

MORNING MOCHA

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Amidst the ongoing turmoil in Middle East, the UAE has announced its plans to exit OPEC and OPEC+ from 1 May 2026. The decision reflects UAE's "long-term strategic and economic vision and evolving energy profile." Notably, UAE is the fourth largest oil producing nation in OPEC. Separately, US Conference Board consumer confidence index edged up to 92.8 in Apr'26 (est. 89.0) from 92.2 in Mar'26. The unexpected increase was attributed to higher stock prices and improvement in labour market expectations due to the ceasefire. Even so, consumers continued to remain cautious about higher energy prices. In India, IIP growth improved to 4.1% in Mar'26 from 3.9% in Mar'25. This was led by improvement in mining and manufacturing output.

- Barring FTSE, other global indices closed lower. Investors remained cautious given that US-Iran peace talks have stalled. US indices were lower with losses noted in technology stocks ahead of their corporate earnings. Nikkei slipped after BoJ's decision to keep the policy rate on hold. Sensex dropped by 400pts with deep losses in banking stocks. However, it is trading higher today in line with other Asian indices.

Table 1 – Stock markets

	27-04-2026	28-04-2026	Change, %
Dow Jones	49,168	49,142	(0.1)
S & P 500	7,174	7,139	(0.5)
FTSE	10,321	10,333	0.1
Nikkei	60,537	59,917	(1.0)
Hang Seng	25,926	25,680	(0.9)
Shanghai Comp	4,086	4,079	(0.2)
Sensex	77,304	76,887	(0.5)
Nifty	24,093	23,996	(0.4)

Source: Bloomberg, Bank of Baroda Research

- Global currencies ended weaker as the dollar firmed up. DXY rose by 0.1% ahead of Fed policy. Amongst major currencies, INR depreciated the most by 0.4% as oil prices remained elevated. It is trading further weaker today, in line with other Asian currencies.

Table 2 – Currencies

	27-04-2026	28-04-2026	Change, %
EUR/USD (1 EUR / USD)	1.1721	1.1712	(0.1)
GBP/USD (1 GBP / USD)	1.3535	1.3517	(0.1)
USD/JPY (JPY / 1 USD)	159.42	159.62	(0.1)
USD/INR (INR / 1 USD)	94.20	94.55	(0.4)
USD/CNY (CNY / 1 USD)	6.8266	6.8376	(0.2)
DXY Index	98.50	98.64	0.1

Source: Bloomberg, Bank of Baroda Research



- Except Japan and China (flat), other global yields closed higher. US 10Y yield inched up ahead of the Fed's rate decision. Investors largely expect no change in policy rate. UK and Germany's 10Y yields edged up 3bps each. India's 10Y yield too hardened, tracking higher oil prices. It is trading tad lower today at 6.97%.

Table 3 – Bond 10Y yield

	27-04-2026	28-04-2026	Change, bps
US	4.34	4.35	1
UK	4.97	5.01	3
Germany	3.03	3.07	3
Japan	2.48	2.48	0
China	1.76	1.76	0
India	6.94	6.98	4

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	27-04-2026	28-04-2026	Change, bps
Tbill-91 days	5.33	5.24	(9)
Tbill-182 days	5.39	5.44	5
Tbill-364 days	5.59	5.59	0
G-Sec 2Y	6.02	6.10	8
India OIS-2M	5.31	5.34	3
India OIS-9M	5.70	5.77	7
SONIA int rate benchmark	3.73	3.73	0
US SOFR	3.66	3.66	0

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	27-04-2026	28-04-2026	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	2.7	2.7	(0.3)

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	24-04-2026	27-04-2026	change (US\$ mn/Rs cr)
FII (US\$ mn)	(1,093.6)	(508.5)	585.2
Debt	(168.7)	(63.9)	104.8
Equity	(924.9)	(444.5)	480.4
Mutual funds (Rs cr)	(6,834.6)	(2,765.4)	4,069.2
Debt	(7,842.9)	(7,751.0)	92.0
Equity	1,008.4	4,985.6	3,977.2

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 23 Apr and 24 Apr 2026

- Oil prices rose above the US\$ 100/bbl mark as US-Iran peace talks remained stalled.

Table 7 – Commodities

	27-04-2026	28-04-2026	Change, %
Brent crude (US\$/bbl)	108.2	111.3	2.8
Gold (US\$/ Troy Ounce)	4,682.1	4,596.8	(1.8)
Copper (US\$/ MT)	13,139.3	12,951.1	(1.4)
Zinc (US\$/MT)	3,395.4	3,368.4	(0.8)
Aluminium (US\$/MT)	3,578.0	3,538.5	(1.1)

Source: Bloomberg, Bank of Baroda Research



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