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Growth in India's eight core sector surged to 7.9% in Sep'26 (highest in this series) compared with 5.9% growth in Aug'26. This was led by acceleration in iron ore output with a growth of 18.4% in Sep'26. Coal and refinery products output also registered stronger growth of 10.7% and 10.3% respectively in Sep'26. On a FYTD basis, the eight-core sector has expanded by 5.1% compared with 2.5% growth in Apr-Sep'25. Separately, UK's inflation rose to an 11-momth high of 3.5% in Sep'26 from 3.1% in Aug'26. Core CPI was up by 2.8% from 2.6% print in Aug'26. This was on the back of rising fuel costs, which was up by 29.8% for the same period. Higher than expected inflation has cemented the case for more rate hike by BoE, with investors pricing in 2 more hikes of 25bps each by the end of the year.

- Global indices closed mixed. US indices advanced on the back of better-than-expected earnings report, supported by stronger guidance for the year. Nikkei too inched up with gains in banking, textile and real estate stocks. On the other hand, Hang Seng was down by 0.9%. Sensex too slipped and is trading lower today in line with other Asian stocks.

Table 1 – Stock markets

	20-10-2026	21-10-2026	Change, %
Dow Jones	52,496	52,856	0.7
S & P 500	7,713	7,757	0.6
FTSE	10,733	10,753	0.2
Nikkei	64,075	64,621	0.9
Hang Seng	23,868	23,652	(0.9)
Shanghai Comp	3,735	3,713	(0.6)
Sensex	73,853	73,710	(0.2)
Nifty	22,889	22,811	(0.3)

Source: Bloomberg, Bank of Baroda Research | Note: Indian markets were closed on 20.10.2026

- Except GBP and INR (higher), other major global currencies closed stable against the US$. DXY rose by 0.1% tracking revival in equity markets. GBP rose by 0.1% as UK CPI data strengthens the case for rate hike by BoE next month. INR rose sharply by 0.5%, supported by RBI measures and FII inflows. It is trading further stronger today, while other Asian currencies are trading weaker.

Table 2 – Currencies

	20-10-2026	21-10-2026	Change, %
EUR/USD (1 EUR / USD)	1.1237	1.1232	0
GBP/USD (1 GBP / USD)	1.3380	1.3394	0.1
USD/JPY (JPY / 1 USD)	158.17	158.14	0
USD/INR (INR / 1 USD)	94.93	94.47	0.5
USD/CNY (CNY / 1 USD)	6.6782	6.6759	0
DXY Index	101.70	101.78	0.1

Source: Bloomberg, Bank of Baroda Research | Note: Indian markets were closed on 20.10.2026

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- Global yields closed mixed. 10Y yields in US, Germany and India inched up. Elevated oil prices kept investor sentiment on edge. US initial jobless claims data is also awaited, ahead of US Fed decision next week. India's 10Y yield rose by 5bps, to reach its highest since early Nov'22, tracking sustained inflationary pressures. It is trading further higher today at 7.45%.

Table 3 – Bond 10Y yield

	20-10-2026	21-10-2026	Change, bps
US	5.11	5.12	1
UK	5.41	5.38	(3)
Germany	3.40	3.42	2
Japan	2.90	2.88	(2)
China	1.63	1.63	0
India	7.39	7.44	5

Source: Bloomberg, Bank of Baroda Research | Note: Indian markets were closed on 20.10.2026

Table 4 – Short term rates

	20-10-2026	21-10-2026	Change, bps
Tbill-91 days	5.73	5.75	2
Tbill-182 days	6.29	6.21	(8)
Tbill-364 days	6.45	6.36	(9)
G-Sec 2Y	6.81	6.92	11
India OIS-2M	5.83	5.83	0
India OIS-9M	6.39	6.43	4
SONIA int rate benchmark	3.73	3.73	0
US SOFR	3.87	3.88	1

Source: Bloomberg, Bank of Baroda Research | Note: Indian markets were closed on 20.10.2026

Table 5 – Liquidity

Rs tn	19-10-2026	21-10-2026	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	1.1	0	(1.1)

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	16-10-2026	19-10-2026	change (US$ mn/Rs cr)
FII (US$ mn)	290.9	(25.5)	(316.5)
Debt	12.7	18.1	5.3
Equity	278.2	(43.6)	(321.8)
Mutual funds (Rs cr)	(1,949.7)	2,581.8	4,531.5
Debt	(3,686.9)	(363.1)	3,323.8
Equity	1,737.2	2,944.9	1,207.7

Source: Bloomberg, Bank of Baroda Research | Note: Mutual funds data as of 12 Oct and 13 Oct 2026

- Oil prices were steady as investors weigh in lower US stockpiles and the ongoing diplomatic progress between Russia and Ukraine.

Table 7 – Commodities

	20-10-2026	21-10-2026	Change, %
Brent crude (US$/bbl)	108.8	108.8	0
Gold (US$/ Troy Ounce)	4,125.2	4,140.7	0.4
Copper (US$/ MT)	14,591.3	14,472.3	(0.8)
Zinc (US$/MT)	3,765.3	3,800.2	0.9
Aluminium (US$/MT)	3,002.5	3,041.5	1.3

Source: Bloomberg, Bank of Baroda Research

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