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Global markets remained cautious ahead of key macro releases in the US. The payroll numbers and headline unemployment rate is expected to put more light on future trajectory of Fed policy rate. Separately, most of the Fed officials gave conflicting signals. Fed Governor Stephen Miran spoke of the current stance being unnecessarily restrictive. On the other hand, New York Fed President said that the current policy is well positioned. This week, all eyes will also be on the BoJ and BoE policy. Among major data releases of the day, has been UK's house price which fell at the same pace as seen in Dec'25. Japan's PMI data showed some softening of services activity and manufacturing index remained below the 50-mark. On domestic front, weakness in INR remained at the centre point.

- Except FTSE, other global indices declined. Investors remained cautious ahead of US data releases and central bank meetings this week. Stocks in Asia declined tracking weak macro data from China. Nikkei and Hang Seng both fell by 1.3% each. In India, Sensex dropped by 0.1% led by losses in auto stocks. It is trading further lower today, in line with other Asian stocks

Table 1 – Stock markets

	12-12-2025	15-12-2025	Change, %
Dow Jones	48,458	48,417	(0.1)
S & P 500	6,827	6,817	(0.2)
FTSE	9,649	9,751	1.1
Nikkei	50,837	50,168	(1.3)
Hang Seng	25,977	25,629	(1.3)
Shanghai Comp	3,889	3,868	(0.6)
Sensex	85,268	85,213	(0.1)
Nifty	26,047	26,027	(0.1)

Source: Bloomberg, Bank of Baroda Research|

- Except INR, other global currencies closed broadly higher against the dollar. DXY was weaker ahead of the release of key macro data. Investors also awaited monetary policy decisions of ECB, BoE and BoJ. INR depreciated to a historic low as uncertainty persists over US trade deal. It is trading further weaker today, in line with other Asian currencies.

Table 2 – Currencies

	12-12-2025	15-12-2025	Change, %
EUR/USD (1 EUR / USD)	1.1740	1.1753	0.1
GBP/USD (1 GBP / USD)	1.3371	1.3376	0
USD/JPY (JPY / 1 USD)	155.81	155.23	0.4
USD/INR (INR / 1 USD)	90.42	90.73	(0.3)
USD/CNY (CNY / 1 USD)	7.0550	7.0480	0.1
DXY Index	98.40	98.31	(0.1)

Source: Bloomberg, Bank of Baroda Research



- 10Y yield in US and UK softened. For UK, the pricing in of 25bps rate cut by BoE have started taking shape. The stable CPI print in Germany kept its 10Y yield capped. For Japan, all eyes are on BoJ policy. Thus, its 10Y yield inched up a tad. For India, it closed stable and is trading at the same level today.

Table 3 – Bond 10Y yield

	12-12-2025	15-12-2025	Change, bps
US	4.18	4.17	(1)
UK	4.52	4.50	(2)
Germany	2.86	2.85	0
Japan	1.95	1.96	1
China	1.84	1.86	1
India	6.59	6.59	0

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	12-12-2025	15-12-2025	Change, bps
Tbill-91 days	5.27	5.27	0
Tbill-182 days	5.43	5.46	3
Tbill-364 days	5.48	5.48	0
G-Sec 2Y	5.81	5.79	(1)
India OIS-2M	5.34	5.34	0
India OIS-9M	5.42	5.41	(1)
SONIA int rate benchmark	3.98	3.97	0
US SOFR	3.66	3.67	1

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	12-12-2025	15-12-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	2.1	1.2	(0.9)

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	11-12-2025	12-12-2025	change (US\$ mn/Rs cr)
FII (US\$ mn)	(346.2)	40.9	387.1
Debt	(141.3)	26.0	167.3
Equity	(204.9)	14.9	219.8
Mutual funds (Rs cr)	1,184.5	3,217.0	2,032.5
Debt	(3,496.8)	(246.9)	3,249.9
Equity	4,681.3	3,463.9	(1,217.4)

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 9 Dec and 10 Dec 2025

- Oil prices declined as weak data from China led to demand concerns

Table 7 – Commodities

	12-12-2025	15-12-2025	Change, %
Brent crude (US\$/bbl)	61.1	60.6	(0.9)
Gold (US\$/ Troy Ounce)	4,299.6	4,305.0	0.1
Copper (US\$/ MT)	11,535.7	11,651.1	1.0
Zinc (US\$/MT)	3,215.6	3,061.9	(4.8)
Aluminium (US\$/MT)	2,868.5	2,866.0	(0.1)

Source: Bloomberg, Bank of Baroda Research



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