

Stock markets slump in early trade on surging oil prices amid escalation in tensions in West Asia

MUMBAI, MAY 18: Benchmark indices Sensex and Nifty tumbled in early trade on Monday amid surging oil prices, weak global market trends after fresh escalation in tensions in West Asia.

A drone attack targeted the Barakah nuclear facility in the United Arab Emirates (UAE) on Sunday, marking a dangerous escalation in the West Asia conflict.

The 30-share BSE Sensex tanked 833.20 points to 74,404.79 in early trade. The 50-share NSE Nifty dropped 234 points to 23,401.70.

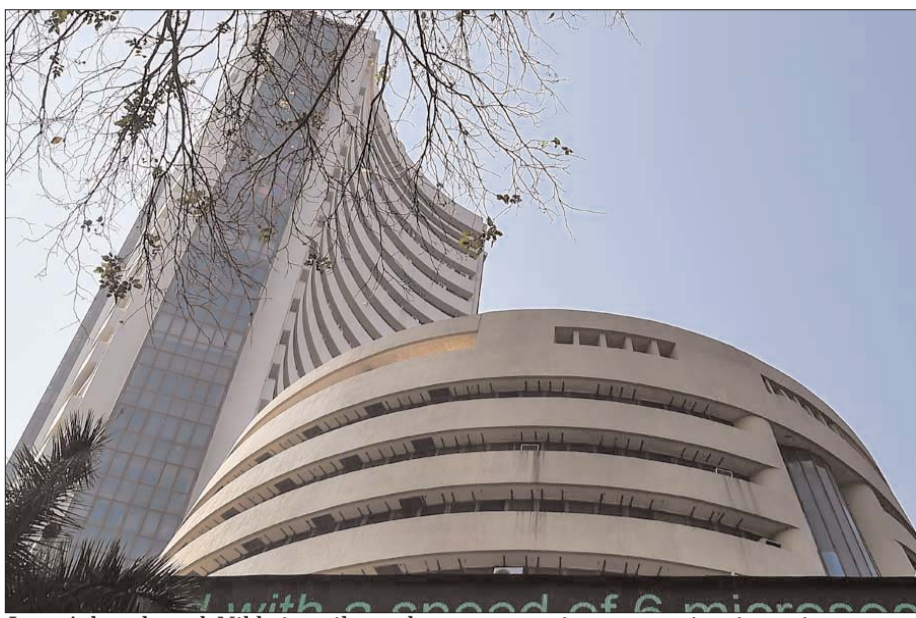
From the 30-Sensex firms, Tata Steel, Power Grid, Maruti, Trent, Titan and HDFC Bank were the biggest laggards.

Infosys, Tech Mahindra, Bharti Airtel and Tata Consultancy Services were the winners.

Brent crude, the global oil benchmark, traded 1.79 per cent higher at USD 111.2 per barrel.

"Brent crude has spiked to USD 111 in absence of initiatives to open the Strait of Hormuz," VK Vijayakumar, Chief Investment Strategist, Geojit Investments Limited, said.

In Asian markets,



Japan's benchmark Nikkei 225 index, Shanghai's SSE Composite index and Hong Kong's Hang Seng index quoted lower, while South Korea's benchmark Kospi traded in positive territory.

US markets ended over 1 per cent lower on Friday.

"Global risk appetite weakened sharply after fresh escalation fears emerged in the Middle East.

US President Donald Trump's warning urging Iran to 'get moving, FAST' has once again revived concerns around a possible disruption in global crude

oil supply routes, particularly around the Strait of Hormuz," Hariprasad K, Research Analyst and Founder, Livelong Wealth, said.

For Indian markets, the biggest concern continues to remain elevated crude oil prices and currency pressure, he added.

Foreign Institutional Investors (FIIs) bought equities worth Rs 1,329.17 crore on Friday, according to exchange data.

"US President Donald Trump issued a fresh warning stating that the 'clock is ticking for Iran', signaling

growing impatience over the pace of negotiations and increasing uncertainty surrounding the ongoing US-Iran situation and the Strait of Hormuz. This continues to remain a key overhang for global financial markets," Ponmudi R, CEO of Enrich Money, an online trading and wealth-tech firm, said.

On Friday, the Sensex dropped 160.73 points, or 0.21 per cent, to settle at 75,237.99. The Nifty settled lower by 46.10 points, or 0.19 per cent, at 23,643.50, snapping its two-day gaining streak. (PTI)

Goyal asks industry to boost manufacturing to reduce imports

NEW DELHI, MAY 18: Commerce and Industry Minister Piyush Goyal on Monday asked the industry to identify goods that can be manufactured in India to help reduce import dependence of those products.

He also suggested increasing exports and buy goods manufactured in India, rather than importing them.

Addressing domestic traders, he said, "You should keep an eye on what goods are being imported, you will see opportunities in that too, what things can be manufactured in India."

Goyal urged stakeholders to study import trends through the commerce ministry's trade portal and identify opportunities for domestic manufacturing and import substitution.

The minister said despite global economic uncertainties, triggered by Russia-Ukraine and West Asia crisis, India's exports rose about 5 per cent to USD 863.11 billion in 2025-26.

"This year's target is USD 1 trillion. This is a big target. We have to work together for this," Goyal said, adding that the industry should focus on



quality, improving competitiveness and enhancing scale of operations.

In the next five years, the government is looking at increasing the goods and services exports to USD 2 trillion.

He added that the free trade agreements (FTAs) finalised by India will give preferential market access to Indian goods and help boost exports.

The FTA with Oman may

be operationalised from June 1 this year.

Further, he asked to increase value addition in agri exports as it has crossed Rs 5 lakh crore.

The minister launched a portal on Bhartiya Vyapar Mahotsav, which will be held from August 12 to 15 here at Bharat Mandapam.

He asked the traders to showcase made in India goods only.

Goyal emphasised the

need to promote domestic products and strengthen the spirit of Swadeshi, noting that even small preferences for foreign goods can weaken domestic industry.

He said India still depends heavily on foreign countries in sectors such as capital goods and called upon industrial clusters, including Rajkot, Jalandhar, Ludhiana, Batala, and Pune to increase domestic production instead of relying on imports. (PTI)

Stocks fall, oil prices gain after Trump warns Iran 'clock is ticking'

HONG KONG, MAY 18: Asian stocks mostly retreated and oil prices jumped on Monday after US President Donald Trump warned Tehran that the "clock is ticking" as US-Iran negotiations over a permanent end to the war stall.

US futures fell more than 0.6 per cent.

Markets in Japan and South Korea pulled further back from their records. Tokyo's Nikkei 225 fell 0.9 per cent to 60,843.09, a decline led by technology-related stocks, after it reached all-time intraday high levels last week above 63,000.

The yield on the 10-year Japanese government bond surged to 2.8 per cent, its highest level since the late 1990s, part of a shift toward higher yields as the Bank of Japan gradually raises interest rates and higher energy costs raise expectations of rising inflation. That's up from around 2.55 per cent just one week ago.

Seoul's Kospi jumped 0.9 per cent to 7,558.50 after trading lower earlier in the day. It crossed the 8,000 mark on Friday, supported by buying of technology shares driven by the boom in artificial intelligence, but later declined partly on profit-taking by investors.

Hong Kong's Hang Seng lost 1.6 per cent to



25,543.32. The Shanghai Composite index edged 0.1 per cent lower to 4,132.24, after China reported weaker-than-expected retail data for April.

Australia's S&P/ASX 200 declined 1.4 per cent to 8,508.40.

Taiwan's Taix dropped 1.1 per cent, while India's Sensex fell 0.6 per cent.

Oil prices rose after Trump warned Iran in a social media post that "the Clock is Ticking, and they better get moving, FAST, or there won't be anything left of them" following a call with Israeli Prime Minister Benjamin Netanyahu.

Trump has set deadlines for Iran and then backed off, so investors have remained cautious about the situation in the Strait of Hormuz and how it is impacting global energy flows, including oil and gas.

The strait is still mostly closed, and the US has also imposed its own sea block-

ade on Iranian ports since last month.

A drone strike on a United Arab Emirates' nuclear power plant added to worries over a potential escalation in the conflict.

Brent crude, the international standard, gained 1.9 per cent to USD 111.31 per barrel. It was trading at roughly USD 70 a barrel in late February before the start of the Iran war. Benchmark US crude was trading 2.3 per cent higher at USD 107.83 per barrel.

"Re-escalation risks are increasing," ING commodities strategists Warren Patterson and Ewa Manthey wrote in a research note. While there has also been a pick up on shipping activities over the past week around the strait, they said, "this can change quickly."

The pair also noted that the oil market was reacting to the lack of tangible results on the Iran war after last

week's widely-watched summit between Trump and Chinese President Xi Jinping in Beijing, even as the White House said both the US and China had agreed that the Strait of Hormuz must remain open.

US officials had hoped that Beijing could use its influence, given its economic ties with Iran, to help broker a peace agreement and reopen the strait.

Trump said last week in an interview that Xi told him China "would like to be of help" in negotiating an end to the war. So far it's been unclear how Beijing might do that.

The yield on the US 10-year Treasury was at around 4.63 per cent, up from 4.47 per cent last Thursday and sharply higher than the nearly 4 per cent level it was holding at before the Iran war.

On Friday, the benchmark S&P 500 dropped 1.2 per cent from the record it set the day before. The Dow Jones Industrial Average fell 1.1 per cent and the technology-heavy Nasdaq composite lost 1.5 per cent.

In other dealings, the US dollar rose to 159.02 Japanese yen from 158.62 yen. The euro was trading at USD 1.1626, up from USD 1.1622. (AP)

NEW DELHI, May 18: TVS Motor Company Ltd on Monday said it will acquire 4.9 per cent stake in Jana Small Finance Bank Ltd for Rs 193.32 crore.

The acquisition is part of a deal by TVS VENU to acquire a minority stake in Jana Small Finance Bank Ltd through a combination of primary issuance of warrants and a secondary purchase for an equity ownership of up to 9.9 per cent on a fully diluted basis, which includes 4.9 per cent to be owned by TVS Motor Company, the company said in a regulatory filing.

The board of directors at its meeting held on Monday has approved Share Purchase Agreement (SPA) with Jana Holdings Ltd in relation to the proposed purchase of 51,60,903 equity shares constituting 4.90 per cent of the paid-up share capital of Jana Small Finance Bank Ltd, as on May 18,



2026, TVS Motor Company said.

The cost of acquisition will be Rs 193.32 crore, it added.

TVS VENU operates as an institutional platform to build, anchor and scale enterprises focused on mobility, financial services, real estate, and lifestyle sectors.

It has a presence in India's financial services sector through TVS Credit Services, a leading non-banking financial company offering consumer and re-

tail loans to millions of customers across India.

On the object and impact of the acquisition, TVS Motor Co said it is aimed to "provide better insight of the banking ecosystem and allow for mutual collaboration in various areas for the long term success of target (Jana), subject to applicable laws".

Under the SPA the acquisition is expected to be completed within three months from May 18.

"This investment in Jana

is aligned with TVS VENU's long-term approach to support high-quality institutions that serve India's growing financial needs and its expanding digital financial eco-system," TVS Motor Company Chairman Sudarshan Venu said.

Jana Small Finance Bank has built a credible banking franchise with a strong presence across customer segments central to India's credit, savings, and investment growth, he added.

With over 12 million customers served, 822 outlets across 23 states and two Union Territories, and advances and deposits of over Rs 35,000 crore each as of March 31, 2026, the Jana Small Finance Bank offers a strong platform for long-term participation in India's credit, savings, and investment growth, the filing said. (PTI)

India's hotel sector attracts USD 185 mn investment in Jan-Mar, jumps 58 pc: JLL

NEW DELHI, MAY 18: Investments in India's hotel sector increased 58 per cent to USD 185 million in the January-March period of this year, with investors being confident about the growth potential of the hotel business, according to JLL.

The hotel industry attracted USD 117 million in the year-ago period.

On Monday, real estate consultant JLL India released a report, 'Hotel Investment Trends in India: 2025', which mentioned that the investment last calendar year surged 67 per cent to USD 567 million, and the rising trend continued in the March quarter.

"Q1 2026 (January-March) has witnessed exceptional transaction activity, buoyed by continued investment momentum from 2025. The total volume reached about USD 185 million, a significant 58 per cent increase from around USD 117 million transaction volume recorded in Q1 2025," the report said.

The transactions in the quarter ended March included operating hotels, land monetisation and consolidation by acquisition of an operating platform, the consultant added.

During the January-March quarter, Warburg Pincus acquired a 41 per cent stake in Fleur Hotels (a subsidiary of Lemon Tree Hotels) and com-



mitted about USD 107 million to grow its portfolio of owned hotels.

JLL expects the investment momentum to continue, likely to be driven by substantial liquidity among listed hotel companies and the expected capital market entry of additional hotel operators.

Moreover, the consultant noted that institutional capital/private equity (PE) is also looking to invest in the acquisition of hotel portfolios.

"Land monetisation at airports and government-led land auctions in key micro-markets such as Yashob-

hoomi (IICC), Neopolis in Hyderabad, Fintech City in Chennai and Jewar Airport are creating new opportunities for investment activity," JLL said.

Talking about the 2025 calendar year, the consultant highlighted that investment activity in India's hotel industry surged 67 per cent over the previous year.

In total, 28 deals amounted to around USD 567 million, a significant jump from about USD 340 million recorded in the 2024 calendar year.

Institutional capital/PE-dominated transaction activ-

ity, followed by high net-worth individuals (HNIs), family offices and private hotel owners, listed hotel companies, real estate developers and owner-operators.

Tier 1 markets accounted for about 60 per cent of the total volume, whereas tier 2 and 3 cities together had a share of the remaining 40 per cent.

Last year, as many as 103 branded hotels were opened with about 8,990 keys.

During 2025, branded hotel signings totalled 51,647 keys across 424 hotels, representing a 23 per cent rise from the preceding year. (PTI)

Rupee falls to record low of 96.25 against US dollar

MUMBAI, MAY 18: The rupee opened on a weak note and slumped to an all-time low of 96.25 in early trade on Monday, as elevated crude oil prices, global uncertainty, and a stronger dollar continue to remain key risks for the domestic unit.

Forex traders said higher crude oil prices, a stronger US dollar, and ongoing geopolitical tensions have together created a difficult environment for emerging market currencies, and the rupee is now clearly reflecting that stress.

At the interbank foreign exchange market, the rupee opened at 96.19, then fell further to 96.25 against the US dollar, registering a fall of 44 paise from its previous close.

On Friday, the Indian rupee crashed below the 96/USD mark on Friday before closing at an all-time

low of 95.81 against the US dollar.

"For now, elevated crude oil prices, global uncertainty, and a stronger dollar continue to remain key risks for the rupee. However, the encouraging sign for markets is that both the government and the RBI have already started taking proactive measures to manage the situation before it becomes more uncomfortable," CR Forex Advisors MD Amit Pabari said.

Technically, 94.80-95.10 is expected to act as an important support zone for USDINR, while 96.00-96.50 remains a strong resistance area in the near term, Pabari added.

The dollar index, which gauges the greenback's strength against a basket of six currencies, was trading at 99.32, higher by 0.04 per

cent due to simmering Iran tensions.

Brent crude, the global oil benchmark, was trading up 1.83 per cent at USD 111.26 per barrel in futures trade.

"With the rise in oil prices to beyond USD 111.50 per barrel, rupee will be affected the most as rising oil prices increases the outflows of US dollar along with the outflows already happening due to FPIs," said Anil Kumar Bhansali Head of Treasury and Executive Director Finrex Treasury Advisors LLP.

Meanwhile, within days of levying high customs duties on precious metals, the government on Saturday imposed import curbs on silver by putting the metal under a licensed regime for inbound shipments.

The government, on May 13, hiked import duty on precious metals - gold, and

silver - from 6 per cent to 15 per cent. The effective duty (including 3 per cent IGST) is over 18 per cent.

It was hiked to control the outflow of forex by curbing non-essential imports. "Only stoppage of war and reopening of the Strait of Hormuz can bring about a lower demand on the \$/rupee pair, else 100 seems to be on the card if RBI does not announce any schemes to increase dollar inflow into the country," Bhansali added.

On the domestic equity market front, Sensex tanked 833.20 points to 74,404.79 in early trade, while the Nifty was down 234 points to 23,401.70.

Foreign Institutional Investors remained net buyers for the second straight session, purchasing equities worth Rs 1,329.17 crore on Friday, according to exchange data.