बैंक ऑफ़ बड़ौदा Bank of Baroda

MORNING MOCHA

29 October 2025

ECONOMIST
Jahnavi Prabhakar

In the US, labour market is showing signs of 'tepid recovery' as was reflected by the private payroll jobs data (ADP). For the week ending Oct 11, on an average, per weekly basis over 14,250 jobs were added. With this, a total of 55,000 jobs would have been added by the private sector for the 4-week period. Separately in Germany, the consumer sentiment index dropped to -24.1 (lowest since Apr'25) in Nov'25 lower than anticipated (-22). This was led by decline in income expectations (2.3 from 15.1 in Oct'25) and amidst 'ongoing geopolitical tensions'. In India, IIP data came in at 4% for Sep'25 (3.2% in Sep'24). Union Cabinet approved reference for 8th pay commission which is expected to be positive for the consumption sector.

- Barring US indices and FTSE, other global indices closed lower. The news report of a firm building AI enabled supercomputer for US government pushed the stocks of technology firms higher. FTSE advanced, led by gains in banking sector. Sensex slipped amidst profit booking and losses in real estate and consumer durable stocks. However, it is trading lower today, while other Asian stocks are trading mixed.

Table 1 – Stock markets

	27-10-2025	28-10-2025	Change, %
Dow Jones	47,545	47,706	0.3
S & P 500	6,875	6,891	0.2
FTSE	9,654	9,697	0.4
Nikkei	50,512	50,219	(0.6)
Hang Seng	26,434	26,346	(0.3)
Shanghai Comp	3,997	3,988	(0.2)
Sensex	84,779	84,628	(0.2)
Nifty	25,966	25,936	(0.1)

Source: Bloomberg, Bank of Baroda Research

- Global currencies ended mixed. DXY inched down as US consumer confidence data moderated. JPY edged up tracking US Treasury Secretary's comments on BoJ, centring on anchoring of inflation expectations. GBP softened albeit expectation of no further policy easing this year. INR closed largely stable. It is trading stronger today, in line with other Asian currencies.

Table 2 – Currencies

	27-10-2025	28-10-2025	Change, %
EUR/USD (1 EUR / USD)	1.1645	1.1651	0.1
GBP/USD (1 GBP / USD)	1.3336	1.3272	(0.5)
USD/JPY (JPY / 1 USD)	152.88	152.11	0.5
USD/INR (INR / 1 USD)	88.24	88.27	0
USD/CNY (CNY / 1 USD)	7.1084	7.0992	0.1
DXY Index	98.78	98.67	(0.1)

Source: Bloomberg, Bank of Baroda Research

- Except Japan, global 10Y yields traded in a narrow range. Japan's 10Y yield softened tracking US Treasury Secretary's comments. US, UK and China's 10Y yield remained stable tracking positive developments over US-China trade deal. India's 10Y yield fell a tad. It is trading at 6.53% today.

Table 3 – Bond 10Y yield

	27-10-2025	28-10-2025	Change, bps
US	3.98	3.98	0
UK	4.40	4.40	0
Germany	2.62	2.62	1
Japan	1.67	1.65	(3)
China	1.81	1.81	0
India	6.55	6.54	(1)

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	27-10-2025	28-10-2025	Change, bps
Tbill-91 days	5.48	5.45	(3)
Tbill-182 days	5.57	5.50	(7)
Tbill-364 days	5.54	5.48	(6)
G-Sec 2Y	5.75	5.78	3
India OIS-2M	5.51	5.52	1
India OIS-9M	5.44	5.45	1
SONIA int rate benchmark	3.97	3.97	0
US SOFR	4.24	4.27	3

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	27-10-2025	28-10-2025	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	(0.2)	(0.1)	0.1

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	24-10-2025	27-10-2025	change (US$ mn/Rs cr)
FII (US$ mn)	38.1	117.7	79.6
Debt	(26.6)	47.8	74.3
Equity	64.7	70.0	5.3
Mutual funds (Rs cr)	3,192.8	2,787.1	(405.7)
Debt	927.3	(698.7)	(1,626.1)
Equity	2,265.5	3,485.8	1,220.4

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 14th Oct and 15th Oct 2025

- Oil prices softened tracking comments of IEA Chief over higher supply capacity.

Table 7 – Commodities

	27-10-2025	28-10-2025	Change, %
Brent crude (US$/bbl)	65.6	64.4	(1.9)
Gold (US$/ Troy Ounce)	3,982.2	3,952.1	(0.8)
Copper (US$/ MT)	11,005.2	11,019.0	0.1
Zinc (US$/MT)	3,267.9	3,229.1	(1.2)
Aluminium (US$/MT)	2,874.5	2,889.0	0.5

Source: Bloomberg, Bank of Baroda Research

Disclaimer

Visit us at

For further details about this publication, please contact:

Chief Economist
Bank of Baroda
chief.economist@bankofbaroda.com