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US government shutdown continued to weigh on investor sentiments even as Fed policymakers batted for a cautious approach to further rate cuts. Fed's Austin Goolsbee stated that policy rates should be held steady in the absence of official inflation data. Separately, Bank of England kept its policy rate steady at 4% with a narrow 5-4 vote. The central bank expects inflation to have peaked, giving it room to cut rates in a gradual manner. In China, export growth unexpectedly declined by 1.1% in Oct'25 (est. +3%), after increasing by 8.3% in Sep'25. Import growth also decelerated to 1% in Oct'25 from 7.4% in Sep'25. In India, services PMI stood at 58.9 in Oct'25, remaining firmly above the 50-mark and its long-term average. Businesses reported a healthy growth in new business and higher footfalls, even as intense competition and rainfall in some areas impacted business.

- Barring China and Japan, other major indices ended in red. Markets in the US fell the most, as investors monitored concerns regarding valuations of AI companies, signs of weakening labour market, and debate in Supreme Court on legality of tariffs. Sensex too inched down, led by metal, power and real estate stocks. It is trading further lower today, in line with other Asian stocks.

Table 1 – Stock markets

	05-11-2025	06-11-2025	Change, %
Dow Jones	47,311	46,912	(0.8)
S & P 500	6,796	6,720	(1.1)
FTSE	9,777	9,736	(0.4)
Nikkei	50,212	50,884	1.3
Hang Seng	25,935	26,486	2.1
Shanghai Comp	3,969	4,008	1.0
Sensex	83,459	83,311	(0.2)
Nifty	25,598	25,510	(0.3)

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 5 Nov 2025

- Global currencies ended broadly stronger against the dollar. DXY fell by 0.5% as traders assessed the impact of continued US shutdown and legal disputed related to US tariffs. JPY and GBP gained the most. INR was largely steady. It is trading stronger today, while other Asian currencies are trading mixed.

Table 2 – Currencies

	05-11-2025	06-11-2025	Change, %
EUR/USD (1 EUR / USD)	1.1492	1.1547	0.5
GBP/USD (1 GBP / USD)	1.3050	1.3137	0.7
USD/JPY (JPY / 1 USD)	154.12	153.06	0.7
USD/INR (INR / 1 USD)	88.66	88.63	0
USD/CNY (CNY / 1 USD)	7.1268	7.1193	0.1
DXY Index	100.20	99.73	(0.5)

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 5 Nov 2025



- Except Japan and China, 10Y yields elsewhere declined. US 10Y yield fell sharply by 8bps, as investors tracked private survey report indicating 3x increase in layoffs in Oct'25 versus Sep'25. Impact of prolonged US government shutdown also weighed on investors' sentiment. Following global cues and lower oil prices, India's 10Y field also dipped. It is currently trading flat at 6.52%.

Table 3 – Bond 10Y yield

	05-11-2025	06-11-2025	Change, bps
US	4.16	4.08	(8)
UK	4.46	4.43	(3)
Germany	2.67	2.65	(2)
Japan	1.66	1.69	2
China	1.80	1.81	1
India	6.53	6.52	(1)

Source: Bloomberg, Bank of Baroda Research || Note: Markets in India were closed on 5 Nov 2025

Table 4 – Short term rates

	04-11-2025	06-11-2025	Change, bps
Tbill-91 days	5.43	5.44	1
Tbill-182 days	5.55	5.57	2
Tbill-364 days	5.56	5.58	2
G-Sec 2Y	5.78	5.79	1
India OIS-2M	5.50	5.51	1
India OIS-9M	5.47	5.47	0
SONIA int rate benchmark	3.97	3.97	0
US SOFR	4.00	3.91	(9)

Source: Bloomberg, Bank of Baroda Research | Note: Markets in India were closed on 5 Nov 2025

Table 5 – Liquidity

Rs tn	04-11-2025	06-11-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	2.1	2.3	0.2

Source: RBI, Bank of Baroda Research | Note: Markets in India were closed on 5 Nov 2025

Table 6 – Capital market flows

	03-11-2025	04-11-2025	change (US\$ mn/Rs cr)
FII (US\$ mn)	(277.0)	(69.1)	207.9
Debt	(59.4)	(32.3)	27.1
Equity	(217.6)	(36.8)	180.8
Mutual funds (Rs cr)	3,224.4	(233.7)	(3,458.1)
Debt	(2,168.7)	(1,448.1)	720.6
Equity	5,393.1	1,214.4	(4,178.8)

Source: Bloomberg, Bank of Baroda Research | Note: Mutual funds data as of 29 Oct and 30 Oct 2025

- Oil prices continued to decline amidst lingering demand concerns.

Table 7 – Commodities

	05-11-2025	06-11-2025	Change, %
Brent crude (US\$/bbl)	63.5	63.4	(0.2)
Gold (US\$/ Troy Ounce)	3,979.6	3,977.2	(0.1)
Copper (US\$/ MT)	10,659.1	10,651.5	(0.1)
Zinc (US\$/MT)	3,141.2	3,151.8	0.3
Aluminium (US\$/MT)	2,850.0	2,844.5	(0.2)

Source: Bloomberg, Bank of Baroda Research



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