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Jio's record share sale draws 22 times the bids on offer

The ₹30,213 crore offer closed on Friday with more than a crore of applications. Institutions asked for 70 times their quota; retail investors asked for less than three.

BY ARNAV GOEL



The Aparna Zenon high-rise apartment towers in Hyderabad. IMAHESH / CC BY-SA 4.0

The initial public offering of Jio Platforms, the telecoms and digital arm of Reliance Industries, closed on Friday, October 23, subscribed 22.19 times. At ₹30,213 crore it is the largest share sale India has seen, and it drew more than a crore of applications, also a record.

The offer consisted entirely of 27 crore new shares, priced between ₹1,065 and ₹1,119. The minimum bid was 12 shares, or ₹13,428 at the top of the range.

WHO BID

The demand was uneven. Qualified institutional buyers, such as mutual funds, insurers and foreign funds, subscribed 70.55 times over. Their portion filled within 28 minutes of opening on Wednesday. Non-institutional investors subscribed 14 times, Reliance shareholders 7.6 times, employees 2.93 times and retail investors 2.72 times.

Before the offer opened, Jio raised ₹8,109.85 crore from 212 anchor investors at ₹1,119 a share on October 19. Half of the anchor shares are locked in for 30 days and the rest for 90 days.

WHAT THE NUMBER MEANS

Oversubscription measures appetite for a small quantity of stock, not the value of the company. The shares on sale are under 3 per cent of Jio after the issue, far below the usual minimum for a listing. Institutions also tend to inflate their bids because they expect to be scaled back, so 70 times is not 70 times the real demand.

Shares are due to be allotted on Monday and to list on the BSE and NSE on Wednesday, October 28. Forex traders told PTI that money arriving for the issue had improved dollar liquidity, which helped the rupee early in the week.

Shares fall every day of a short week as small companies are hit hardest

The Nifty ended 2.36 per cent lower at 22,600 and the smallcap index lost more than 7 per cent, its worst week since February 2025.

BY ARNAV GOEL

Indian shares ended a two-week winning run with a loss in all four sessions of a week shortened by the Dussehra holiday on Tuesday. The Nifty 50 fell 2.36 per cent to 22,600. The Sensex lost about 2.1 per cent to 73,123.

BROAD DAMAGE

The large-company indices understate the week. The Nifty Midcap 100 fell 5.6 per cent and the Nifty Smallcap 100 more than 7 per cent, its worst week since February 2025. From their recent peaks the two indices are down more than 13 per cent and 12.1 per cent. Monday set the tone: the Sensex dropped 876 points and the Nifty 1.11 per cent to 22,888.95 as private banks fell.

Brent crude above $116 a barrel, continued foreign selling and mixed September-quarter results all weighed on sentiment. Foreign investors sold a net ₹3,458.70 crore of shares on Thursday alone. Their net sales in October reached ₹51,466 crore by October 23, while domestic institutions bought ₹59,110 crore.

WHERE IT HURT

Information technology was the only major sector to rise, by 0.2 per cent. Chemicals fell 7.1 per cent, defence 7 per cent, consumer durables 6.4 per cent, metals 5.4 per cent and realty 5 per cent. Banks lost 2.7 per cent. India VIX, a gauge of expected volatility, rose about 20 per cent.

Oil producers moved the other way: ONGC gained 2.4 per cent and Oil India 0.6 per cent.

MARKETS

Sensex	73,124	-1.6%
Nifty 50	22,600	-1.7%
₹ per $	94.71	+0.2%
Brent	116.72	+6.2%
Gold	4,008	-4.1%

Brent closes at $116.72, its highest since April

An attack on a Saudi oilfield and talk of renewed strikes on Iran pushed crude up for India, which imports nearly 90 per cent of its oil.

BY ARNAV GOEL

Brent crude rose 3.1 per cent on Friday to $116.72 a barrel, its highest close since late April. West Texas Intermediate rose 4 per cent to $103.44. The move came after reports that America and Israel might be planning renewed attacks on Iran, which said it was ready to strike back.

A day earlier Brent had jumped 3 per cent after attacks by Yemen's Houthis on Saudi energy facilities, including an Aramco oilfield. Sunny Aggrawal of SBI Securities also pointed to reports suggesting the West Asia conflict could escalate after America's mid-term election.

INDIA'S EXPOSURE

India buys nearly 90 per cent of its oil from abroad, so the price passes quickly into the import bill, the rupee and inflation. Market analysts expect the next round of results to show how much of the extra fuel, freight and raw-material cost companies can pass on. Upstox named the state fuel retailers, InterGlobe Aviation, paint makers and tyre makers as the companies most exposed.

PTI reported that dealers saw a price near $120 as a level that could threaten the rupee's recent stability.

India

India in brief

A note on this issue. This edition covers the week to October 24, 2026. It was written and published on November 4, after the regular Sunday issue was missed, and it is shorter than usual. It uses no news from after that week.

Thursday's slide. The Sensex fell 460.30 points to 73,249.39 on October 22 and the Nifty 123.70 points to 22,687.65.

IREDA flat. Indian Renewable Energy Development Agency reported net profit of ₹552 crore, up 0.5 per cent, on total income of ₹2,347 crore.

Delta Corp loss. The casino operator reported a net loss of ₹106 crore after a one-time loss of ₹137 crore. Its shares fell more than 5 per cent.

Merchant-banker rule eased. SEBI said on October 7 that certain issuers rated at least AA- could go without a merchant banker if they meet five conditions.

Bond yields rise for a tenth straight week

The 10-year yield reached 7.474 per cent, about 28 basis points above where it stood before the RBI's October decision.

BY ARNAV GOEL

The yield on India's 10-year government bond ended Friday at 7.474 per cent, according to data compiled by PTI, up from about 7.38 per cent a week earlier and 7.193 per cent on October 6. It was the tenth straight weekly rise, a run not seen since at least 1998.

Dealers gave four reasons: crude near $117, a jump in global yields, tighter liquidity in the banking system and expectations of more rate rises from the RBI. Venkatakrishnan Srinivasan of Rockfort Fincap said "the bond market may also be pricing in a possible rate hike at the December MPC".

THE COST TO THE BUDGET

Higher yields raise what the government pays on new borrowing. V Ramachandra Reddy, head of treasury at Karur Vysya Bank, told PTI that the rise since the October policy had materially increased incremental borrowing costs this year, and that if yields stayed high "the cost of financing the fiscal deficit will rise".

The rupee gives back its gains as reserves fall again

The currency touched 94.38 on Wednesday and closed the week at 94.94. Reserves fell $5 billion in the latest data.

BY ARNAV GOEL

The rupee had a week of two halves. It rose 53 paise on Wednesday to close at 94.38 a dollar, then lost 43 paise on Thursday as crude jumped and shares fell, and closed Friday at 94.94. That left it about where it began: the currency had closed at 94.96 on October 16.

The Reserve Bank said on Friday that foreign-exchange reserves fell by $5.011 billion to $721.016 billion in the week to October 16. Foreign-currency assets dropped $5.758 billion to $591.847 billion, while gold rose $706 million to $105.8 billion. Reserves were at a record $785.706 billion in the week to September 4.

Reserves can fall for valuation reasons as well as because of dollar sales, and the weekly data do not separate the two. Bloomberg reported that the rally from near a record low faces limits from oil and dollar demand.

RBI minutes show a unanimous rise and a split on what comes next

All six members voted for the increase to 5.50 per cent. Two wanted to keep the neutral stance.

BY ARNAV GOEL

Minutes published on October 21 confirm that all six members of the Monetary Policy Committee voted on October 7 to raise the repo rate by 25 basis points to 5.50 per cent. The move to a stance of "calibrated tightening" was not unanimous: Nagesh Kumar and Ram Singh wanted to stay neutral.

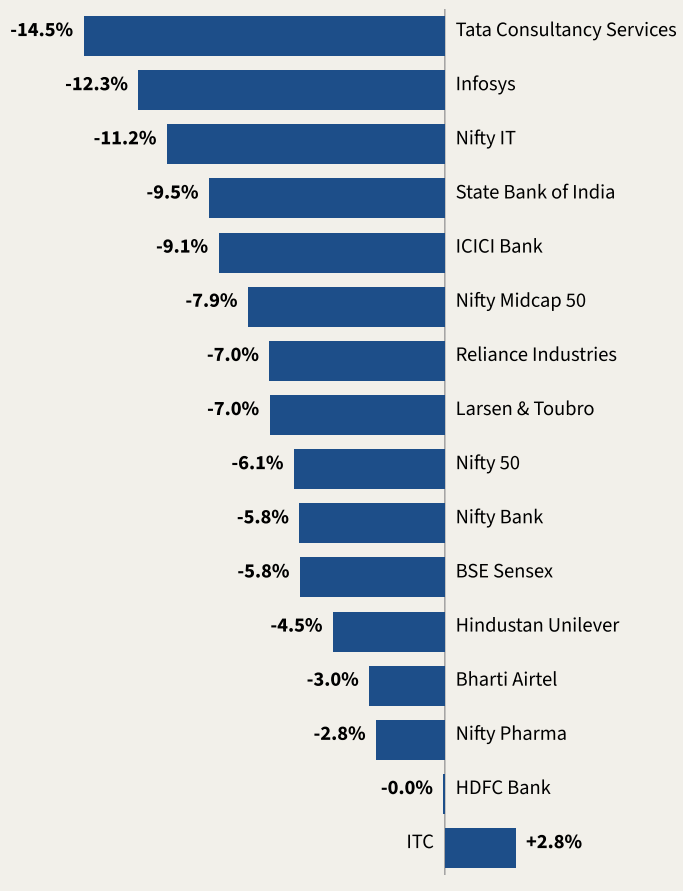
The committee said inflation and its outlook "are not benign as they were last year". It expects inflation of 5.2 per cent for 2026-27, with 6 per cent in the third quarter, and real GDP growth of 7.1 per cent.

HIKE OR PAUSE

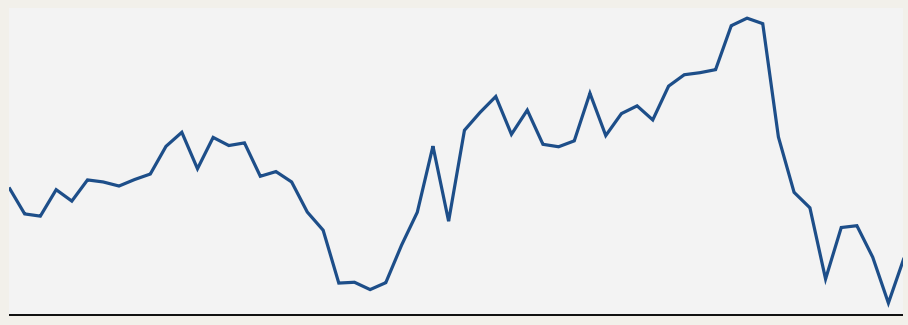
The resolution says the new stance signals that cuts are off the table for now, and that the next step can only be a rise or a pause. Governor Sanjay Malhotra wrote that the length of the cycle depends on underlying inflation and second-round effects. Poonam Gupta wrote that it was "conceivable" a further increase might be needed. Ram Singh argued for "incremental, mild repo rate hikes, not high-for-long rates". The committee next meets from December 2 to 4.

September in charts

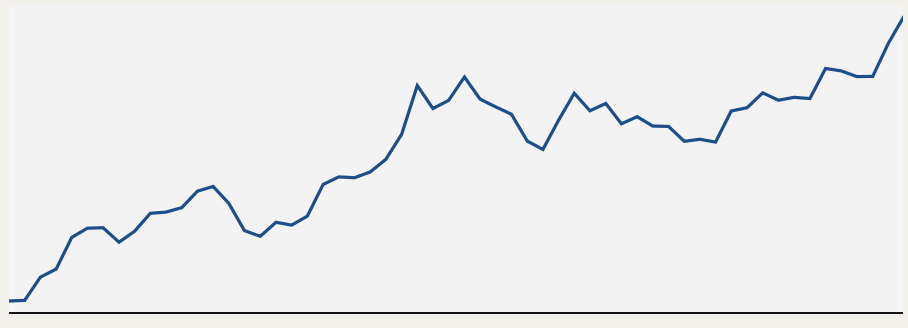
How Indian indices and leading shares moved over the month, and the rupee and oil prices behind them.



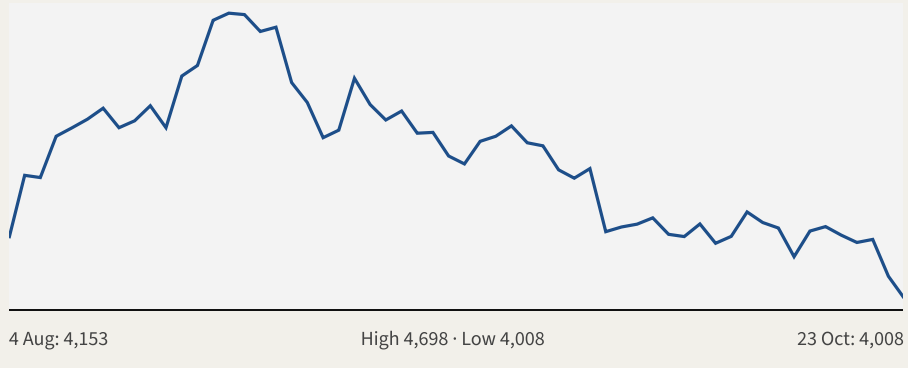
Rupee per dollar, last three months



Brent crude, $/bbl, last three months



Gold, $/oz, last three months



Private banks earn more but pay more for deposits

Profits rose at the four largest private lenders while margins narrowed, partly because of costly foreign-currency deposits.

BY ARNAV GOEL

India's largest private banks reported higher September-quarter profits and cleaner loan books, but each also reported a thinner margin. Upstox, citing analysts, linked the squeeze to deposits raised under the FCNR(B) scheme, which increased the cost of funds. The Economic Times reported that large private banks' cost of funds rose about 15 basis points from the previous quarter.

ICICI Bank's net profit rose 20.1 per cent to ₹14,843 crore, and its margin fell to 4.18 per cent from 4.30 per cent. Axis Bank's profit jumped 38 per cent to ₹7,003 crore, but most of that came from a 52.2 per cent fall in provisions; its margin fell to 3.36 per cent from 3.73 per cent. Kotak Mahindra Bank's profit rose 29 per cent to ₹4,212 crore, with a margin of 4.31 per cent against 4.54 per cent. HDFC Bank's net interest income rose 10 per cent to ₹34,619 crore and its margin on total assets was 3.16 per cent.

Bad loans fell. Gross non-performing assets were 1.11 per cent at HDFC Bank, 1.20 per cent at ICICI Bank and 1.04 per cent at Kotak, all lower than a year earlier.

Zinc soars while cement misses on margin

Hindustan Zinc's profit rose 142 per cent. UltraTech's operating margin fell short of what the market expected, and its shares dropped.

BY ARNAV GOEL

Two results on October 19 showed how unevenly the commodity cycle is treating Indian companies. Hindustan Zinc reported consolidated net profit of ₹6,412 crore for July to September, up 142 per cent from ₹2,649 crore a year earlier, on revenue of ₹15,093 crore. Its operating margin rose to 61.3 per cent from 58.6 per cent in the previous quarter. The shares rose about 4 per cent.

UltraTech Cement reported net profit of ₹1,494 crore on revenue of ₹23,295 crore. Its operating margin of 15.97 per cent was below the 16.6 per cent the market had expected, and the shares fell 2.36 per cent to ₹10,650.

Waaree Renewable Technologies showed a similar squeeze. Its revenue rose 36.5 per cent to ₹1,058 crore, yet net profit fell 36.5 per cent to ₹74 crore and its margin narrowed to 15.1 per cent from 20.4 per cent.

Private-sector growth picks up, but hiring does not

The flash composite index rose to 56.7 in October, the fastest since June. Job creation was the slowest of the year.

BY ARNAV GOEL

India's private sector grew at its fastest pace in four months in October, according to the HSBC flash survey released on Friday. The composite output index rose to 56.7 from 55.9 in September. Any reading above 50 signals expansion.

Services did the work. The services index reached 56.2, while manufacturing slipped to 54.9 from 55.1 as growth in purchasing slowed. The reading remained below the average for 2026 so far.

The weak point was employment. Private-sector job creation was marginal and the slowest so far this year. Final October figures are due in early November.

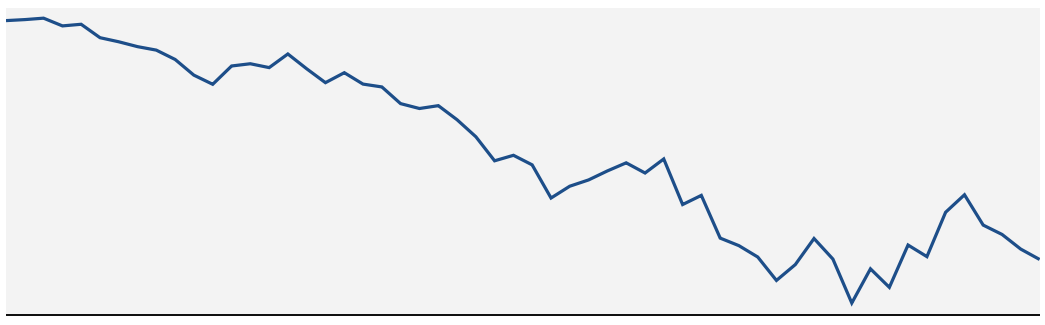
Indian Markets

Closing levels to Friday, October 23, 2026. Changes over five and 21 trading sessions. Source: Yahoo Finance.

	Last	Week	Month
INDICES			
BSE Sensex	73,124	-1.6%	-1.9%
Nifty 50	22,600	-1.7%	-3.1%
Nifty Bank	54,287	-2.7%	-3.4%
India VIX	16.86	+20.2%	+53.3%
SECTORS			
Nifty IT	31,996	+4.2%	+11.9%
Nifty Pharma	25,329	-1.9%	-5.9%
Nifty Midcap 50	16,066	-5.2%	-10.1%
RUPEE			
Rupee per dollar	94.71	+0.2%	-1.1%
Rupee per euro	106.32	-0.2%	-2.8%
Rupee per pound	126.21	+0.6%	-0.4%

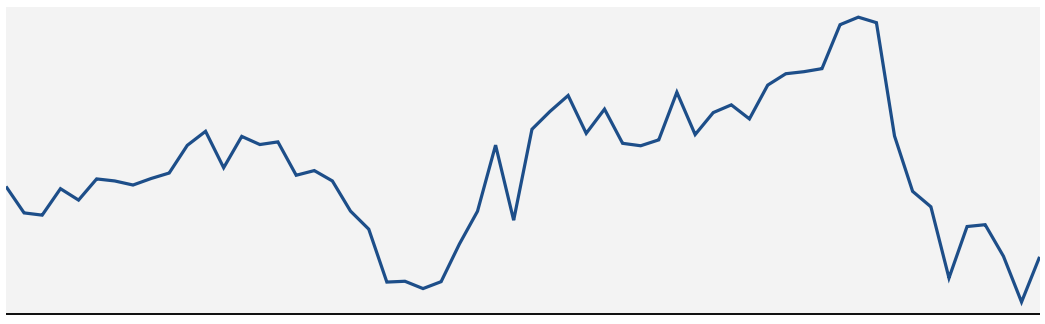
	Last	Week	Month
LEADING SHARES, ₹			
Reliance Industries	1,190	-2.1%	-4.1%
HDFC Bank	692.80	-4.7%	-6.2%
ICICI Bank	1,394	+0.3%	+4.1%
Bharti Airtel	1,892	+2.1%	+4.1%
Tata Consultancy Services	2,530	+7.7%	+20.2%
Infosys	1,154	+3.9%	+12.1%
State Bank of India	958.60	-0.1%	-2.9%
ITC	257.90	-2.3%	-3.0%
Larsen & Toubro	3,647	+0.4%	-5.7%
Hindustan Unilever	1,815	-4.3%	-6.2%

Nifty 50, last three months



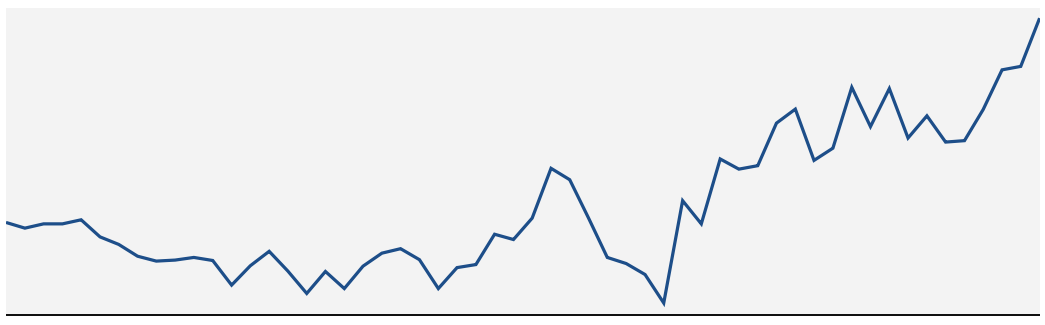
4 Aug: 24,615 High 24,636 · Low 22,232 23 Oct: 22,600

Rupee per dollar, last three months



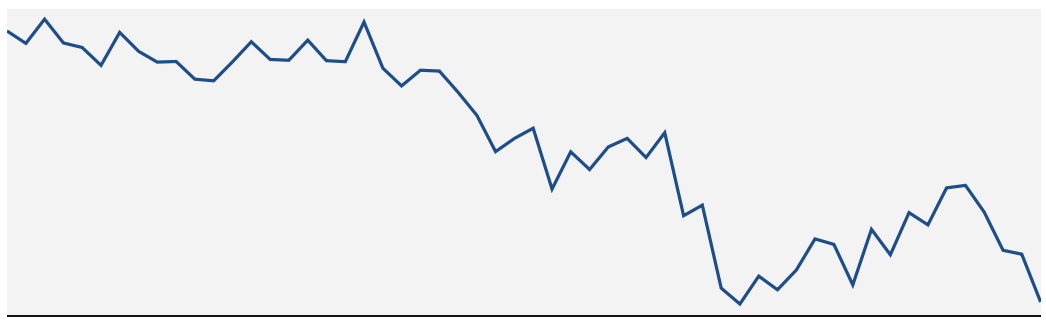
4 Aug: 95.33 High 96.82 · Low 94.31 23 Oct: 94.71

India VIX, last three months



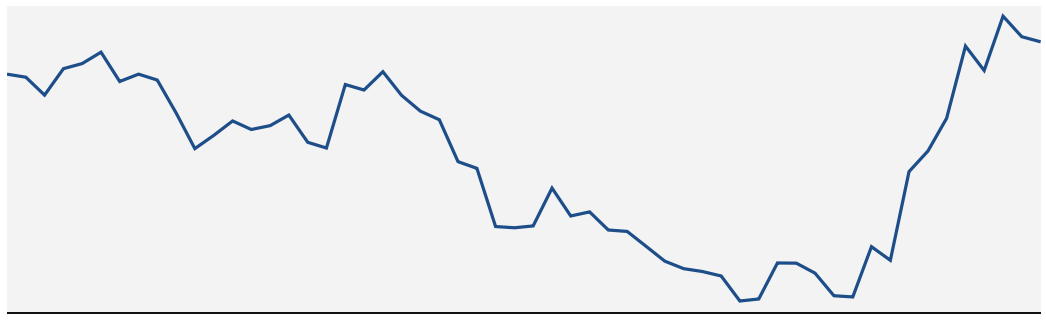
4 Aug: 12.19 High 16.86 · Low 10.35 23 Oct: 16.86

Nifty Bank, last three months



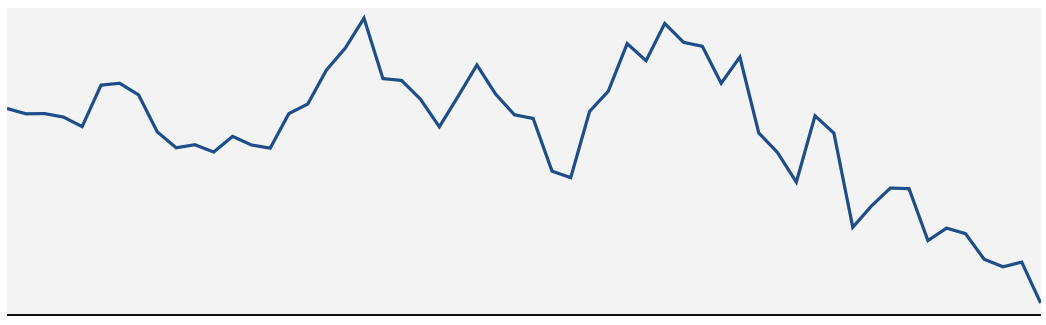
4 Aug: 57,907 High 58,064 · Low 54,260 23 Oct: 54,287

Nifty IT, last three months



4 Aug: 31,454 High 32,422 · Low 27,670 23 Oct: 31,996

Nifty Pharma, last three months



4 Aug: 26,598 High 27,186 · Low 25,329 23 Oct: 25,329

Opinion

A big order book is not a verdict on Jio

Seventy times demand for a sliver of a company says more about scarcity than about value. Regulators and investors should read it that way.

The Jio Platforms offer will be remembered for its size and its order book. Neither should be taken as a judgment on what the company is worth.

The offer sold under 3 per cent of Jio. That was possible only because the rules for very large companies were eased. When so little stock is on sale, and institutions bid high in the knowledge that they will be scaled back, a figure such as 70.55 times is largely a measure of how scarce the shares are.

The more telling number may be the smallest. Retail investors, offered a chance at the largest listing in the country's history, subscribed 2.72 times. That is healthy demand, not a frenzy, and it came in a week when smallcap shares lost more than 7 per cent.

A thin float cuts both ways. It can lift a price quickly, and it means the market has yet to do the real work of valuing the business. That will come as lock-ins end and as Jio sells more stock on its way to the 25 per cent public-shareholding minimum. Buyers should treat this week's numbers as the start of price discovery and not as its result.

The week ahead

Monday, October 26. Jio Platforms shares are due to be allotted.

Tuesday, October 27. Nifty October derivatives contracts expire. The Federal Reserve's two-day meeting begins.

Wednesday, October 28. Jio Platforms is due to list on the BSE and NSE. The Fed announces its decision; markets expect a hold at 3.75 to 4 per cent.

Thursday, October 29. The European Central Bank announces its decision.

Friday, October 30. The Bank of Japan announces its decision.

World

World in brief

Wall Street slips. The S&P 500 fell 0.5 per cent on the week to 7,623 and the Nasdaq 0.7 per cent. The Dow rose 0.4 per cent for a third weekly gain, though it lost 652 points on Friday.

Treasuries. The 10-year Treasury yield was around 4.99 per cent on Friday.

Fed odds. Futures implied a 90 per cent chance of a hold next week and nearly an 80 per cent chance of a rise in December.

AI and jobs. American Express shares fell more than 3 per cent after it said it would cut about 5 per cent of its workforce, citing the need to "prepare for AI".

Jio's record IPO sells very little of Jio

Jio is selling a tiny slice of itself, so the size of the offer says less about its value than the record suggests.

BY ARNAV GOEL · PUBLISHED ONLINE OCTOBER 23



Jio mobile phone towers in Mathurapur village, Bangaon, West Bengal. খাঁ শুভেন্দু / CC BY-SA 4.0

Bidding for Jio Platforms closed on Friday. At the top of its price band of ₹1,065 to ₹1,119 a share, the issue raises ₹30,213 crore, about $3 billion, making it the largest initial public offering in India's history, ahead of Hyundai Motor India's ₹27,870 crore in October 2024. It values the digital and telecoms arm of Reliance Industries at about ₹10.3 lakh crore, roughly $108 billion. The shares are due to list on the BSE and NSE on October 28.

Demand was never in doubt. What is less obvious is what buyers are getting. India's biggest IPO sells only a small slice of Jio, almost all the money raised goes to its lenders, and the company stays firmly under Reliance's control.

A RECORD IPO WITH A SMALL FLOAT

Jio is issuing up to 27 crore new shares, about 2.9 per cent of the company after the issue. None of its existing owners is selling. That float is possible only because of rules approved by the Securities and Exchange Board of India in September 2025 for very large companies. Firms worth more than ₹5 lakh crore after listing may now float as little as 2.5 per cent, provided the offer is worth at least ₹15,000 crore, and companies listing with less than 15 per cent in public hands get up to ten years to reach the usual 25 per cent minimum.

Before those rules, Jio would have had to sell at least 5 per cent, an offer of more than ₹50,000 crore. The smaller float made the deal easier to absorb, but it also means that for years most of Jio's shares will not trade. With few shares in circulation, prices can swing sharply when large funds buy or sell. Jio will also face a steady supply of new stock as it moves towards the 25 per cent public-shareholding minimum.

THE MONEY GOES TO THE BANKS

Because every share is new, the proceeds go to Jio rather than to Reliance or to the outside investors that bought stakes in 2020. According to the prospectus, ₹27,500 crore, about 91 per cent of the money, will repay borrowings of Reliance Jio Infocomm, the telecoms subsidiary. The rest is for general corporate purposes.

That is a large repayment against Jio's balance sheet. Consolidated borrowings stood at ₹61,372 crore on June 30, according to the prospectus, so the issue retires close to half of them. Akash Ambani, Jio's chairman, has said the company is heading towards being net debt-free. The claim needs a caveat. Jio also owes the government deferred payments for spectrum, which SP Tulsian's analysis puts at about ₹1.04 lakh crore, and those obligations are not touched by the IPO. Business Today notes that deferred spectrum liabilities and depreciation will keep weighing on profits.

WHO IS BUYING

Institutions are buying heavily. On October 20, before the public offer opened, Jio placed 7.25 crore shares with 212 anchor investors at ₹1,119 each, raising ₹8,110 crore, about 27 per cent of the issue. According to banking sources cited by Business Today, the anchor book drew bids of more than ₹2.5 lakh crore. By 3pm on the final day the issue was subscribed 12.55 times, according to figures published by HDFC Securities, with qualified institutional buyers at 32.77 times and wealthy individuals at 13.38 times. Official totals from the exchanges follow the close.

Ordinary investors have been more cautious. The retail portion was subscribed 2.51 times at the same point, up from about 1.5 times a day earlier. For a company with more than 500 million customers and one of the best-known names in India, that is a modest response. The minimum bid was 12 shares, or ₹13,428 at the top of the band. Institutions wanted roughly thirteen times as much of their allocation as ordinary savers did of theirs.

PAYING 33 TIMES FOR A TARIFF BET

At the top of the band, buyers are paying about 33 times Jio's earnings per share of ₹33.63 for the year to March 2026. Jio is clearly profitable. It earned ₹30,049 crore after tax in that year on revenue of ₹1,46,885 crore. In the April to June quarter its EBITDA margin was 54.7 per cent.

The question is growth, and in Indian telecoms growth means tariffs. Jio's average revenue per user was ₹215.6 a month in the June quarter, up only 3 per cent on a year earlier. Bharti Airtel, its main rival, earns substantially more per user, about ₹257 by recent counts. Centrum Broking expects a tariff increase of about 12 per cent over the next three to four months, according to Business Today. Because the network is already built, most of any price rise would flow straight to profit. The valuation assumes that Jio and Airtel keep raising prices together and that no rival undercuts them. With Vodafone Idea weak, that has been the pattern of the past few years. It is not guaranteed.

A COMPANY INSIDE A COMPANY

Buyers will be minority shareholders in a business that Reliance controls. Reliance owns 66.43 per cent before the issue and will keep about 64.4 per cent after it. The prospectus lists services that Jio relies on Reliance entities to provide under long-term agreements, and it acknowledges that the controlling shareholder's interests may differ from those of other investors. Jio Platforms is also less diversified than its name suggests. Reliance Jio Infocomm, the telecoms business, generates about 94 per cent of its EBITDA, according to the prospectus as summarised by analysts.

The early backers have done well. Meta paid ₹43,574 crore for 9.99 per cent of Jio in 2020, and Google paid ₹33,737 crore for 7.73 per cent. At ₹1,119 a share, the Lombard Review's calculation puts their combined stakes at about ₹1.77 lakh crore, a paper gain of roughly ₹1 lakh crore. Neither is selling in this issue.

WHAT TO WATCH

Final subscription figures from the exchanges follow the close, and allotment is expected on October 26. The listing on October 28 falls on the same day as the US Federal Reserve's decision on interest rates, an awkward date for a large new stock to start trading. Beyond the first day, the stock depends on two things: whether the tariff increase arrives on time, and whether Reliance treats its new minority shareholders well.

Gasoline did most of September's inflation

Petrol accounted for most of America's September price rise. That leaves the Fed to decide how much of it to look through.

BY ARNAV GOEL · PUBLISHED ONLINE OCTOBER 22



A Freedom Fuel Network gas station in Egg Harbor Township, New Jersey, on August 23, 2026. SNOWFIRE / CC BY 4.0

American consumer prices rose 0.6 per cent in September, after 0.4 per cent in August, and 3.7 per cent from a year earlier, up from 3.4 per cent in August. Forecasters had expected 3.6 per cent. The report, published by the Bureau of Labor Statistics on October 14, was the last reading of inflation before the midterm elections on November 3, and it arrived two weeks before the Federal Reserve meets to decide whether to raise interest rates for the second time in two months.

Read quickly, the numbers say inflation is accelerating. Read closely, they say something narrower: that one product is driving most of it.

HALF THE RISE CAME FROM ONE PUMP

The gasoline index jumped 9.1 per cent in September alone. The bureau's own release says that rise accounted for "over half of the monthly all items increase". Over twelve months gasoline is up 34.2 per cent, and energy as a whole is up 20.4 per cent. The cause is the war with Iran, which has cut the flow of crude out of the Persian Gulf and raised the price of everything refined from it. Airline fares, which follow the price of jet fuel, are up 22.4 per cent on the year.

Strip out food and energy and the picture is calmer. Core prices rose 0.3 per cent in September, the same pace as in August, and 2.6 per cent over the year, up from 2.4 per cent. That is above the 2.5 per cent forecasters expected, but it is far from the headline figure. Food prices were flat on the month; groceries fell 0.1 per cent. Shelter, the largest item in the core index, rose 0.4 per cent, a little faster than in August.

So September looks less like an economy overheating than an economy absorbing an oil shock. That distinction matters because it is exactly the one central banks are taught to draw. A rate rise cannot pump more oil through the Strait of Hormuz. What it can do is make it harder for firms and workers to turn a one-off jump in fuel costs into a lasting rise in prices and wages.

THE SQUEEZE ON PAY

On the evidence of September, workers are not winning that race. The bureau's companion release on earnings shows real average hourly earnings, which adjust pay for inflation, fell 0.5 per cent from August to September and are 0.7 per cent lower than a year earlier. Nominal hourly pay rose just 0.1 per cent in the month.

That is the opposite of a wage-price spiral. When pay lags prices this badly, households have less to spend, which in time slows demand and eases price pressure on its own. It is also the reason energy shocks are politically corrosive. Petrol is the most visible price in the economy, bought weekly and posted in foot-high numbers on every corner.

WHAT THE FED SAID IT IS WATCHING

The Fed raised its target range by a quarter of a percentage point to 3.75 to 4 per cent on September 16, its first increase in three years, by a vote of 12 to 0. The minutes of that meeting show officials worried less about the oil price itself than about where it might lead. Many noted that the longer energy prices stay high, "the greater the risk that cost increases in certain sectors could lead to broader price pressures". A couple argued that a higher policy rate would help keep "sector-specific price increases stemming from energy market disruptions" from broadening into persistent inflation. Most expected that another increase "would likely be appropriate by year end".

The same minutes contain the best argument for patience. Participants judged that longer-term inflation expectations "remained at levels consistent with the Committee's 2 percent objective", even as short-term expectations had risen. Some also warned that after more than five years above target, high inflation could begin to affect expectations and wage-setting. September's report gives some support to each side. Core prices rose faster than forecast, but real wages fell, which is not what a wage-price spiral looks like.

A MARKET THAT CHANGED ITS MIND TWICE

Traders have struggled to decide. Before the release, CME Group's FedWatch tool, which infers probabilities from futures prices, put the chance of a rise at the October 27 to 28 meeting at 22 per cent. Within hours of the report it had climbed to about 50 per cent, according to CME Group. By October 20, FXStreet reported that money markets were pricing a hold in October, with a rise in December still seen as likely.

That shift makes sense. A Fed that raises rates into an oil shock risks squeezing households already losing ground to inflation. A Fed that waits risks letting a supply shock become an inflation problem. December gives officials two more inflation reports, and possibly a clearer view of the oil supply, before they have to choose.

WHAT TO WATCH

Three numbers will decide it. The first is core prices excluding airfares and other fuel-heavy services; if they settle back towards 0.2 per cent a month, the shock is staying in its lane. The second is shelter, which has started to firm. The third is crude. Reports on October 20 that Washington and Tehran may be nearing a deal pushed oil lower, according to FXStreet, though officials said no agreement had been finished. A deal would do more to bring headline inflation down than any rate rise, and the Fed knows it.

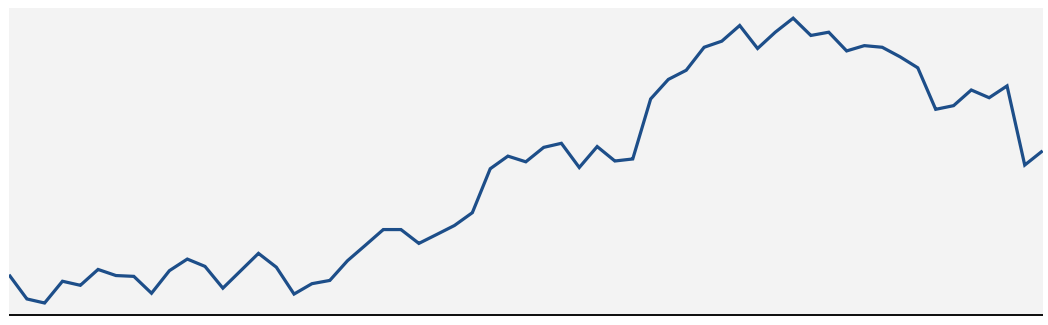
World Markets

Closing levels to Friday, October 23, 2026. Changes over five and 21 trading sessions. Source: Yahoo Finance.

	Last	Week	Month
GLOBAL STOCKS			
S&P 500	7,624	-0.5%	-1.0%
Dow Jones Industrials	52,215	+0.4%	+1.7%
Nasdaq Composite	25,955	-0.7%	-3.7%
FTSE 100	10,690	-1.8%	+0.1%
Nikkei 225	62,693	-4.0%	-3.6%
Hang Seng	23,093	-4.0%	-7.9%
COMMODITIES			
Brent crude, $/bbl	116.72	+6.2%	+9.5%
WTI crude, $/bbl	103.27	+1.8%	+9.2%
Gold, $/oz	4,008	-4.1%	-6.7%

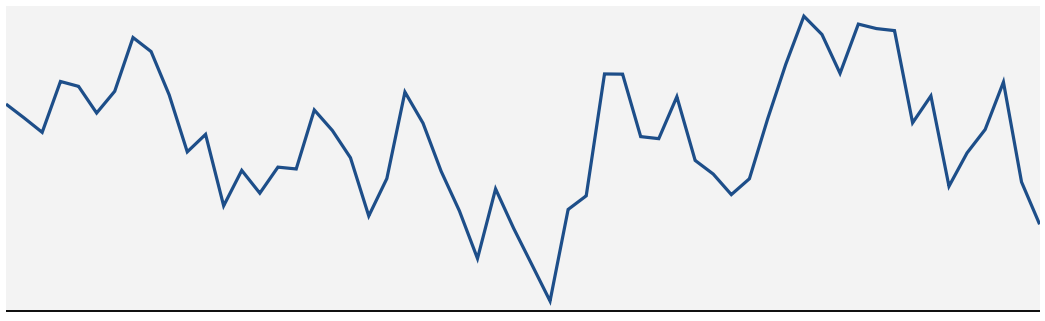
	Last	Week	Month
US RATES			
US 3-month bill, %	4.03	-4bp	-4bp
US 5-year Treasury, %	4.80	-9bp	-22bp
US 10-year Treasury, %	4.99	-11bp	-17bp
US 30-year Treasury, %	5.32	-12bp	-15bp

US 10-year Treasury, %, last three months



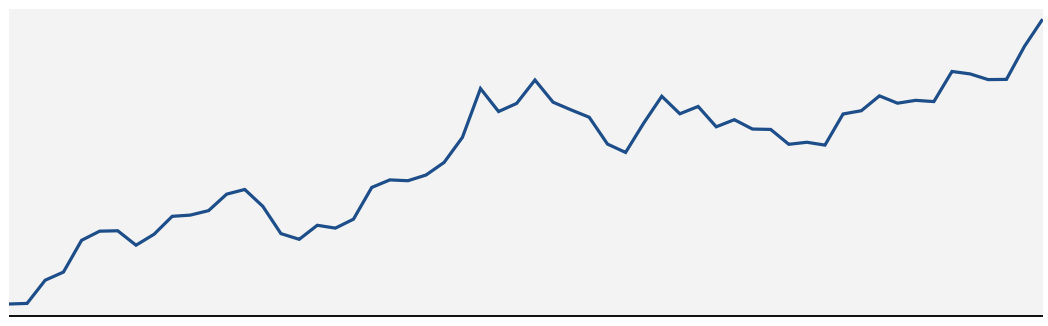
3 Aug: 4.69 High 5.31 · Low 4.62 23 Oct: 4.99

S&P 500, last three months



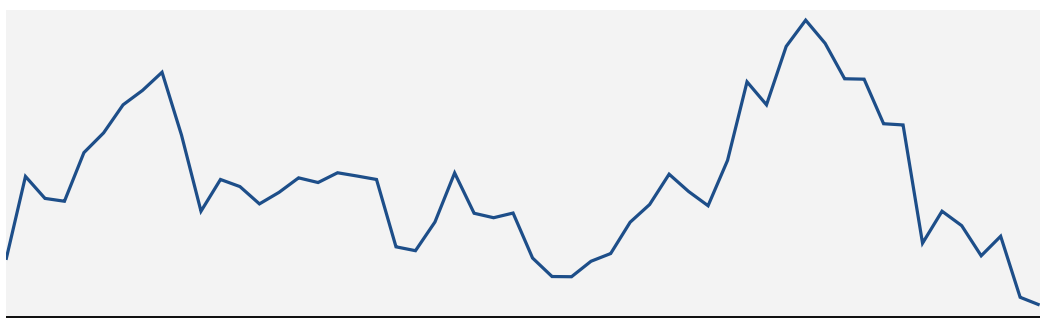
4 Aug: 7,737 High 7,819 · Low 7,552 23 Oct: 7,624

Brent crude, $/bbl, last three months



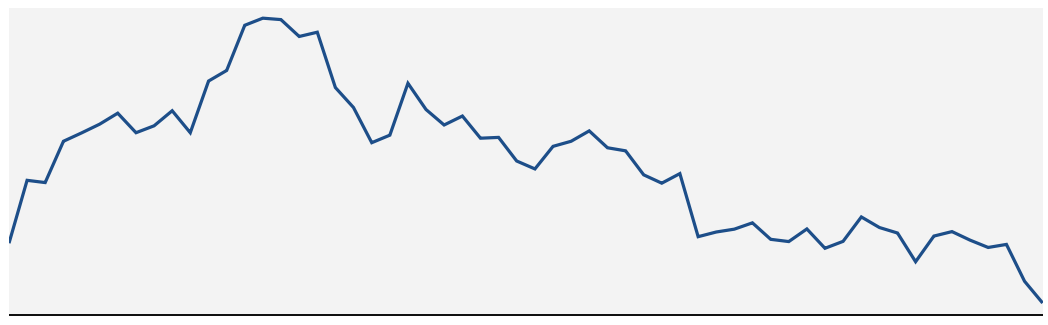
4 Aug: 79.36 High 116.72 · Low 79.36 23 Oct: 116.72

Nikkei 225, last three months



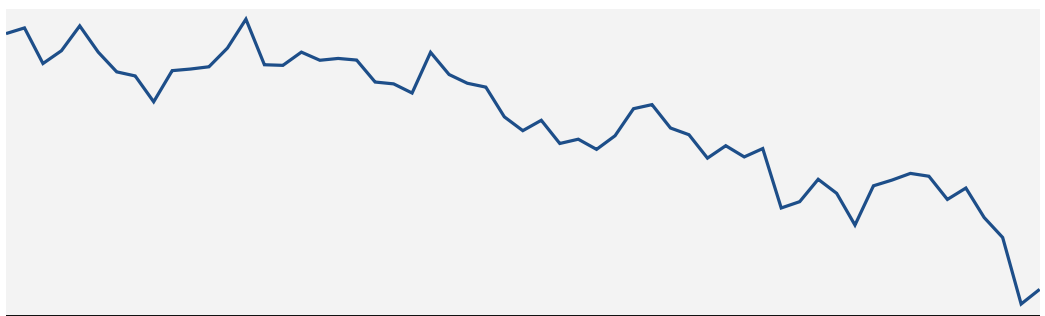
4 Aug: 63,958 High 70,684 · Low 62,693 23 Oct: 62,693

Gold, $/oz, last three months



4 Aug: 4,153 High 4,698 · Low 4,008 23 Oct: 4,008

Hang Seng, last three months



4 Aug: 25,853 High 26,009 · Low 22,935 23 Oct: 23,093