

**MORNING MOCHA**

30 April 2026

**ECONOMIST**  
**Aditi Gupta**

The Fed kept its policy rate unchanged in the latest meeting with an 8-4 vote. Amongst the dissenters, 3 MPC members held the view that given the evolving geopolitical situation and its impact on inflation, the term “easing bias” in the policy statement would not be appropriate. Investors have ruled out any rate cuts this year and have increased bets of a rate hike in early 2027. Separately macro data showed an improvement in US durable goods orders and housing starts. On the other hand, trade deficit expanded due to higher imports. In China, manufacturing PMI moderated marginally to 50.3 in Apr’26 from 50.4 in Mar’26. It however, remained in the expansionary territory for the 2nd straight month led by strong growth in new export orders. Industrial production in Japan declined by 0.5% in Mar’26 (est. +1.1%), following a 2% decline in Feb’26. This was led by a decline in chemical and petroleum related sectors possibly due to a hit from the Middle East crisis.

- Barring HK, China and India, other global indices closed lower. Continued impasse between US and Iran weighed on investor sentiments. Dow Jones was dragged by industrial and financial stocks. Sensex rose, led by gains in FMCG stocks. However, it is trading lower today, while Asian indices are trading mixed.

**Table 1 – Stock markets**

	28-04-2026	29-04-2026	Change, %
Dow Jones	49,142	48,862	(0.6)
S & P 500	7,139	7,136	(0.0)
FTSE	10,333	10,213	(1.2)
Nikkei	60,537	59,917	(1.0)
Hang Seng	25,680	26,112	1.7
Shanghai Comp	4,079	4,108	0.7
Sensex	76,887	77,496	0.8
Nifty	23,996	24,178	0.8

Source: Bloomberg, Bank of Baroda Research

- Global currencies ended weaker. DXY rose by 0.3% amidst a hawkish shift in Fed’s policy. JPY declined to its weakest level since Jul’24 as investors remained wary of the timing of BoJ’s rate hike. INR is trading past the 95/\$ mark due to higher oil prices. Other Asian currencies are also trading lower.

**Table 2 – Currencies**

	28-04-2026	29-04-2026	Change, %
EUR/USD (1 EUR / USD)	1.1712	1.1677	(0.3)
GBP/USD (1 GBP / USD)	1.3517	1.3475	(0.3)
USD/JPY (JPY / 1 USD)	159.62	160.41	(0.5)
USD/INR (INR / 1 USD)	94.55	94.85	(0.3)
USD/CNY (CNY / 1 USD)	6.8376	6.8404	0
DXY Index	98.64	98.96	0.3

Source: Bloomberg, Bank of Baroda Research



- Except Japan and China, other global yields closed higher. US 10Y yield jumped by 8bps, tracking soaring oil prices, hawkish shift in Fed's policy, and divided voting pattern. UK's 10Y yield crossed 5% mark over fears of inflation and ongoing political uncertainty. India's 10Y yield also rose by 1bps. It is trading higher by 6bps at 7.06%, following global cues.

**Table 3 – Bond 10Y yield**

	28-04-2026	29-04-2026	Change, bps
US	4.35	4.43	8
UK	5.01	5.07	6
Germany	3.07	3.11	4
Japan	2.48	2.48	0
China	1.76	1.75	(1)
India	6.98	6.99	1

Source: Bloomberg, Bank of Baroda Research

**Table 4 – Short term rates**

	28-04-2026	29-04-2026	Change, bps
Tbill-91 days	5.24	5.25	1
Tbill-182 days	5.44	5.46	2
Tbill-364 days	5.59	5.64	5
G-Sec 2Y	6.10	6.18	8
India OIS-2M	5.34	5.36	2
India OIS-9M	5.77	5.79	2
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	28-04-2026	29-04-2026	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	2.6	2.1	(0.5)

Source: RBI, Bank of Baroda Research

**Table 6 – Capital market flows**

	27-04-2026	28-04-2026	change (US\$ mn/Rs cr)
FII (US\$ mn)	(508.5)	(80.0)	428.4
Debt	(63.9)	130.7	194.6
Equity	(444.5)	(210.7)	233.8
Mutual funds (Rs cr)	(2,765.4)	(727.8)	2,037.7
Debt	(7,751.0)	(4,803.7)	2,947.3
Equity	4,985.6	4,075.9	(909.7)

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 24 Apr and 27 Apr 2026

- Oil prices surged by 6% to the highest level since Jun'22 as continued blockade of Strait of Hormuz raised supply fears.

**Table 7 – Commodities**

	28-04-2026	29-04-2026	Change, %
Brent crude (US\$/bbl)	111.3	118.0	6.1
Gold (US\$/ Troy Ounce)	4,596.8	4,548.0	(1.1)
Copper (US\$/ MT)	12,951.1	12,924.4	(0.2)
Zinc (US\$/MT)	3,368.4	3,300.6	(2.0)
Aluminium (US\$/MT)	3,538.5	3,488.5	(1.4)

Source: Bloomberg, Bank of Baroda Research



## Disclaimer

The views expressed in this research note are personal views of the author(s) and do not necessarily reflect the views of Bank of Baroda. Nothing contained in this publication shall constitute or be deemed to constitute an offer to sell/ purchase or as an invitation or solicitation to do so for any securities of any entity. Bank of Baroda and/ or its Affiliates and its subsidiaries make no representation as to the accuracy; completeness or reliability of any information contained herein or otherwise provided and hereby disclaim any liability with regard to the same. Bank of Baroda Group or its officers, employees, personnel, directors may be associated in a commercial or personal capacity or may have a commercial interest including as proprietary traders in or with the securities and/ or companies or issues or matters as contained in this publication and such commercial capacity or interest whether or not differing with or conflicting with this publication, shall not make or render Bank of Baroda Group liable in any manner whatsoever & Bank of Baroda Group or any of its officers, employees, personnel, directors shall not be liable for any loss, damage, liability whatsoever for any direct or indirect loss arising from the use or access of any information that may be displayed in this publication from time to time.

Visit us at



For further details about this publication, please contact:

**Chief Economist**

Bank of Baroda

[chief.economist@bankofbaroda.com](mailto:chief.economist@bankofbaroda.com)