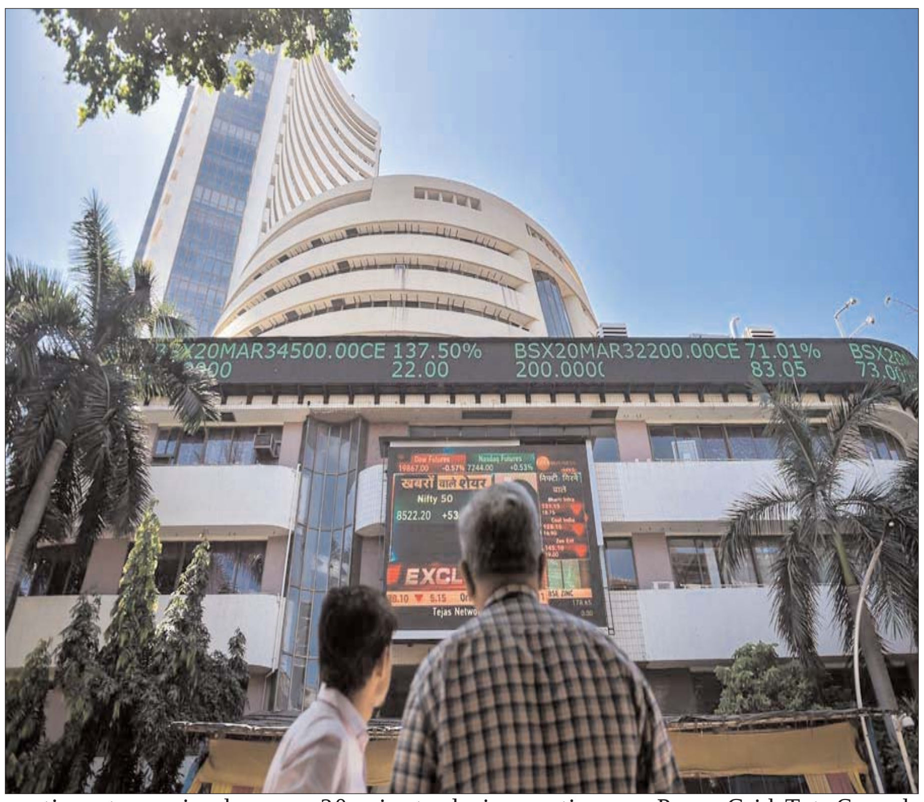
Sensex climbs 374 points on buying in Reliance, ICICI Bank; Nifty ends flat

MUMBAI, AUG 6: Stock market benchmark indices ended on a mixed note on Thursday, with the Sensex climbing 374 points and the Nifty closing flat, drawing support from moderation in crude oil prices and buying in heavy-weights Reliance Industries and ICICI Bank.

After starting the session on a positive note, the 30-share BSE Sensex remained in the positive territory throughout the day. It climbed 373.76 points, or 0.48 per cent, to settle at 78,954.76.



The 50-share NSE Nifty traded in a narrow range for the day and edged marginally higher by 11.35 points, or 0.05 per cent, to end at 24,636. During the day, the benchmark hit a high of 24,677.05 and a low of 24,604.15.

Since Monday, both the benchmark indices have been facing divergence after stock exchanges introduced a new auction mechanism for shares having futures and options (F&O) contracts.

The Closing Auction Session (CAS) in the equity cash segment became operational on Monday, introducing a new auction-based mechanism for determining the closing prices of eligible stocks in a move aimed at making the price discovery process more transparent and robust.

"Indian equity markets ended the session on a mixed note, with the benchmark indices displaying a notable performance divergence even as investor sentiment remained cautiously constructive amid continued optimism over a potential diplomatic resolution to the Middle East conflict," Hariselvan Radhakrishnan, Founder & CEO of HST Wealth, a Research Analyst firm, said.

The Nifty traded within a narrow range and finished largely unchanged, while the Sensex posted a modest gain, supported primarily by strength in a heavy-weight constituent, he said.

"Four sessions into the NSE's Closing Auction Session (CAS), the divergence between the Sensex and the Nifty is increasingly reflecting differences in market liquidity rather than a transitional anomaly. The same 20-minute closing auction continues to produce contrasting outcomes for the two benchmarks because institutional order flow is concentrated more heavily in Nifty constituents than in the Sensex basket. As a result, the Nifty's closing level remains more sensitive to auction-driven price discovery, while the Sensex has been relatively less affected," he added.

From the Sensex pack, Reliance Industries climbed 3.43 per cent, the most among the blue-chip firms.

State Bank of India, Bharat Electronics, ICICI Bank, Eternal and Titan were also among the major winners.

Power Grid, Tata Consultancy Services, InterGlobe Aviation and Mahindra & Mahindra were among the laggards.

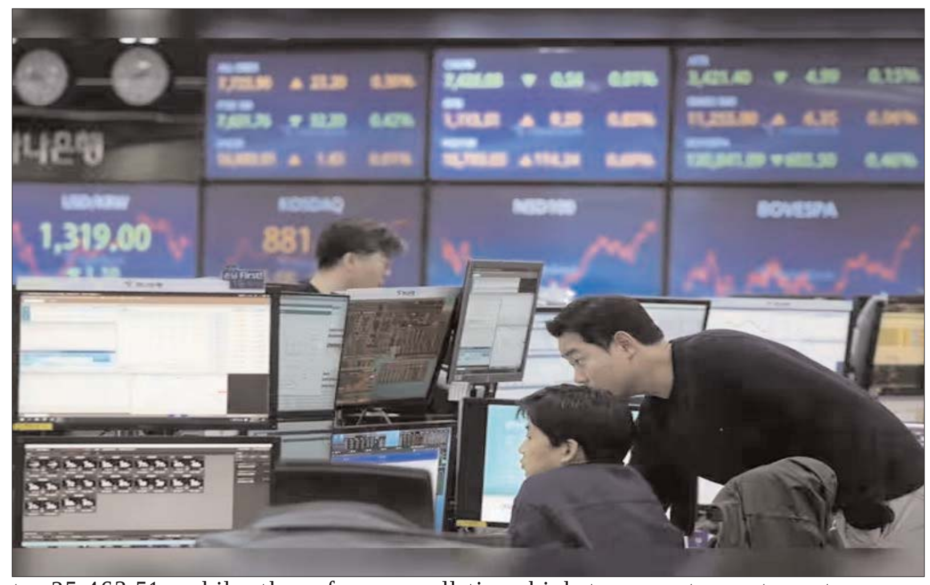
State-owned Power Grid Corporation of India declined 3.99 per cent after it reported a marginal year-on-year dip in consolidated net profit to Rs 3,598.42 crore in the June quarter.

Brent crude, the global oil benchmark, was marginally up by 0.09 per cent at USD 79.52 per barrel.

"Markets drew support from the moderation in crude oil prices, aided by intensified diplomatic efforts to restore regional stability and normalise shipping activity through the Strait of Hormuz.

Asian shares mostly lower as Kospi falls 4 pc, tech giants decline on Wall Streetr

BANGKOK, AUG 6: Asian shares were mostly lower and South Korea's Kospi dropped more than 4 per cent on Thursday following declines for some Big Tech giants including memory chipmaker SK Hynix.



Oil prices held steady, with Brent crude trading near USD 79 a barrel. Uncertainty about the direction of the US war with Iran is still overhanging markets despite hopes for a reopening of the Strait of Hormuz.

Markets will get an update Friday on US jobs with the monthly employment report for July, and analysts say investors appear to be bracing for its potential impact.

"Asia's chip selloff looks like a combination of profit-taking and risk reduction ahead of Friday's nonfarm payroll report," Stephen Innes of SPI Asset Management said in a commentary.

Strong corporate profits and expectations for more growth ahead generally have been steering US stocks higher. But Asian benchmarks have been hit by bouts of selling of computer chipmakers and other companies related to the boom in artificial intelligence.

SK Hynix was down 9.7 per cent after dropping ahead of the open in Seoul, while its larger rival Samsung Electronics lost 6.1 in the latest rout for shares linked to the AI boom.

The Kospi lost 4.5 per cent to 6,306.40.

Japan's Nikkei 225 lost 1.2 per cent to 65,538.44.

In Hong Kong, the Hang Seng declined 1.8 per cent to 25,463.51, while the Shanghai Composite index was nearly unchanged at 3,878.92.

Australia's S&P/ASX 200 gained 0.5 per cent.

US President Donald Trump said a deal to reopen the Strait of Hormuz was coming soon. But there have been many stops and starts during the five-month-old conflict that has stifled the global supply of oil and rattled energy markets.

The price of Brent crude, the international standard, fell 0.3 per cent to USD 79.24 a barrel. Oil prices have been swinging for months and were as high as USD 102 per barrel at one point during the conflict, jolting already stubbornly high inflation. Higher oil prices pushed gasoline prices higher and increased shipping costs for a wide range of products.

US benchmark crude oil declined 0.4 per cent to USD 74.93 a barrel.

On Wednesday, the S&P 500 slipped 0.2 per cent from an all-time high to close at 7,723.55. The Dow industrials rose 0.5 per cent to 54,349.12. The Nasdaq composite lost 0.8 per cent to 26,363.44.

Among big technology companies losing ground, Google's parent company, Alphabet, fell 4 per cent and Microsoft lost 1.1 per cent.

Overall, the market has been rising as companies head into the closing stretch of their latest round of earnings reports with sharp overall gains. Three-quarters of the companies within the S&P 500 have reported results so far, and Wall Street expects profit growth of 50 per cent when they are all finished.

The Walt Disney Co. rose 3.6 per cent after easily beating Wall Street's profit forecasts, helped by a USD 1 billion box office haul from "Toy Story 5" and theme park revenue.

Booking Holdings jumped 6.6 per cent after reporting that strong travel demand drove profit and revenue growth during its most recent quarter.

Elon Musk's SpaceX fell 13.6 per cent following the release late Tuesday of its first quarterly report as a public company, which showed that it sharply boosted spending on artificial intelligence. The company did help give semiconductor giant Nvidia a 3.4 per cent boost after announcing it would exclusively use that company's chips for its artificial intelligence technology. Musk had said earlier he would use chips from both Nvidia and Advanced Micro Devices for SpaceX and his electric vehicle company, Tesla.

Inflation concerns have been hanging over markets and the Federal Reserve. The central bank has been holding its key benchmark rate steady as it monitors the costs and the impact on the economy.

In other dealings early Thursday, the dollar flipped to 157.73 Japanese yen from 157.77 yen. The euro fell to USD 1.1549 from USD 1.1555. (AP)

Rupee falls 16 paise to close at 95.24 against US dollar

MUMBAI, AUG 6: The rupee depreciated 16 paise to close at 95.24 (provisional) against the US dollar on Thursday, on slight gains in the US Dollar Index and a modest increase in US Treasury yields.

Forex traders said the rupee was pressured by a slight recovery in the US Dollar Index and foreign fund outflows, even as lower crude oil prices provided some underlying support.

At the interbank foreign exchange, the rupee opened at 95.13 against the greenback and traded in a range of 95.12-95.24 during the session. It eventually settled at 95.24 (provisional), lower by 16 paise from its previous close.

On Wednesday, the rupee gained 20 paise to settle at 95.08 against the US dollar.

"Indian Rupee declined today on a slight bounce in the US Dollar index and modest gains in the US treasury yields.

"However, weak crude oil prices and hopes of a deal between the US and Iran prevented a sharp fall," said Anuj Choudhary, Research Analyst, Mirae Asset ShareKhan.

Choudhary further said that the rupee is likely to trade with a slight positive bias on a rise in risk appetite in global markets amid hopes of a deal between the US and Iran.

"However, any bounce back in the dollar index and US treasury yields may cap sharp gains. Traders may take cues from weekly unemployment claims data from the US. USD-INR spot price is expected to trade in a range of 94.80 to 95.50," Choudhary said.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading at 99.78, down 0.11 per cent.

Brent crude, the global oil benchmark, was trading higher by 0.09 per cent at USD 79.52 per barrel in futures trade.

For India, Brent near USD 80 per barrel substantially reduces the pressure on the import bill, inflation and the current account compared with the USD 100+ levels seen in July, said Anil Kumar Bhansali, Head of Treasury and Executive Director, Finrex Treasury Advisors LLP, said.

On the domestic equity market front, Sensex climbed 373.76 points to settle at 78,954.76, while the Nifty closed marginally up by 11.35 points to 24,636.

Milky Mist Dairy Food's Rs 1,553-cr IPO to open on Aug 11t 11

NEW DELHI, AUG 6: Dairy products maker Milky Mist Dairy Food Ltd on Thursday fixed a price band of Rs 133-140 per share for its Rs 1,553 crore Initial Public Offering (IPO), which will open for subscription on August 11.

The initial share sale will conclude on August 13, while the bidding for anchor investors will open for a day on August 10, the company said in a public announcement.

The proposed public issue is set to be the largest IPO by an Indian dairy company. Listed peers in the sector include Parag Milk Foods Ltd, Hatsun Agro Product Ltd and Dodla Dairy Ltd.

The IPO comprises a fresh issue of equity shares aggregating up to Rs 1,428 crore and an Offer For Sale (OFS) of up to Rs 125 crore, taking the total issue size to Rs 1,553 crore.

Earlier, Milky Mist had planned to mobilise Rs 2,035 crore through its maiden public offering, according to its draft papers.

At the price band, the company is expected to command a post-issue market valuation of about Rs 10,310 crore to Rs 10,778 crore.

The IPO follows Milky Mist's Rs 482 crore pre-IPO funding round in May this year from Jongsong Investments Pte Ltd, an indirect wholly owned subsidiary of Temasek Holdings.

Proceeds from the fresh issue will be used towards repayment of borrowings and expansion and modernisation of the company's manufacturing facility at Perundurai, including setting up whey protein concentrate, yogurt and cream cheese plants.

The company also plans to expand its cold-chain infrastructure by deploying visi coolers, ice cream freezers and chocolate coolers, besides using a portion of the proceeds for general corporate purposes.

Founded in Erode, Tamil Nadu, Milky Mist is among India's leading premium dairy brands focused on value-added dairy products. Its portfolio includes paneer, cheese, curd, yogurt, butter, ghee and ice cream, among other products. The company does not operate in the liquid milk segment.

The company has reserved 50 per cent of the offer for qualified institutional buyers, 15 per cent for non-institutional investors and 35 per cent for retail investors.

Bajaj General Insurance partners Swiss Re Corporate Solutions for commercial insurance offerings

NEW DELHI, AUG 6: Bajaj General Insurance and Swiss Re Corporate Solutions have signed an initial agreement to explore a commercial insurance partnership in India.

Both the entities have signed a memorandum of understanding to this effect.

The partnership would bring together Bajaj General Insurance's strong local market presence with Swiss Re Corporate Solutions' global risk knowledge and commercial insurance capabilities, a joint statement said on Thursday.

The ambition is to provide underwriting expertise in lines of business that are critical for the continued growth of the Indian economy, including high-tech and manufacturing sectors, and the partnership also intends to offer international insurance

programs for Indian companies operating abroad, it said.

"We aim to support Indian companies wherever they do business and help multinational organisations navigate risks effectively in India. As risks continue to evolve, our responsibility is to ensure businesses have the protection, resilience, and confidence they need to grow and succeed," Bajaj General Insurance MD & CEO Tapan Singhel said.

Subject to definitive agreements and applicable regulatory requirements, the partnership aims to leverage Swiss Re Corporate Solutions' International Programs platform and develop structured insurance solutions for the Indian market, it said.

Globally, Swiss Re Corporate Solutions provides a wide spectrum of risk solutions for businesses -- ranging from property insurance to specialist segments like Credit & Surety and including alternative risk transfer solutions like captives and parametric insurance.

It is the commercial insurance arm of Swiss Re Group, one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, it said.

Headquartered in Zurich, Switzerland, where it was founded in 1863, the Group operates through a network of around 70 offices globally, including Mumbai, Bengaluru and Hyderabad.

"We are exploring new ways to better serve corporate clients in this dynamic market with Bajaj General Insurance. Together, we can build on our complementary strengths, broaden the solutions we bring to market and help businesses navigate an increasingly interconnected risk landscape with confidence and resilience," Swiss Re Corporate Solutions CEO Ivan Gonzalez said. (PTI)

Ola Electric opens sales, service network to dealer partners across India

NEW DELHI, Aug 6: Ola Electric on Thursday announced it is opening its sales and service network to dealer partners across India.

This marks a structural shift in the company's go-to-market approach, five years after it launched its first electric scooters, Ola Electric said in a statement.

Ola Electric built its early growth through company owned stores, using them to build EV awareness, establish the brand, and create India's largest EV two-wheeler customer base of over 10 lakh riders. As the EV industry has matured and consumer acceptance has grown, the company is now evolving this model, it added.

Over the coming months, the company stores will transition to focus on brand and product experience, while dealer partners will become the backbone of local sales, service and scale across the country, the company said.

The move follows a month of on ground engagement with dealers nationwide.

Ola Electric said the response has been strong, with dealers expressing confidence that the company's product portfolio, combined with their local market execution, can meaningfully accelerate both Ola's sales and EV adoption in India more broadly.

"This is a big shift in how we go to market, and one that reflects where the EV industry in India is headed. We built our own stores first because trust in EVs had to be earned store by store, city by city. That phase built the foundation." Ola Electric Chairman and Managing Director, Bhavish Aggarwal said.

Now, he said,"As the category matures, our job is to bring EVs to every corner of the country, and dealer partners understand their local markets in ways no company owned network can replicate at that scale."

Company stores will now be where customers experience the brand and the product at their best, while the dealer partners carry that experience into every town and neighbourhood in India, Aggarwal added.

For dealer partners, Ola Electric said it is offering strong brand pull built over five years in the market, a large recurring service opportunity from India's largest EV two-wheeler installed base of over 10 lakh customers, a full product portfolio spanning scooters, motorcycles and energy products including 'Ola Shakti', with more energy products planned, and a dealer economics model designed for strong partner re-