Stock markets end flat after volatile session as investors await outcome of US-Russia talks

NEW DELHI, AUG 14: Benchmark stock indices Sensex and Nifty ended flat in a highly volatile trade on Thursday with investors taking a wait-and-see approach ahead of the US-Russia talks.

Extending gains to the second day, the 30-share BSE Sensex climbed 57.75 points or 0.07 per cent to settle at 80,597.66. During the day, it rallied 211.27 points or 0.26 per cent to 80,751.18.

The 50-share NSE Nifty rose by 11.95 points or 0.05 per cent to 24,631.30.

Among Sensex firms, Eternal, Infosys, Asian Paints, HDFC Bank, Bajaj Finserv and Titan were the major gainers.

However, Tata Steel, Tech Mahindra, Adani Ports and Bharat Electronics were among the laggards.

The Trump-Putin meeting could have significant implications for energy markets, potentially leading to an easing of sanctions against Moscow.

Meanwhile, S&P upgraded India's sovereign credit rating to 'BBB' with a stable outlook after a gap of nearly 19 years, citing robust economic growth, political commitment for fiscal consolidation and 'conducive' monetary policy to check inflation.

"India remains among the best performing economies in the world...The quality of government spending has improved in the past five to six years," S&P Global Ratings said.

The impact of US tariffs on the Indian economy will be "manageable", S&P said, adding that a 50 per cent tariff on US exports (if imposed) will not pose a "material drag" on growth.

"India is relatively less reliant on trade and about 60% of its economic growth stems from domestic consumption," it said.

In Asian markets, South Korea's Kospi settled in positive territory while Japan's Nikkei 225 index, Shanghai's SSE Composite index and Hong Kong's Hang Seng ended lower. Equity markets in Europe were trading mostly higher.

The US markets ended higher on Wednesday.

Wholesale price inflation declined to a 2-year low of (-) 0.58 per cent in July, as deflation in food and fuel kept WPI in the negative zone for the second consecutive month, government data released on Thursday showed.

Global oil benchmark Brent crude climbed 0.53 per cent to USD 65.92 a barrel.

Foreign Institutional Investors (FIIs) offloaded equities worth Rs 3,644.43 crore on Wednesday, while Domestic Institutional Investors (DIIs) bought stocks worth Rs 5,623.79 crore, according to exchange data.

On Wednesday, the Sensex climbed 304.32 points or 0.38 per cent to settle at 80,539.91. The Nifty edged up by 131.95 points or 0.54 per cent to 24,619.35.

S&P upgrades India's rating after over 18 years to 'BBB' on robust economic growth, better finances

NEW DELHI, AUG 14: S&P on Thursday upgraded India's sovereign credit rating to 'BBB' with a stable outlook after over 18 years, citing robust economic growth, political commitment for fiscal consolidation and 'conducive' monetary policy to check inflation.

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Welcoming the rating upgrade, the Finance Ministry said it reaffirms that under Prime Minister Narendra Modi's leadership, "India's economy is truly agile, active, and resilient."

The ministry in a post on X further said India has prioritised fiscal consolidation, while maintaining its strong infrastructure creation drive and inclusive growth approach, that has led to the upgrade.

"India will continue its buoyant growth momentum and undertake steps for further reforms to attain the goal of Viksit Bharat by 2047," it said.

The rating upgrade by a US-based agency comes days after American President Donald Trump dubbed India as a "dead economy". Trump has imposed the highest 50 per cent tariff on Indian goods with effect from August 27.

S&P in January 2007 placed India on the lowest investment grade rating of 'BBB-'.

The rating upgrade to 'BBB' will help lower borrowing cost of Indian companies in international markets. 'BBB' is an investment grade rating and denotes improved ability of the country to discharge its debt obligation comfortably.

This is the second sovereign rating revision by a global agency. Earlier this year, Morningstar DBRS had upgraded India's issuer ratings to 'BBB' from 'BBB-' (low).

In May last year, S&P changed India's credit rating outlook to 'positive', from 'stable', and hinted that a rating upgrade could be coming in the next 24 months.

"The upgrade of India reflects its buoyant economic growth, against the backdrop of an enhanced monetary policy environment that anchors inflationary expectations. Together with the government's commitment to fiscal consolidation and efforts to improve spending quality, we believe these factors have coalesced to benefit credit metrics," S&P said while upgrading India's rating.

S&P Global Ratings raised its long-term unsolicited sovereign credit ratings on India to 'BBB' from 'BBB-', and its short-term ratings to 'A-2' from 'A-3'.

The stable outlook reflects S&P's view that continued policy stability and high infrastructure investment will support India's long-term growth prospects. That along with cautious fiscal and monetary policy that moderates the government's elevated debt and interest burden will underpin the rating over the next 24 months.

India's weak fiscal settings had always been the most vulnerable part of its sovereign ratings profile.

"With economic recovery now well on track, the government can depict a more concrete (albeit gradual) path to fiscal consolidation," S&P said.

S&P projects government deficit of 7.3 per cent of GDP in fiscal 2026 to decline to 6.6 per cent by fiscal 2029.

"India's recovery from its pandemic nadir places it among the best-performing emerging market economies in the world. Economic expansion is normalising toward a more sustainable level with good momentum. We anticipate solid consumer and public investment dynamics to propel real GDP growth to 6.5 per cent in fiscal 2026 and to average 6.8 per cent over the next three years," S&P said.

Passenger vehicle dispatches dip marginally in July on muted demand

NEW DELHI, AUG 14: Passenger vehicle dispatches from companies to dealers in the domestic market declined marginally year-on-year in July, hit by muted demand, industry body SIAM said on Thursday.

Passenger vehicle dispatches declined to 3,40,772 units in July, compared to 3,41,510 units in the same month last year.

"All vehicle segments posted stable performance in July 2025, though overall sentiments in the passenger vehicles segment have remained subdued," Society of Indian Automobile Manufacturers (SIAM) Director General Rajesh Menon said in a statement.

Two-wheeler dispatches rose 9 per cent year-on-year to 15,67,267 units last month from 14,41,694 units in the year-ago period.

Scooter sales stood at 6,43,169 units last month, an increase of 16 per cent as compared with 5,53,642 units in July 2024, SIAM said.

Motorcycle dispatches to dealers rose 5 per cent year-on-year to 8,90,107 units in July.

Mopeds saw a dip of 9 per cent year-on-year to 33,991 units last month, as against the same period last year.

Three-wheeler dispatches to dealers saw an increase of 17.5 per cent year-on-year to 69,403 units in July as compared with 59,073 units in the year-ago period.

"With the advent of the festive season beginning with Onam festivities in the latter part of August, the Indian auto industry remains cautiously optimistic for the demand momentum to pick up in the coming months," Menon noted.

JSW Cement shares end lower on debut, experts see long-term growth but valuations on the higher side

NEW DELHI, AUG 14: Shares of JSW Cement could not sustain early gains on listing day, and closed moderately lower on August 14, likely due to higher valuations of the company, said experts.

The stock opened higher at Rs 153.5 on the National Stock Exchange, rising 4.4 percent over the issue price and touched an intraday high of Rs 154.77 and low of 145.05 in early trade, followed by a rangebound session till close. The stock ended down 0.63 percent with volumes of 10.5 crore shares, while on the BSE it saw a volume of 1.11 crore shares.

The market capitalisation of JSW Cement was Rs 19,912 crore at the end of the day. "The stock falling below its issue price is indicating that the IPO may already be fully valued, though long-term growth prospects remain strong," Gaurav Garg, Analyst at Lemonn Markets Desk said.

Gaurav Garg said that while short-term gains appear limited, the company has established itself as one of India's fastest-growing and most sustainability-focused cement producers.

The Sajjan Jindal-led JSW Group company has raised Rs 3,600 crore through its maiden public issue which comprised fresh issuance of shares worth Rs 1,600 and an offer-for-sale of Rs 2,000 crore worth shares.

JSW Cement that had installed grinding capacity of 20.60 MMTPA, and clinker capacity of 6.44 MMTPA as of March 2025 is set to utilise Rs 800 crore of the fresh issue proceeds for establishing a new integrated cement unit at Nagaur, Rajasthan, and Rs 520 crore for repaying of debt.

The company ranks among the top 10 cement producers in India and is actively expanding its presence across the country through greenfield and brownfield projects, with the aim of doubling its grinding capacity.

The revenue growth and profit after tax have shown inconsistency over the past three years. Being in a growth phase, the company's high valuation and current losses could lead to short-term volatility in returns, Shivani Nyati, Head of Wealth at Swastika Investmart said, advising that those with a medium-to-long-term perspective may consider holding the stock for future growth.

JSW Cement recorded loss of Rs 163.7 crore in the fiscal 2025, against profit of Rs 62 crore in the previous year. Revenue during the same period fell by 3.6 percent to Rs 5,813 crore, down from Rs 6,028.1 crore.

ICICI Bank lowers minimum balance requirement from Rs 50,000 to Rs 15,000

NEW DELHI, AUG 14: In a U-turn, ICICI Bank has slashed the minimum monthly average balance (MAB) requirement to Rs 15,000 from Rs 50,000, citing "valuable feedback" from customers.

The minimum balance requirement for its new savings bank accounts opened on or after August 1 was recently raised five times to Rs 50,000.

"Following valuable feedback from our customers, we have revised these requirements to better reflect their expectations and preferences. We thank our customers for their continued trust and feedback, which help us serve them better," ICICI Bank posted on its website.

Similarly, the MAB for semi-urban and rural locations has been revised downwards to Rs 7,500 and Rs 2,500 respectively, it said.

Before August 1, the MAB for semi-urban and rural was Rs 5,000.

However, the bank said the revised MAB requirements are not applicable to salary accounts, senior citizens/pensioners (above 60 years), basic savings bank deposit account/PM Jandhan Yojana, and accounts for people with special needs.

They are also not applicable to savings accounts opened before July 31, 2025.

MAB is the minimum balance that a customer is required to maintain in a bank account. If the balance falls below the required amount, the bank levies a penalty.

In case account holders fail to meet the MAB, customers will be liable to pay penal charges of 6 per cent of the shortfall in required MAB, or Rs 500, whichever is lower.

The balance in the savings bank account of ICICI Bank earns an interest of 2.5 per cent per annum, it said.

The hike in MAB comes at a time when public sector banks have rationalised their penalties or completely waived them.

India's oil imports from Russia stay robust in Aug despite narrowing discounts

NEW DELHI, AUG 14: India's oil imports from Moscow have remained healthy in August so far signalling refiners' leaning towards Russian crude despite sharp decline in discounts from the country.

In the month so far, Russian oil purchase by India has remained strong at 1.8 million barrels per day (bpd), higher than total June purchases by refiners, shows data from Kpler, a global real-time data and analytics provider. June oil imports from Russia were at 1.6 million bpd.

August oil import data, however, does not reflect current purchase strategy of Indian refiners amid the US government's decision of imposing penalty on New Delhi for buying Russian oil as barrels reaching Indian shores in the month would already have been booked in June or earlier.

"Russian crude imports into India haven't shown a notable decline so far because August import volumes were largely secured and fixed back in June/ July before any recent market or policy developments. As a result, short-term data reflects earlier buying decisions rather than real-time reactions," said Sumit Ritolia, lead research analyst, refining & modelling at Kpler.

Any impact from new restrictions or shifts in trading conditions is more likely to surface in September end to October arrival figures.

On August 6, the US President Donald Trump imposed penalty—an additional 25 percent tariff on goods—on India for buying Russian oil. In response to the levied penalty, the Indian government had said that the country would prioritise national interests and safeguard economic security. Meanwhile, Moneycontrol had reported that the Indian refiners have received no government directive to halt Russian oil supplies amid latest tariff imposition on the country.

A Kpler analysis shows that in absence of Russian barrels, India would need to turn to Middle Eastern grades, which are currently trading at a premium—at least $3–5 a barrel higher. In replacing the current approximately 1.8 million bpd of Russian oil, India would incur a $3–5 billion annual increase in import costs under current flat crude oil prices, said Kpler.

Indian refiners continue to heavily rely on Russian oil despite a sharp decline in discounts from the country. According to industry sources, discounts have fallen to $1.5-$2 per barrel currently on Russian oil, as compared to $13-$14 a barrel in 2023. However, even a $2 per barrel discount on crude oil purchase from Russia translates into significant margin boost for Indian refiners.

In August, Indian refiners ramped up oil imports from United Arab Emirates (UAE) to 987,000 bpd—highest from the country in at least two years—showing New Delhi's strong focus on diversification. India imported 448,000 barrels of crude oil from UAE in July.

There is also an uptick in oil imports from US into India to 404,000 bpd in August, compared to 364,000 bpd in the previous month. Meanwhile, oil supply from Iraq and Saudi Arabia has remained healthy in August so far at 655,000 bpd and 744,000 bpd, respectively.

Vodafone Idea banks on govt AGR relief, fundraise to meet future liabilities: Ravinder Takkar

NEW DELHI, AUG 14: Vodafone Idea Ltd (Vi) is in ongoing talks with the Department of Telecommunications (DoT) seeking relief on its adjusted gross revenue (AGR) dues and is also engaging with banks to secure additional funding, Non-Executive Chairman Ravinder Takkar said. He noted that the company has so far met all its debt obligations to lenders, but its ability to meet future liabilities will depend on sustained government support, successful equity and debt raising, and stronger operational cash flows.

The company's net worth stood at a negative Rs 76,934.6 crore at the end of the quarter.

Debt from banks payable by June 2026 stands at Rs 1,715.2 crore, excluding interest, with an additional Rs 210.8 crore reclassified from long-term to short-term borrowings due to covenant breaches.

"As of date, the Group has met all its debt obligations payable to its lenders/ banks and financial institutions, along with applicable interest. The Company is in discussion with banks to raise additional funds as required," Takkar said in the Q1 earnings statement.

As of June 30, 2025, Vi's outstanding bank debt (including accrued but unpaid interest) stood at Rs 1,944.5 crore, while deferred payment obligations towards spectrum and AGR totalled Rs 1.99 lakh crore, payable over periods extending to FY44 for spectrum and FY31 for AGR. The AGR instalment due in FY26 is pegged at Rs 16,428 crore, while spectrum-related payments due by June 2026 amount to Rs 2,641.4 crore.

Following the telecom sector reforms announced by the Cabinet in 2021, spectrum instalments (excluding auctions held in 2021, 2022, and 2024) and AGR dues till FY19 fall under a four-year moratorium, with final liability amounts to be determined by December 31, 2025.

AGR payments are scheduled to begin in six equal instalments from March 31, 2026.