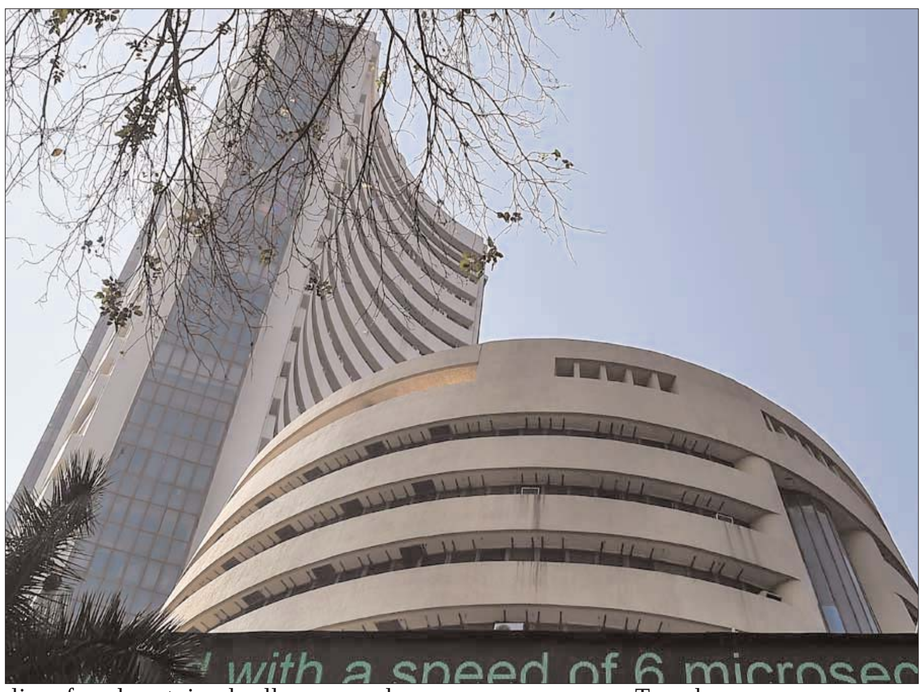
Markets decline for 3rd day on higher oil prices, selling in bank stocks; Sensex, Nifty tank nearly 1 pc



MUMBAI, JULY 22: Benchmark indices Sensex and Nifty tumbled nearly 1 per cent on Wednesday, taking the losses to the third consecutive day, following a sharp spike in crude oil prices and selling in bank stocks.

The 30-share BSE Sensex tanked 715.06 points, or 0.92 per cent, to settle at 76,755.05. During the day, it slumped 828.92 points, or 1 per cent, to 76,641.19.

The 50-share NSE Nifty declined 191.45 points, or 0.79 per cent, to end at 23,996.25.

From the Sensex pack, InterGlobe Aviation, Infosys, State Bank of India, UltraTech Cement, ICICI Bank, and Axis Bank were among the major laggards.

Hindustan Unilever, NTPC, Power Grid, and Titan were among the winners. Brent crude, the global oil benchmark, jumped 4.68 per cent to USD 95.27 per barrel.

"Indian equities closed lower as a sharp rise in crude oil prices and persistent geopolitical tensions in the Middle East kept investors firmly in risk-off mode. The benchmark indices faced sustained selling pressure throughout the session, with broad-based declines across most sectors overshadowing an otherwise encouraging start to the first-quarter earnings season," Ponmudi R, CEO of Enrich Money, an online trading and wealth tech firm.

Investor attention remained firmly on the macro backdrop as higher crude oil prices and renewed concerns over potential US tariffs on pharmaceutical imports weighed on sentiment, he added.

In Asian markets, South Korea's KOSPI and Shanghai's SSE Composite index ended higher, while Japan's Nikkei 225 index and Hong Kong's Hang Seng index settled lower.

Markets in Europe were trading higher. US markets ended higher on Tuesday.

Foreign Institutional Investors (FIIs) turned buyers on Tuesday. They bought equities worth Rs 1,650.16 crore in the previous trade, according to exchange data.

On Tuesday, Sensex declined 238.41 points, or 0.31 per cent, to settle at 77,470.11. The Nifty edged lower by 50.80 points, or 0.21 per cent, to end at 24,187.70. (PTI)

Rupee falls 34 paise to close at 96.59 against US dollar

MUMBAI, JULY 22: The rupee depreciated by 34 paise to close at 96.59 (provisional) against the US dollar on Wednesday, weighed down by surging crude oil prices and heightened geopolitical uncertainty.

Forex traders said risk aversion in global markets and a negative trend in domestic equities further dented investor sentiments.

At the interbank foreign exchange, the rupee opened at 96.36 against the US dollar and traded in the range of 96.25 to 96.57 during the day. The domestic unit finally settled at 96.59 (provisional), lower by 34 paise from its previous close.

On Tuesday, the rupee had settled higher by 11 paise at 96.25 against the American currency.

"Following a brief rally on Tuesday, the Indian rupee faces downward pressure amid surging crude oil prices and heightened geopolitical uncertainty," said Dilip Parmar â€“ Senior Research Analyst, HDFC Securities.

According to Parmar, renewed concerns over US tariff rhetoric have further dampened sentiment. Spot USDINR remains on a bullish track, with near-term support pegged at 96.10 and a retest of the record high around 97 on the horizon, he said.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading lower by 0.07 per cent at 101.10.

Brent crude, the global oil benchmark, was trading 4.30 per cent higher at USD 94.92 per barrel in futures trade.

Forex traders said crude oil prices remain elevated amid concerns over the security of oil shipments through the Red Sea and Strait of Hormuz.

"Crude oil prices rose as the US struck Iran and Iran struck US facilities in Kuwait, Bahrain and Jordan. Houthis have also threatened to target vessels carrying oil from Saudi Arabia in the Bab el-Mandeb," said Anuj Choudhary, Research Analyst, Mirae Asset ShareKhan.

"A sharp surge in crude oil prices too weighed on the rupee. However, diplomatic talks between the two nations may prevent a sharp fall in the rupee. Any intervention by the RBI may also support the rupee at lower levels," Choudhary said, adding that USDINR spot price is expected to trade in a range of 96.25 to 96.85.

On the domestic equity market front, Sensex tanked 715.06 points to settle at 76,755.05, while the Nifty declined 191.45 points to 23,996.25.

Foreign Institutional Investors turned net buyers, purchasing equities worth Rs 1,650.16 crore on Tuesday, according to exchange data. (PTI)

Will evaluate possible separation of financial services biz: TVS Motor Co Chairman

NEW DELHI, JULY 22: TVS Motor Company will evaluate alternatives, including a possible separation of its financial services business, to further strengthen and unlock shareholder value, Chairman Sudarshan Venu said on Wednesday.

Over the years, the group has made sustained investments in building and nurturing its financial services business - TVS Credit - which has evolved into an important part of the broader TVS VENU ecosystem, Venu said while addressing shareholders at the company's annual general meeting.

"Rated AA+ by all three major rating agencies, TVS Credit is continuing to grow with prudence, with purpose, and with the same values of TVS," he said.

Looking ahead, Venu said, "The company may, at an appropriate time, in stages, guided by long-term strategic considerations, evaluate alternatives, including a possible separation of the financial services business, to further strengthen and unlock shareholder value."

He told shareholders that the financial services business has had a strong FY26 with disbursements growing 26 per cent and "the company ended the year with an asset base of over Rs 30,000 crore, serving over 2.4 million customers across two-wheelers, consu, with volumes rising to over 15.9 lakh units last year.

"We are now present in more than 90 countries. We believe Africa and also Latin America and Asia as long-term strategic paths to growth, and are now entering the European market as well," he added.

Across these regions, and importantly in India, Venu said the two-wheeler is more than a lifestyle product, but a necessity in different walks of life.

"Africa, in particular, sits at an extraordinary inflection point. A young population with mobility needs that will only grow. We are a trusted brand in the African market, and we very much intend to build on that," he noted.

Overall, international business is expected to continue to grow, demonstrate resilience, and show growth during the coming FY26-27, Venu said.

On the overall outlook, he said, "There is a sense of uncertainty and volatility, and at the same time a sense of opportunity, both in India, which is a fast-growing economy, and in some of our other markets as well."

In light of this, he said the company continues to invest in technology and new products.

"Our international business is expected to hold momentum and India's trade relationships continue to open doors for us as we grow," he added. (PTI)

Pakistan seeks USD 10bn US economic support facility: Report

ISLAMABAD, JULY 22: Pakistan's Finance Minister Muhammad Aurangzeb has asked US Treasury Secretary Scott Bessent to provide Islamabad with a USD 10 billion Exchange Stabilisation Support Facility to help strengthen its economy, according to a media report.

Exchange Stabilisation Support Facility, often routed through the US Treasury's Exchange Stabilisation Fund, is a financial backstop mechanism that includes currency swaps, financial guarantees and loans, among other measures.

The Dawn newspaper reported on Wednesday that it received confirmation on the information about Pakistan's request from its embassy in Washington. The mission, however, did not share further details with the newspaper.

Dawn also sought a response from the US Treasury, but did not get any.

An official readout issued by the embassy noted that Aurangzeb had sought US support for Pakistan's road-to-market strategy, based on improved access to international capital markets, higher foreign exchange reserves, and enhanced sovereign credit ratings.

Pakistan's road-to-market refers to a strategic and economic strategy to regain full, independent access to international capital markets and boost foreign exchange reserves.

This approach relies on maintaining strict International Monetary Fund (IMF) discipline to control fiscal deficits and inflation.

The official readout, however, did not mention the USD 10 billion amount.

Diplomatic sources in Washington told Dawn there were "strong chances" that the USD 10 billion stabilisation request would be approved.

One source told the newspaper that the Trump administration "has a keen interest in remaining engaged" with Pakistan and has "more than once pledged" to help strengthen the country's economy.

Pakistan's economic recovery has been fragile, and the country remains heavily dependent on foreign assistance.

It narrowly escaped default in 2023 after the IMF approved a USD 3 billion loan programme. Islamabad is currently implementing economic reforms under a USD 7 billion IMF programme approved in 2024, which is tied to a series of policy conditions. (PTI)

Chinese companies are taking over the EV market, what's behind their meteoric rise

SYDNEY, JULY 22: If producing electric vehicles (EVs) was an Olympic sport, China would be dominating the medals podium.

China now leads the world in the sale and export of EVs, a term encompassing everything from battery-powered cars to plug-in hybrids. Chinese companies also produce the lion's share of the rechargeable batteries that keep EVs running.

Between 2009 and 2022, the Chinese government dished out more than A$41 billion in subsidies and tax benefits to boost the production of electric cars, taxis and buses.

But subsidies alone can't explain the meteoric rise of China's EV industry. Over two decades, Beijing has built a manufacturing sector that fosters domestic competition, rapid production and company-level innovation.

The rise of Chinese EVs

By producing more EVs, China aims to reduce its reliance on imported oil from countries such as Iran, Russia and Venezuela. It also hopes to leapfrog countries that historically have dominated the global car manufacturing industry, including Germany, Japan and the US. In September 2020, the Chinese government folded these objectives into a national decarbonisation strategy.

In 2025, more than half of the new cars sold in China were EVs. And Chinese-made vehicles are gaining traction around the world. In the United Kingdom, more than 30% of the new cars sold in 2025 were EVs. In Norway, EV sales surged to represent more than 95% of the country's total car sales in 2025.

But they are proving less popular in the United States, with EV sales sitting at just 10%. That's even despite the US walling out Chinese EVs through tariffs.

Australia has also been slow to adopt Chinese-made EVs. But our market reached a tipping point in June 2026, when EVs made up close to 30% of new car sales.

Crucially, Chinese-made vehicles are no longer marginal. In 2026, China overtook Japan â€“ the market leader over nearly three decades â€“ as Australia's primary source of new vehicles. Affordable models, rising fuel prices, an expanding charging network and the New Vehicle Efficiency Standard all accelerated this shift.

Tesla still sells the most pure battery EVs in Australia, holding 28% of the market. However, Chinese brands such as BYD, Geely and XPeng have gone from being fringe players to mainstream companies. BYD is a prime example, chasing Tesla with its 24% share of the Australian market.

Survival of the fittest

These companies didn't achieve success overnight. They spent years competing, failing and innovating in an often brutal domestic market.

At the height of China's EV boom, more than 500 companies rushed into the EV sector. They were driven by cheap capital, local government backing and start-up enthusiasm.

Most did not survive.

As subsidies were wound back and purchase incentives became less generous, roughly 90% of early movers were squeezed out. So the state created the early market, but the market then ruthlessly punished weak players.

To stay afloat, companies had to adapt. Here are three examples.

Geely/Zeekr

Legacy brand Geely began as a refrigerator parts maker. But in 1994, it pivoted to produce motorcycles and China's first domestically built scooters. It entered the automotive industry in 1997. To produce a competitive EV, Geely drew on the international engineering expertise of Volvo to improve on the product of premium global EV brand Zeekr.

Xiaomi

As a latecomer, Xiaomi launched its first EV in 2024. Founded in 2010 as a software start-up, Xiaomi's first successful product was an Android-like operating system for smartphones. But it soon brought this technology into the world of smart home appliances and EVs.

BYD

BYD started out manufacturing batteries, becoming China's largest rechargeable battery producer by the early 2000s. But in 2003, BYD made the leap to EVs after acquiring a struggling state-owned carmaker. And in just two decades, BYD has become the vertically integrated titan of the EV world. By controlling its EV supply chain â€“ ranging from power electronics to vehicle platforms and shipping â€“ the company is able to assemble one vehicle every 52 seconds. In 2025, BYD delivered a record 4.5 million cars globally.

China's hubs of regional expertise ensure individual companies can rapidly move from design to production. One example is the Pearl River Delta, where EV brands can tap into Shenzhen's electronics prowess and Guangzhou's long history in car manufacturing.

JSW Energy Q1 net profit drops 36 pc to Rs 533 cr

NEW DELHI, JULY 22: JSW Energy on Wednesday reported a 36 per cent decline in its net profit to Rs 533 crore in the June quarter of the current fiscal, primarily impacted by higher finance cost and depreciation.

The net profit stood at Rs 836 crore in the quarter ended on June 30, 2025, a company statement said.

It stated that "PAT (profit after tax or net profit) for Q1 FY27 at Rs 533 crore decreased by 36 per cent YoY (year on year)...primarily driven by higher finance cost and depreciation."

The company stated that the depreciation increased to Rs 890 crore in Q1 FY27 from 739 crore in Q1 FY26, reflecting the commissioning of new capacities.

Finance costs during the quarter increased to Rs 1,519 crore vis-a-vis Rs 1,306 crore in Q1 FY26 due to incremental borrowings for funding the ongoing capacity.

The weighted average cost of debt (including working capital) stands at 8.36 per cent.

Driven by the company's Q1 FY27 fund raises, net debt decreased to Rs 61,322 crore as on June 30, 2026, excluding CWIP debt.

The consolidated net worth as on June 30, 2026, stood at Rs 36,161 crore, it stated.

The total revenue remained nearly flat year-on-year at Rs 5,437 crore.

Power sales declined by 5 per cent YoY from 13.5 BUs to 12.9 BUs.

Thermal generation decreased by 6 per cent YoY from 8.5 BUs to 8 BUs (billion units), primarily driven by lower generation at Mahanadi plant.

Renewable energy generation also declined by 3 per cent YoY from 5 BUs to 4.8 BUs, primarily driven by lower generation at Hydro plants owing to weaker hydrology.

Net long-term PPA sales declined by 4 per cent YoY from 11.8 BUs to 11.2 BUs. Short-term thermal sales remained flat at 1.6 BUs.

It also stated that in the thermal segment, the company increased its stake in Toshiba JSW Power Systems JV to 10.7 per cent from 2.4 per cent (on a fully dilutive basis), aimed at de-risking its supply chain and enabling thermal plant construction at industry-leading capital costs.

Combined with the ongoing GE boiler business acquisition, this fully de-risks the company's thermal growth ambitions, it stated.

The company said it has added renewable capacity up to 1,081 MW (Capacity addition till July 8). Total capacity now stands at 14,535 MW.

"Q1 FY27 has been a landmark quarter for JSW Energy, marked by our highest-ever quarterly organic capacity addition in the company's history - among the largest Q1 organic additions across the power sector. We remain firmly on track to deliver our FY27 capacity addition target of 3 GW, having already crossed nearly a third of it within the first quarter itself," said Sharad Mahendra, Joint Managing Director and CEO of JSW Energy. (PTI)