

MORNING MOCHA

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ECONOMIST

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In the US, job openings rose to a 5-month high to 7.68 mn in Oct'25 from 7.66mn in Sep'25. This was led by retail, healthcare and wholesale sector. However, the number of layoffs in Oct'25 rose to 1.85 mn (highest since 2023) with concentration noted in accommodation and food services sector. The rate was up by 1.2% against 1.1% in Sep'25. The job vacancies remained steady at 4.6%, hiring dropped down to 5.2 mn in Oct'25 (from 5.4 mn in Sep'25). Separately, in China, CPI rose to a 21-month high to 0.7% in Nov'25 from 0.2% in Oct'25. This was led by surge in food inflation at 0.2% with a spike in vegetables prices (14.5% in Nov'25). On the other hand, pork prices remained in the deflationary zone (-15%) and are expected to see a turnaround next year. Core inflation was steady at 1.2% for the same period. PPI inflation continued to be in the negative zone at (-) 2.2% for 38th month in a row.

- Barring Nikkei (higher) and FTSE (flat), other global equity indices closed lower. US stocks slipped further as investors expecting hawkish commentary by Fed even as 25bps rate cut has been priced in. Sensex was down with losses in auto, media and IT related stocks. However, it is trading higher today while other Asian indices are trading lower.

Table 1 – Stock markets

	08-12-2025	09-12-2025	Change, %
Dow Jones	47,739	47,560	(0.4)
S & P 500	6,847	6,841	(0.1)
FTSE	9,645	9,642	0
Nikkei	50,582	50,655	0.1
Hang Seng	25,765	25,434	(1.3)
Shanghai Comp	3,924	3,910	(0.4)
Sensex	85,103	84,666	(0.5)
Nifty	25,961	25,840	(0.5)

Source: Bloomberg, Bank of Baroda Research]

- Except INR and CNY, other global currencies fell. JPY fell the most by 0.6%. DXY rose a tad further by 0.1%, as investors remain in a risk-averse mood ahead of Fed commentary. Better than expected JOLTS data also helped US\$. INR rose by 0.2%, amidst news of dollar sales by exporters and foreign fund inflows. However, it is trading weaker today, in line with other Asian currencies.

Table 2 – Currencies

	08-12-2025	09-12-2025	Change, %
EUR/USD (1 EUR / USD)	1.1637	1.1627	(0.1)
GBP/USD (1 GBP / USD)	1.3322	1.3297	(0.2)
USD/JPY (JPY / 1 USD)	155.92	156.88	(0.6)
USD/INR (INR / 1 USD)	90.09	89.89	0.2
USD/CNY (CNY / 1 USD)	7.0720	7.0636	0.1
DXY Index	99.09	99.22	0.1



Source: Bloomberg, Bank of Baroda Research

- Global 10Y yields closed mixed. Yields in Europe and Japan retreated, while they inched up in US and India. US 10Y yield was up by 2bps as investors expect Fed to present a window of 1 rate cut in CY26 amidst a cautious economic outlook. India's 10Y yield rose by 6bps, as investors expect no more rate cuts from RBI. However, it is trading a tad lower today at 6.57%.

Table 3 – Bond 10Y yield

	08-12-2025	09-12-2025	Change, bps
US	4.16	4.19	2
UK	4.53	4.51	(2)
Germany	2.86	2.85	(1)
Japan	1.98	1.97	(1)
China	1.84	1.84	0
India	6.53	6.59	6

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	08-12-2025	09-12-2025	Change, bps
Tbill-91 days	5.25	5.25	0
Tbill-182 days	5.42	5.43	1
Tbill-364 days	5.46	5.47	1
G-Sec 2Y	5.77	5.82	5
India OIS-2M	5.34	5.34	0
India OIS-9M	5.42	5.43	1
SONIA int rate benchmark	3.97	3.97	0
US SOFR	3.93	3.95	2

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	08-12-2025	09-12-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	1.5	1.8	0.3

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	05-12-2025	08-12-2025	change (US\$ mn/Rs cr)
FII (US\$ mn)	(183.2)	(203.4)	(20.2)
Debt	(181.3)	(193.8)	(12.4)
Equity	(1.8)	(9.7)	(7.8)
Mutual funds (Rs cr)	(1,907.5)	1,985.2	3,892.7
Debt	(3,045.8)	(635.7)	2,410.0
Equity	1,138.3	2,620.9	1,482.7

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 04 Dec and 05 Dec 2025

- Oil prices fell, as investors tracked the end of Ukraine war.

Table 7 – Commodities

	08-12-2025	09-12-2025	Change, %
Brent crude (US\$/bbl)	62.5	61.9	(0.9)
Gold (US\$/ Troy Ounce)	4,190.7	4,208.2	0.4
Copper (US\$/ MT)	11,643.7	11,487.0	(1.3)
Zinc (US\$/MT)	3,287.7	3,253.0	(1.1)
Aluminium (US\$/MT)	2,888.0	2,856.5	(1.1)

Source: Bloomberg, Bank of Baroda Research



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