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Global equity markets witnessed sell-off reversing the earlier session of gains amidst AI related concerns which impacted technology stocks. Risk off sentiments also resurfaced as US House has rebuked President's tariff policies. Thus, global yields softened with US 10Y yield falling by 7bps. Among major macro releases, has been US jobless claims data which rose at a softer pace by 227K for the week ending 7 Feb. This is on the back of seasonal impact due to severe winter. In UK, Q4 provisional GDP rose at a moderate pace by 1% against earlier print of 1.2%, due to softening of private consumption demand. In China, new home prices continued to decline in Jan'26 as well, signalling weaker demand conditions. On domestic front, CPI with 2024 as base year was released. Jan'26 print came in line with our estimate at 2.8%. The new series captures the evolving consumption curve of India.

- Global stocks ended broadly weaker amidst a broad-based sell-off in tech stocks. Investors remained concerned over AI and its impact on businesses and employment. US stocks dipped the most. In India as well, Sensex declined by 0.7%, with technology stocks dipping by a sharp 3.6%. Sensex is trading further lower today, in line with other Asian stocks.

Table 1 – Stock markets

	11-02-2026	12-02-2026	Change, %
Dow Jones	50,121	49,452	(1.3)
S & P 500	6,941	6,833	(1.6)
FTSE	10,472	10,402	(0.7)
Nikkei	57,651	57,640	0
Hang Seng	27,266	27,033	(0.9)
Shanghai Comp	4,132	4,134	0
Sensex	84,234	83,675	(0.7)
Nifty	25,954	25,807	(0.6)

Source: Bloomberg, Bank of Baroda Research

- Global currencies ended mixed. DXY rose by 0.1% ahead of CPI release. GBP dipped marginally tracking a muted GDP growth in Q4 2025. JPY rallied further and appreciated by 0.3%. INR strengthened by 0.1%. It is however trading weaker today, while other Asian currencies are trading mixed.

Table 2 – Currencies

	11-02-2026	12-02-2026	Change, %
EUR/USD (1 EUR / USD)	1.1872	1.1871	0
GBP/USD (1 GBP / USD)	1.3628	1.3622	0
USD/JPY (JPY / 1 USD)	153.26	152.74	0.3
USD/INR (INR / 1 USD)	90.71	90.60	0.1
USD/CNY (CNY / 1 USD)	6.9121	6.9017	0.2
DXY Index	96.83	96.93	0.1

Source: Bloomberg, Bank of Baroda Research



- Global 10Y yields softened on account of risk off sentiments. US 10Y yield fell the most as fears reignited since US House has rebuked President's tariff policies. US 10Y yield fell by 7bps. UK's 10Y yield also softened tracking GDP data. India's 10Y fell by 3bps monitoring release of new series of CPI. It is trading lower at 6.67% today.

Table 3 – Bond 10Y yield

	11-02-2026	12-02-2026	Change, bps
US	4.17	4.10	(7)
UK	4.48	4.45	(2)
Germany	2.79	2.78	(1)
Japan	2.24	2.24	0
China	1.80	1.78	(2)
India	6.71	6.68	(3)

Source: Bloomberg, Bank of Baroda Research

Table 4 – Short term rates

	11-02-2026	12-02-2026	Change, bps
Tbill-91 days	5.31	5.29	(2)
Tbill-182 days	5.55	5.41	(14)
Tbill-364 days	5.60	5.56	(4)
G-Sec 2Y	5.72	5.77	5
India OIS-2M	5.32	5.32	0
India OIS-9M	5.44	5.42	(2)
SONIA int rate benchmark	3.73	3.73	0
US SOFR	3.65	3.65	0

Source: Bloomberg, Bank of Baroda Research

Table 5 – Liquidity

Rs tn	11-02-2026	12-02-2026	Change (Rs tn)
Net Liquidity (-deficit/+surplus)	2.9	3.0	0.1

Source: RBI, Bank of Baroda Research

Table 6 – Capital market flows

	10-02-2026	11-02-2026	change (US\$ mn/Rs cr)
FII (US\$ mn)	122.4	313.1	190.7
Debt	87.0	(30.6)	(117.6)
Equity	35.4	343.7	308.4
Mutual funds (Rs cr)	(11,093.7)	(5,643.4)	5,450.3
Debt	(8,858.0)	(5,250.0)	3,608.1
Equity	(2,235.6)	(393.4)	1,842.2

Source: Bloomberg, Bank of Baroda Research| Note: Mutual Fund data as of 6th & 9th Feb 2026

- Oil prices fell as IEA projected a slower increase in oil demand in 2026.

Table 7 – Commodities

	11-02-2026	12-02-2026	Change, %
Brent crude (US\$/bbl)	69.4	67.5	(2.7)
Gold (US\$/ Troy Ounce)	5,084.4	4,922.2	(3.2)
Copper (US\$/ MT)	13,090.5	12,780.8	(2.4)
Zinc (US\$/MT)	3,388.7	3,345.3	(1.3)
Aluminium (US\$/MT)	3,103.0	3,100.0	(0.1)

Source: Bloomberg, Bank of Baroda Research



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