Bank of Baroda

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Global markets monitored earnings forecast of major tech company for cues on AI valuation-related concerns. On macro front, US trade data showed the impact of tariff with imports declining at a sharper pace by -5.1% in Aug'25, on MoM basis and exports edging up a tad by 0.1%. Thus, US trade deficit narrowed down to US$ 59.6bn compared to US$ 78.2bn. In other releases, UK's CPI moderated to 3.6% in Oct'25 compared to 3.8% in Sep'25, on YoY basis. On monetary policy front, Fed minutes remained hawkish, thus cementing possibility of status quo in policy rate in Dec'25 meeting. Amongst other developments, markets tracked Japan's official comments on Yen's fluctuations, anticipation of property-related stimulus measures from China and progress over GAIN AI Act in the US. On domestic front, IBBI's recent circular spoke of strengthening bidders' compliance with Section 29A to prevent unscrupulous entries.

- US indices rebounded with heavy lifting by earnings of a technology-based company, shrugging of concerns of overvaluation. FTSE slipped further with losses in defence and financial stocks. Sensex climbed up with gains noted in IT related and banking stocks. It is trading higher today, in line with Asian indices.

Table 1 – Stock markets

	18-11-2025	19-11-2025	Change, %
Dow Jones	46,092	46,139	0.1
S & P 500	6,617	6,642	0.4
FTSE	9,552	9,507	(0.5)
Nikkei	48,703	48,538	(0.3)
Hang Seng	25,930	25,831	(0.4)
Shanghai Comp	3,940	3,947	0.2
Sensex	84,673	85,186	0.6
Nifty	25,910	26,053	0.6

Source: Bloomberg, Bank of Baroda Research

- Barring INR (flat), other global currencies closed lower. DXY strengthened as odds of a rate cut faded as investors awaited key jobs report. GBP declined further amidst softer inflation print. INR ended flat. However, it is trading weaker today, while other Asian currencies are trading mixed.

Table 2 – Currencies

	18-11-2025	19-11-2025	Change, %
EUR/USD (1 EUR / USD)	1.1581	1.1538	(0.4)
GBP/USD (1 GBP / USD)	1.3145	1.3059	(0.7)
USD/JPY (JPY / 1 USD)	155.51	157.16	(1.0)
USD/INR (INR / 1 USD)	88.61	88.59	0
USD/CNY (CNY / 1 USD)	7.1094	7.1140	(0.1)
DXY Index	99.55	100.23	0.7

Source: Bloomberg, Bank of Baroda Research

- UK 10Y yield rose at the sharpest pace albeit softening inflation numbers. All eyes are on the upcoming Budget. US 10Y yield also inched up as Fed minutes remained broadly hawkish. CME Fed watch probability of a Dec'25 rate cut has gone down to 29.6% from 50%, a day earlier. Japan's 10Y yield firmed up tracking volatility in Yen. India's 10Y yield closed stable and is trading at 6.5%.

Table 3 – Bond 10Y yield

	18-11-2025	19-11-2025	1D
US	4.11	4.14	2
UK	4.55	4.60	5
Germany	2.71	2.71	0
Japan	1.75	1.77	3
China	1.81	1.81	0
India	6.49	6.49	0

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	18-11-2025	19-11-2025	Change, bps
Tbill-91 days	5.38	5.38	0
Tbill-182 days	5.55	5.56	1
Tbill-364 days	5.54	5.55	1
G-Sec 2Y	5.78	5.78	0
India OIS-2M	5.45	5.44	(1)
India OIS-9M	5.44	5.43	(1)
SONIA int rate benchmark	3.97	3.97	0
US SOFR	4.00	3.94	(6)

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	18-11-2025	19-11-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	1.8	1.7	(0.1)

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	17-11-2025	18-11-2025	change (US$ mn/Rs cr)
FII (US$ mn)	293.9	(90.2)	(384.1)
Debt	(119.9)	(46.6)	73.3
Equity	413.7	(43.6)	(457.4)
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 declined amidst rising US inventories.

Table 7 – Commodities

	18-11-2025	19-11-2025	Change, %
Brent crude (US$/bbl)	64.9	63.5	(2.1)
Gold (US$/ Troy Ounce)	4,067.2	4,078.0	0.3
Copper (US$/ MT)	10,684.2	10,719.4	0.3
Zinc (US$/MT)	3,118.8	3,133.1	0.5
Aluminium (US$/MT)	2,780.0	2,801.0	0.8

Source: Bloomberg, Bank of Baroda Research

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