

Stock markets slump 2% as US-Iran tensions rise

MUMBAI, JULY 09: Equity benchmark indices Sensex and Nifty tumbled over 2 per cent on Wednesday after US President Donald Trump said the interim agreement with Iran is over, leading to a sharp rally in crude oil prices.

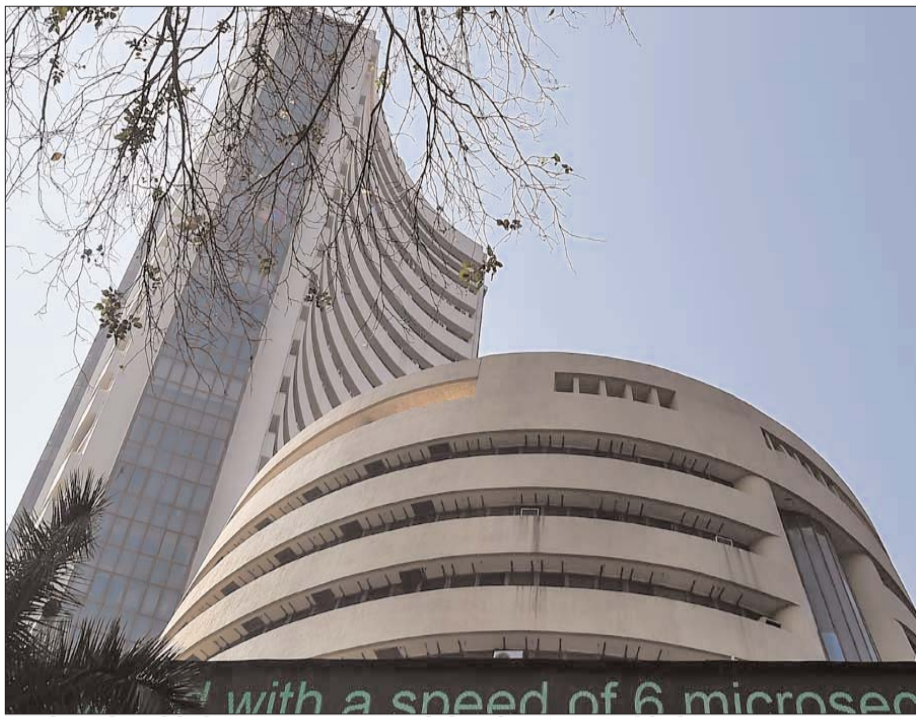
Besides, investors shifted to a risk-off mode following pre-earnings anxiety over sluggish first-quarter forecasts amid a negative trend in global markets, traders said.

The 30-share BSE Sensex tanked 1,677.12 points, or 2.15 per cent, to settle at 76,503.60. During the day, it plummeted 1,921.69 points, or 2.45 per cent, to 76,259.03.

A total of 3,211 stocks declined, while 1,070 advanced and 173 remained unchanged on the BSE. On similar lines, the 50-share NSE Nifty tumbled 516.65 points, or 2.12 per cent, to end at 23,882.05.

"Indian equity markets witnessed a sharp sell-off as US President Donald Trump declared the interim peace deal with Iran is 'over' following Iranian attacks on commercial vessels in the Strait of Hormuz, reigniting geopolitical tensions and raising fresh concerns over global energy supplies," Ponmudi R, CEO of Enrich Money, an online trading and wealth tech firm.

The renewed escalation triggered a sharp rebound in crude oil prices, which surged nearly 7 per cent, sending shockwaves across global financial



with a speed of 6 microsec

markets, he added.

All firms in the Sensex pack ended in the red. InterGlobe Aviation, Maruti, Hindustan Unilever, Bajaj Finance, Kotak Mahindra Bank and Mahindra & Mahindra were major laggards.

The BSE MidCap Select index tanked 2.14 per cent, and the SmallCap Select index dropped 1.61 per cent.

All sectors ended lower. Services fell sharply by 3.21 per cent, PSU Bank (2.76 per cent), MidSmall Private Banks Quality Tilt (2.74 per cent), FMCG (2.54 per cent), Financial Services (2.49 per cent), Bankex (2.46 per cent) and Top 10 Banks (2.34 per cent). Brent crude, the global oil benchmark, jumped 6.18 per cent to \$78.74 per barrel.

Meanwhile, the rupee tanked 59 paise to settle at 95.55 (provisional) against the US dollar on Wednesday.

"A global equity market sell-off triggered a massive correction in domestic benchmarks as investors turned risk-averse following a fresh wave of conflict in West Asia. A strong upsurge in crude oil prices, coupled with a sharp fall in the currency against the dollar, dampened sentiment," Ankur Punj, MD & Business Head at Equirus Wealth, said.

Indications that a ceasefire between the US and Iran might fall apart also prompted investors to exit stocks at will, he added.

In Asian markets, South Korea's Kospi tum-

bled 5.35 per cent, Japan's Nikkei 225 index declined 2.11 per cent, and Shanghai's SSE Composite index dipped 0.49 per cent, while Hong Kong's Hang Seng index jumped 2.99 per cent.

European markets were trading significantly lower.

US markets ended in negative territory on Tuesday.

Foreign Institutional Investors (FIIs) bought equities worth Rs 393.19 crore on Tuesday, according to exchange data.

In the previous session, fag-end selling dragged the Sensex lower, leading the benchmark to settle 104.35 points, or 0.13 per cent, down at 78,180.72. The Nifty dipped 31.65 points, or 0.13 per cent, to end at 24,398.70.

Asian stocks slip, oil prices jump as Iran, US launch fresh attacks

HONG KONG, JULY 09: Shares slipped in Asia and oil prices jumped Thursday as conflict escalated in the Middle East, with Iran and the US launching fresh attacks.

US futures edged higher. The United States launched more airstrikes on Iran, and Iran responded by firing at Bahrain, Kuwait and Qatar, a day after US President Donald Trump said their temporary ceasefire was "over."

Tokyo's Nikkei 225 reversed some of its losses from earlier in the week, gaining 1.6 per cent to 67,849.98, helped by technology-related shares. Chip equipment maker Tokyo Electron jumped 5 per cent, and artificial intelligence-focused investment holding firm SoftBank Group rose 0.4 per cent.

South Korea's Kospi index zigzagged, rising 0.1 per cent to 7,255.09 despite a loss earlier in the day. It fell 5.4 per cent on Wednesday. Samsung Electronics was down 1.3 per cent on Thursday, while memory chip maker SK Hynix gained 3.6 per cent.

The Shanghai Composite index traded 0.5 per cent lower at 3,952.49, after China's producer price index rose 4.1 per cent in June compared to a year earlier. That was higher than May's 3.9 per cent, as some economists attribute



the accelerating inflation to rising costs due to the Iran war.

Hong Kong's Hang Seng shed 0.8 per cent to 24,011.61. Shares of Apple supplier Luxshare fell 5 per cent in its trading debut in Hong Kong. Chinese AI company Zhipu, or Z.ai, surged 11.5 per cent after it said it's raising about USD 4 billion through a share sale.

Australia's S&P/ASX 200 shed 0.5 per cent to 8,745.20.

Taiwan's Taiex was flat and India's Sensex climbed 0.7 per cent. History

Oil prices were trading higher early Thursday, with Brent crude, the international standard, gaining 1.1 per cent to USD 78.88 per barrel.

It briefly topped USD 80 on Wednesday before

trimming some gains. Before the Iran war began, Brent oil was trading at around USD 72 a barrel. Earlier optimism over an interim peace deal recently brought it back to pre-war levels.

Benchmark US crude was also trading 1.1 per cent higher at USD 74.32 a barrel.

"The oil market has continued to rally as the ceasefire between the US and Iran appears to be on life support," ING commodities strategists Warren Patterson and Ewa Manthey wrote in a commentary.

The pair said that vessel tracking data showed tanker crossings in the Strait of Hormuz, a key waterway for global oil transport, have fallen in recent days. That's reigniting investor concerns on oil sup-

plies. On Wednesday, Wall Street's benchmark S&P 500 ended 0.3 per cent lower at 7,482.71. It dropped as much as 1.1 per cent after Trump's comment on the ceasefire agreement.

The Dow Jones Industrial Average shed 1.1 per cent to 52,348.39, while the technology-heavy Nasdaq composite edged up 0.2 per cent following an earlier loss to 25,870.65.

US chipmaker Broadcom surged 4.8 per cent, after Apple committed to a multiyear partnership with the company.

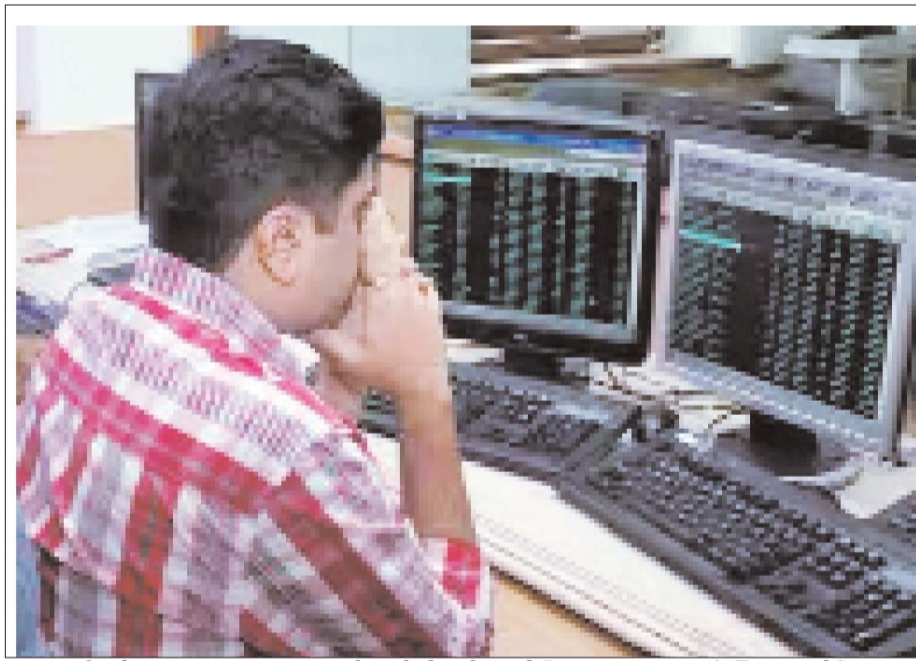
In other dealings, the US dollar fell to 162.45 Japanese yen from 162.59 yen. The euro was trading at USD 1.1430, up from USD 1.1417. (AP)

Investors' wealth erodes by Rs 8.96 lakh crore

MUMBAI, JULY 09: Investors' wealth eroded by Rs 8.96 lakh crore on Wednesday as equity markets went into a tailspin after US President Donald Trump said the interim agreement with Iran is over, leading to a sharp surge in crude oil prices.

The 30-share BSE Sensex tanked 1,677.12 points, or 2.15 per cent, to settle at 76,503.60. On similar lines, the 50-share NSE Nifty tumbled 516.65 points, or 2.12 per cent, to end at 23,882.05. Tracking the bearish trend in equities, the market capitalisation of BSE-listed companies eroded by Rs 8.96 lakh crore to Rs 4,71,23,612.10 crore (\$4.95 trillion).

Brent crude, the global oil benchmark, jumped 6.18 per cent to \$78.74 per barrel. "Indian equity markets witnessed a sharp sell-off as US President Donald Trump declared the interim peace deal with Iran is 'over' following Iranian attacks on commercial vessels in the Strait of Hormuz, reigniting geopolitical tensions and



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pack ended in the red. InterGlobe Aviation, Maruti, Hindustan Unilever, Bajaj Finance, Kotak Mahindra Bank and Mahindra & Mahindra were major laggards. All sectors ended lower. Services fell sharply by 3.21 per cent, PSU Bank (2.76 per cent), MidSmall Private Banks Quality Tilt (2.74 per cent), FMCG (2.54

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NEW DELHI, JULY 09: Food regulator FSSAI has issued notices to Lotte India, Ferns N Petals and Kubera Foods for misleading claims and violation of labelling norms on their various food products. Executive Branch

In a social media post on Instagram, FSSAI said these companies have been directed to explain within 7 days as to why action should not be initiated against them under the provisions of the FSS Act, 2006.

Food Safety Standards Authority of India (FSSAI) has issued notice to Lotte India Corporation Pvt Ltd "over utilisation of non-compliant pre-printed labels and misleading labelling claims on various food products."

FSSAI observed several instances of non-compliance by Lotte India.

"The company utilised non-compliant pre-printed

labels bearing the old company name "Lotte India Corporation Ltd" without obtaining prior approval," it added.

Moreover, Lotte Choco Pie with Rich Marshmallow, Lotte Choco Pie Real Orange and Lotte Choco Pie Choco Burst bear the claim '100 per cent vegetarian', which has been found to be misleading.

Its products 'PEPERO Crunchy Biscuit Sticks' and 'PEPERO Original Biscuit Sticks' do not provide nutritional information in the prescribed manner.

Another product Lolly Bliss Lollipop (orange, strawberry & kacha mango flavours) do not comply with vitamins level under the provisions of the FSS (Advertising & Claims) Regulations.

Similarly, Fruitz Eclairs (mango, orange and strawberry flavours) create a misleading impression as the

products do not contain fruits.

Further, the mandatory disclaimer for the brand/trade name, as required under the FSS (Advertising & Claims) Regulations, has not been provided on the front of the pack.

In the case of Kubera Foods, FSSAI has issued notice over misleading claims on its product 'Soft and Fresh Cream Bun Pineapple'.

The regulator said the front-of-pack claims "100 per cent natural" and "No preservatives, colours & flavours" while the product label declares preservative, synthetic food colour and added flavouring substances. The claims 'pure', 'fresh' and 'natural' are in violation with the law.

Regarding Ferns N Petals Pvt Ltd, the FSSAI said it has issued notice over misleading claims and labelling of a product named 'roasted

almond chocolate'.

"Notice issued regarding misleading claims, including 'premium chocolate' on the front of the pack despite the product containing hydrogenated vegetable fat..." the regulator said.

The product was also found to have labelling deficiencies related to per cent RDA (recommended dietary allowance) declaration and ingredient disclosure, the FSSAI said.

Recently, FSSAI issued notice to many companies including Heritage Foods Ltd for misleading claim of its product "fresh paneer" as part of its efforts to safeguard consumers interest.

Of late, the regulator has been posting on social media platforms regarding its actions taken on food business operators (FBOs).

The notices are based on suo moto cognizance as well as consumer complaints. (PTI)

ADB trims India's FY27 growth projection to 6.6 pc from 6.9 pc, cites higher energy prices

NEW DELHI, JULY 09: Asian Development Bank on Thursday lowered India's GDP growth projection to 6.6 per cent as against 6.9 per cent estimated earlier for the current fiscal on concerns of higher energy prices fuelled by the Middle East crisis. Despite the growth moderation, India still continues to be the fastest-growing major economy in the world.

India's GDP growth forecasts are revised down to 6.6 per cent for FY2026 (ending 31 March 2027) and maintained at 7.3 per cent for FY2027, Asian Development Outlook (ADO) July 2026 said. "The FY2026 (2026-27) forecast is lowered from 6.9 per cent projected in April, reflecting elevated energy prices, which squeeze real incomes.

Growth will be supported by policy interventions to attract more foreign capital, as well as fuel tax cuts, targeted credit support, strong services exports, and public cap-

ital expenditure," it said.

The FY2027 growth forecast remains unchanged from April, underpinned by improved global conditions and export competitiveness gained through trade agreements with various partners, it said.

However, it said, risks tilt to the downside, driven by heightened geopolitical tensions or weather-induced weakness in agriculture.

With regard to inflation, the latest ADO has raised its inflation forecast sharply to 5.2 per cent from 4.5 per cent projected in April. South Asians & Diaspora

"Upward revisions reflect higher global energy prices from the Middle East conflict feeding through to fuel, transport, and food costs across the subregion. India's FY2026 (2026-27) inflation forecast is revised up to 5.2 per cent, driven by higher oil prices and a weaker rupee, with food inflation adding further pressure from heatwaves and fading of

favourable base effects," it said.

The FY28 forecast is retained at 4 per cent as fuel and food prices normalise, supported by favourable base effects, it said.

Last month, RBI too revised down its GDP growth forecast for FY27 to 6.6 per cent from 6.9 per cent, while raising its inflation projection to 5.1 per cent from 4.6 per cent.

The ADO has also lowered its growth forecast for developing Asia and the Pacific economies to 4.9 per cent for 2026 compared to 5.5 per cent growth in 2025.

"This is a reduction of 0.2 percentage points from April projections. Prolonged disruptions to energy markets caused by the Middle East conflict have weighed more heavily on the region's prospects than anticipated," it said. The 2027 growth forecast is maintained at 5.1 per cent, reflecting recovering activity as these pressures ease, it said.

ADO expects disruptions to global energy markets to unwind only gradually, despite a framework agreement signed in June. With impacts extending beyond energy to fertilizers, other commodity prices, and supply chains, inflationary pressures are likely to persist.

Regional inflation is now forecast at 4.3 per cent this year compared to 3 per cent in 2025 - an upward revision of 0.7 percentage points from April.

The inflation forecast for 2027 remains at 3.4 per cent, it said.

According to the IMF, the Indian economy is expected to grow at 6.4 per cent in fiscal year 2027, a tad slower than the 6.5 per cent projected in April.

Gold falls Rs 2,308/10g in futures on strong dollar, higher crude oil

NEW DELHI, JULY 09: Gold futures slumped by Rs 2,308 to Rs 1.43 lakh per 10 grams on Wednesday, tracking losses in global markets as a rally in crude oil rates dented the appeal of the precious metal amid escalating tensions in West Asia.

On the Multi Commodity Exchange, the yellow metal for August delivery declined by Rs 2,308, or 1.59 per cent, to Rs 1,43,084 per 10 grams in a business turnover of 10,440 lots.

Traders said rising crude oil prices following fresh hostilities in West Asia stoked inflation concerns, strengthening the US dollar and prompting investors to trim exposure to precious metals.



"Gold prices traded lower in the domestic markets on Wednesday amid renewed geopolitical tensions in the Middle East, and concerns over potential supply disruptions through the Strait of Hormuz boosted oil prices and strengthened the US dollar," Gaurav Garg,

Research Analyst at Lemonn Markets Desk, said. Aamir Makda, Commodity & Currency Analyst, Technical Research, Choice Broking, said, "Gold prices extended losses for the third consecutive session as concerns around inflation and higher interest rates rose af-

ter fresh US strikes on Iran lifted oil prices".

In the international markets, Comex gold futures for August delivery fell \$94.69, or 2.28 per cent, to \$4,062.71 per ounce in New York. Gold prices fell in the overseas trade as investors remained cautious ahead of the release of the US Federal Reserve's June meeting minutes, which are expected to provide further clarity on the interest rate outlook, Garg said.

He added that although weaker US macroeconomic data have supported expectations of future interest rate cuts by the Federal Reserve, a firm dollar and profit-booking have kept precious metals under pressure.