

**MORNING MOCHA**

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US macro data is pointing towards mixed trends in growth. For instance, durable goods orders in Mar'25 jumped by 9.2% (MoM) following 0.9% increase in Feb'25. This was led by steep increase in orders for non-defence aircraft and parts. Core capital goods orders (non-defence excluding aircraft) however rose at a muted pace (0.1% versus -0.3%). Also, real estate sector appears to be under pressure with existing home sales declining by (-) 5.9% (MoM) in Mar'2, compared with 4.2% increase in Feb'25. Further, initial jobless claims in the US rose by 6k in the week ending 19 Apr to 222k. Analysts expect US GDP growth to have flattened in Q1CY25. IMF and Fed's beige book have also highlighted concerns regarding the possible impact of tariffs on growth. Even Germany expects flat growth in CY25, due to trade war shock. In contrast, India is expected to finalise trade deal with US soon.

- Global indices closed mixed. US indices advanced with easing of trade tensions as US toned down on tariff rhetoric. The rally was led by technology stocks and supported by better than expected corporate earnings. Sensex closed in red with losses in real estate and IT stocks. However, it is trading higher today in line with other Asian stocks.

**Fig 1 – Stock markets**

	23-04-2025	24-04-2025	Change, %
Dow Jones	39,607	40,093	1.2
S & P 500	5,376	5,485	2.0
FTSE	8,403	8,407	0.1
Nikkei	34,869	35,039	0.5
Hang Seng	22,073	21,910	(0.7)
Shanghai Comp	3,296	3,297	0
Sensex	80,116	79,801	(0.4)
Nifty	24,329	24,247	(0.3)

Source: Bloomberg, Bank of Baroda Research

- Except CNY, other global currencies ended higher. DXY retreated amidst weaker PMI data and Fed's Beige book noted some concerns on economic outlook due to heightened uncertainty. INR appreciated supported by FIIs inflow. It is trading stronger today while Asian currencies are trading mixed.

**Fig 2 – Currencies**

	23-04-2025	24-04-2025	Change, %
EUR/USD (1 EUR / USD)	1.1316	1.1390	0.7
GBP/USD (1 GBP / USD)	1.3254	1.3342	0.7
USD/JPY (JPY / 1 USD)	143.45	142.63	0.6
USD/INR (INR / 1 USD)	85.42	85.27	0.2
USD/CNY (CNY / 1 USD)	7.2871	7.2889	0
DXY Index	99.84	99.38	(0.5)

Source: Bloomberg, Bank of Baroda Research| Note: Brackets indicate depreciation against US dollar



- Barring China, 10Y yields fell elsewhere. US 10Y yield fell the most (-7bps), followed by UK and Germany. In the US, investor demand improved as tensions between US and China as well as US government and Fed appeared to soften. India's 10Y yield also fell by 1bps, as oil prices remain muted. It is trading range bound even today at 6.33%.

**Fig 3 – Bond 10Y yield**

	23-04-2025	24-04-2025	Change, bps
US	4.38	4.31	(7)
UK	4.55	4.50	(5)
Germany	2.50	2.45	(5)
Japan	1.34	1.33	(1)
China	1.66	1.66	0
India	6.33	6.32	(1)

Source: Bloomberg, Bank of Baroda Research

**Fig 4 – Short term rates**

	23-04-2025	24-04-2025	Change, bps
Tbill-91 days	5.89	5.87	(2)
Tbill-182 days	5.94	5.92	(2)
Tbill-364 days	5.95	5.94	(1)
G-Sec 2Y	6.02	6.03	1
India OIS-2M	5.91	5.91	0
India OIS-9M	5.73	5.72	(1)
SONIA int rate benchmark	4.46	4.46	0
US SOFR	4.30	4.28	(2)

Source: Bloomberg, Bank of Baroda Research

**Fig 5 – Liquidity**

Rs tn	23-04-2025	24-04-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	0.8	0.8	0
Reverse Repo	0	0	0
Repo*	0.3	0.3	0

Source: RBI, Bank of Baroda Research, \*Includes LTRO

**Fig 6 – Capital market flows**

	22-04-2025	23-04-2025	change (US\$ mn/Rs cr)
FII (US\$ mn)	86.5	250.8	164.3
Debt	(144.5)	(213.6)	(69.1)
Equity	230.9	464.4	233.4
Mutual funds (Rs cr)	1,593.3	(4,791.9)	(6,385.1)
Debt	1,414.5	(2,819.5)	(4,234.0)
Equity	178.8	(1,972.3)	(2,151.1)

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 21 and 22 Apr 2025

- Oil prices rose a tad, supported by seasonal demand, and low US inventories.

**Fig 7 – Commodities**

	23-04-2025	24-04-2025	Change, %
Brent crude (US\$/bbl)	66.1	66.6	0.7
Gold (US\$/ Troy Ounce)	3288.3	3349.4	1.9
Copper (US\$/ MT)	9363.4	9398.9	0.4
Zinc (US\$/MT)	2598.6	2654.1	2.1
Aluminium (US\$/MT)	2432.0	2449.0	0.7

Source: Bloomberg, Bank of Baroda Research



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