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In the US, new orders for durable goods climbed up by 2.6% to US\$ 283.4bn in Mar'24 from 0.7% in Feb'24 on a monthly basis, reflecting strength in the economy. New orders excluding defence climbed by 2.3% and orders excluding transportation were up by 0.2% in Mar'24. Investors will turn their focus towards US GDP and PCE data which is Fed's preferred gauge of inflation and might shed some light on Fed's trajectory on rate outlook. The rate cut possibility in Jun'24 has dwindled. Separately, Indonesia's central bank surprised with a first rate hike since Oct'23 with 7-day rate increased to 25bps to 6.25% (highest since 2016). The objective was to strengthen the currency which has fallen to a 4-year low.

- Barring Dow Jones and FTSE, other global indices ended higher. US indices ended lower with focus turning towards US GDP and PCE data. Nikkei extended its gains for the third day in a row as investors await outcome from the ongoing BoJ policy meet. Sensex continued to climb higher led by gains in metal and oil & gas stocks. However, it is trading lower today, in line with other Asian stocks.

Fig 1 – Stock markets

	23-04-2024	24-04-2024	Change, %
Dow Jones	38,504	38,461	(0.1)
S & P 500	5,071	5,072	0
FTSE	8,045	8,040	(0.1)
Nikkei	37,552	38,460	2.4
Hang Seng	16,829	17,201	2.2
Shanghai Comp	3,022	3,045	0.8
Sensex	73,738	73,853	0.2
Nifty	22,368	22,402	0.2

Source: Bloomberg, Bank of Baroda Research

- Global currencies traded in thin ranges ahead of key US macro data. EUR, CNY and INR were little changed from their last close. On the other hand, JPY depreciated further by 0.3% to breach the 155/\$ mark, intensifying expectations of a possible intervention by BoJ. INR is trading weaker today, while other Asian currencies are trading mixed.

Fig 2 – Currencies

	23-04-2024	24-04-2024	Change, %
EUR/USD (1 EUR / USD)	1.0701	1.0699	0
GBP/USD (1 GBP / USD)	1.2449	1.2464	0.1
USD/JPY (JPY / 1 USD)	154.83	155.35	(0.3)
USD/INR (INR / 1 USD)	83.34	83.32	0
USD/CNY (CNY / 1 USD)	7.2452	7.2460	0

Source: Bloomberg, Bank of Baroda Research

- Global yields ended higher. 10Y yield in Germany rose sharply by 9bps as Ifo's business climate index rose more than expected. In US as well, 10Y yield rose



as durables goods orders surprised positively. Following global cues, India's 10Y yield also edged up by 2bps. Traders also await the g-sec auctions on Friday. It is trading flat at 7.19% today.

Fig 3 – Bond 10Y yield

	23-04-2024	24-04-2024	Change, bps
US	4.60	4.64	4
UK	4.24	4.33	9
Germany	2.50	2.59	9
Japan	0.89	0.91	2
China	2.23	2.27	5
India	7.16	7.19	2

Source: Bloomberg, Bank of Baroda Research

Fig 4 – Short term rates

	23-04-2024	24-04-2024	change in bps
Tbill-91 days	6.89	6.91	2
Tbill-182 days	7.03	7.02	(1)
Tbill-364 days	7.04	7.06	2
G-Sec 2Y	7.12	7.14	2
India OIS-2M	6.76	6.76	0
India OIS-9M	6.84	6.86	1
SONIA int rate benchmark	5.20	5.20	0
US SOFR	5.31	5.31	0

Source: Bloomberg, Bank of Baroda Research

Fig 5 – Liquidity

Rs tn	23-04-2024	24-04-2024	change (Rs tn)
Net Liquidity (-Surplus/+deficit)	1.1	1.3	0.2
Reverse Repo	0	0	0
Repo	1.5	1.5	0

Source: RBI, Bank of Baroda Research

Fig 6 – Capital market flows

	22-04-2024	23-04-2024	change (US\$ mn/Rs cr)
FII (US\$ mn)	(200.7)	(639.7)	(439.0)
Debt	113.2	(225.0)	(338.2)
Equity	(314.0)	(414.8)	(100.8)
Mutual funds (Rs cr)	2,720.8	2,383.1	(337.7)
Debt	1,239.8	1,050.4	(189.4)
Equity	1,481.0	1,332.7	(148.3)

Source: Bloomberg, Bank of Baroda Research | Note: Mutual funds data as of 16 Apr and 18 Apr 2024

- Oil prices eased amidst prospects of delayed rate cuts in US.

Fig 7 – Commodities

	23-04-2024	24-04-2024	% change
Brent crude (US\$/bbl)	88.4	88.0	(0.5)
Gold (US\$/ Troy Ounce)	2,322.0	2,316.2	(0.3)
Copper (US\$/ MT)	9,602.1	9,654.8	0.5
Zinc (US\$/MT)	2,765.4	2,784.2	0.7
Aluminium (US\$/MT)	2,579.0	2,603.0	0.9

Source: Bloomberg, Bank of Baroda Research



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