoM basis. On policy front, Fed Vice Chair also advocated for a data dependent approach. BoE Chief Economist hinted at cautious approach citing economic shocks influencing price behaviours of consumers. On domestic front, news reports suggested that government is meeting with stakeholders, ahead of the Budget, for faster and smoother flows of FDIs and FIIs.

- Global stocks continued to witness a broad-based sell-off. Stocks in the US declined for the fourth straight session ahead of key jobs report. Nikkei dipped by over 3% led by a sharp decline in tech stocks. Sensex declined by 0.3% as real estate and metal stocks dipped. It is however trading marginally higher today, while other Asian indices are trading mostly lower.

Table 1 – Stock markets

	17-11-2025	18-11-2025	Change, %
Dow Jones	46,590	46,092	(1.1)
S & P 500	6,672	6,617	(0.8)
FTSE	9,675	9,552	(1.3)
Nikkei	50,324	48,703	(3.2)
Hang Seng	26,384	25,930	(1.7)
Shanghai Comp	3,972	3,940	(0.8)
Sensex	84,951	84,673	(0.3)
Nifty	26,013	25,910	(0.4)

Source: Bloomberg, Bank of Baroda Research

- Global currencies traded in narrow ranges as investors await major US data releases. DXY was broadly steady as Fed Vice Chair advocated a cautious approach to further rate cuts. GBP declined ahead of UK's budget announcement. INR ended flat. It is however trading stronger today, in line with other Asian currencies.

Table 2 – Currencies

	17-11-2025	18-11-2025	Change, %
EUR/USD (1 EUR / USD)	1.1592	1.1581	(0.1)
GBP/USD (1 GBP / USD)	1.3156	1.3145	(0.1)
USD/JPY (JPY / 1 USD)	155.26	155.51	(0.2)
USD/INR (INR / 1 USD)	88.64	88.61	0
USD/CNY (CNY / 1 USD)	7.1077	7.1094	0
DXY Index	99.59	99.55	0

Source: Bloomberg, Bank of Baroda Research

- US 10Y yield softened amidst risk off sentiments ahead of the labour market data. 10Y yield in UK got support from BoE Chief Economist's comments on future trajectory of policy rate. Elsewhere 10Y yields remained rangebound. India's 10Y yield fell a tad. It is trading at 6.48% today. All eyes remained on the SDL auction where States borrowed much less than the prescribed amount in the calendar.

Table 3 – Bond 10Y yield

	17-11-2025	18-11-2025	1D
US	4.14	4.11	(3)
UK	4.54	4.55	2
Germany	2.71	2.71	(1)
Japan	1.74	1.75	1
China	1.81	1.81	0
India	6.50	6.49	(1)

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	17-11-2025	18-11-2025	Change, bps
Tbill-91 days	5.41	5.37	(4)
Tbill-182 days	5.55	5.53	(2)
Tbill-364 days	5.54	5.54	0
G-Sec 2Y	5.78	5.80	2
India OIS-2M	5.47	5.46	(1)
India OIS-9M	5.45	5.45	0
SONIA int rate benchmark	3.97	3.97	0
US SOFR	4.00	3.95	(5)

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	17-11-2025	18-11-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	1.9	1.8	(0.1)

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	14-11-2025	17-11-2025	change (US$ mn/Rs cr)
FII (US$ mn)	(443.4)	293.9	737.3
Debt	81.8	(119.9)	(201.7)
Equity	(525.2)	413.7	939.0
Mutual funds (Rs cr)	(7,072.6)	2,256.8	9,329.4
Debt	(8,282.9)	(4,933.2)	3,349.7
Equity	1,210.3	7,190.0	5,979.7

Source: Bloomberg, Bank of Baroda Research | Note: Mutual funds data as of 13th and 14th Nov 2025

- Oil prices rose amidst concerns over US sanctions on Russia.

Table 7 – Commodities

	17-11-2025	18-11-2025	Change, %
Brent crude (US$/bbl)	64.2	64.9	1.1
Gold (US$/ Troy Ounce)	4,045.0	4,067.2	0.6
Copper (US$/ MT)	10,745.9	10,684.2	(0.6)
Zinc (US$/MT)	3,099.0	3,118.8	0.6
Aluminium (US$/MT)	2,813.5	2,780.0	(1.2)

Source: Bloomberg, Bank of Baroda Research

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