Sensex tanks 493 points; Nifty falls for 6th day as crude oil jumps to USD 91/barrel

MUMBAI, AUG 18: Market benchmark indices ended lower on Tuesday, with the Sensex falling 493 points and the Nifty dropping to 24,154.90 level, as elevated crude oil prices and fading hopes of a diplomatic breakthrough in West Asia weighed heavily on investors' sentiment.

The 30-share BSE Sensex was down 492.70 points, or 0.63 per cent, to settle at 77,235.46, registering its third day of decline. During the fag-end of trade, it tanked 493.8 points, or 0.63 per cent, to 77,234.36.

The 50-share NSE Nifty declined for the sixth day, sliding 132.75 points, or 0.55 per cent, to end at 24,154.90.

From the Sensex pack, Asian Paints, Infosys, HCL Tech, Bharti Airtel, Tata Consultancy Services, and Hindustan Unilever were among the major laggards.

Axis Bank, Power Grid, Mahindra & Mahindra, and Bajaj Finance were among the winners.

Brent crude, the global oil benchmark, went up 0.17 per cent to USD 91.02 per barrel.

Elevated US yields further reduced the attractiveness of emerging markets, and IT stocks-led losses amid fears that persistently high interest rates could dampen global technology spending, he added.

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

Markets in Europe were trading on a mixed note.

US markets ended in negative territory on Monday.

Gold surges Rs 2,000 to Rs 1.58 lakh/10g; silver rises Rs 730 in Delhi

NEW DELHI, AUG 18: Gold price climbed Rs 2,000 to Rs 1.58 lakh per 10 grams in the national capital on Tuesday, extending gains for a second straight session as retailers and stockists stepped up buying.

The yellow metal of 99.9 per cent purity appreciated by Rs 2,000 to Rs 1,58,800 per 10 grams (inclusive of all taxes) from Monday's closing level of Rs 1,56,800 per 10 grams.

Silver also advanced Rs 730 to Rs 2,40,730 per kilogram (inclusive of all taxes), after remaining flat at Rs 2,40,000 per kg for two sessions, according to the All India Sarafa Association.
SouthAsians & Diaspora

Globally, spot gold traded 0.5 per cent lower to USD 4,394.57 per ounce, and silver dropped a little over 1 per cent to USD 65.08 per ounce.

Gold was hovering around USD 4,392 per ounce as crude oil rebounded on supply concerns emanating from West Asia, Praveen Singh, Head of Commodities at Mirae Asset ShareKhan, said.

Oil prices gained after the 60-day US-Iran ceasefire expired on Monday. While the period can be extended, neither side is willing to do so, he said.

US President Donald Trump said Washington had an edge over Tehran as the naval blockade continued, while Iran had asked its military to remain steady.

The global investment story, however, continues to provide a cushion. Total known gold-backed exchange-traded fund holdings rose again on Monday to 97.39 million ounces, Singh added.

Kaynat Chainwala, AVP Commodity Research, Kotak Securities, said spot silver eased towards USD 65 per ounce, weighed down by a firm US Treasury yields and some profit-taking.

India-Japan trade at USD 27.5 billion still a fraction of potential: Piyush Goyal

NEW DELHI [INDIA], AUGUST 18 (ANI): Union Commerce and Industry Minister Piyush Goyal on Tuesday said bilateral trade between India and Japan stood at around USD 27.5 billion in 2025-26 but remained only a fraction of the potential between the two countries.

Addressing a Japanese delegation at the UP-Japan Investment Meet 2026, Goyal said the bilateral relationship was backed by a target of 10 trillion yen in Japanese investment in India over the next decade.

"Our bilateral trade stands at around USD 27.5 billion in FY 2025-26, still fraction of our potential," Goyal said.

"It is indeed a great honour to welcome our friends from Japan this evening - a country that is not only admired for its culture of excellence and harmony but also cherished as one of India's closest partners in our shared journey of peace, progress and prosperity in the Indo-Pacific with institutional depth few bilateral relationships in the world can claim. Our friendship is reflected in the simplest of traditions, sharing of tea, ancient India shared chai with the world, Japan transformed this ocha into sadou - the tea ceremony where every encounter is treasured and every moment is valued," he said.

Highlighting the future areas of cooperation, the minister said the proposed investments would cover technologies and industries such as artificial intelligence, semiconductors, critical minerals, batteries, energy and next-generation mobility.

"Warmth and trust are at the heart of our relationship, and it is matched by strategic ambition with a clear number: 10 trillion yen of Japanese investment in India over the next decade, in technologies and industries that will shape our future, from AI & semicons to critical minerals, batteries, energy & next-generation mobility." he said. GeographicReference

Goyal said the India-Japan partnership already had a visible presence through projects such as the Mumbai-Ahmedabad High-Speed Rail and Japanese-assisted metro systems in Delhi, Ahmedabad, Bengaluru and Chennai. He also pointed to the presence of 11 Japanese industrial townships across eight states. Japan is currently India's fifth-largest source of foreign direct investment, with more than 1,400 Japanese companies operating in the country. These include companies such as Suzuki, Toyota and Honda in mobility, Sony in electronics, and Hitachi and Mitsubishi in engineering, the minister said.

Goyal said the strengths of India and Japan complement each other across manufacturing, agriculture, technology, infrastructure, energy, defence, green and blue economy, and civilisational soft power.

"This is not only a growth story but our pledge to become a trusted partner in global progress," he said.

The minister also pitched Uttar Pradesh as a priority destination for deeper Japanese investment, citing its ambition to become a USD 1 trillion economy, large consumer market, improving connectivity, industrial momentum and skilled workforce.

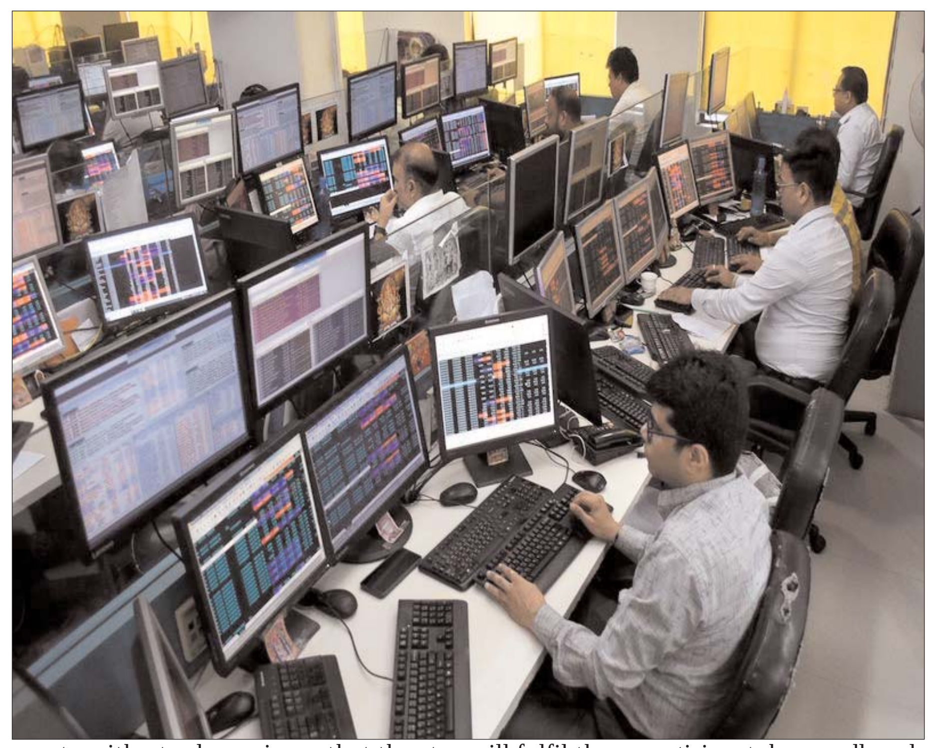
"UP offers a unique platform for Japan's technological strength and experienced mature demographic to meet India's young workforce and growing market," Goyal said.

Goyal said Uttar Pradesh is India's third-largest state economy, has more than nine million micro, small and medium enterprises and is the fifth-largest state exporter.

"Just three days ago, on 15th August, India celebrated its 80th Independence Day - a day that honours our past and inspires our future. PM Narendra Modi shared our vision of a developed India by 2047 through seven streams of national strength, 'Saptadhara'. 1) Manufacturing, 2) Agriculture, 3) Technology, 4) Infrastructure, 5) Energy and Defence, 6) Green and Blue Economy, 7) Our civilisational soft power. These very pillars of transformation are where the strengths of India and Japan complement each other," he said.

"This is not only a growth story but our pledge to become a trusted partner in global progress. As India targets the next level of global growth, Uttar Pradesh will be at the heart and under the strong and decisive visionary leadership of CM Yogi Adityanath, we have full confidence that the 1 Trillion Dollar economy that Uttar Pradesh aspires to be in the coming years will be at the centre point of our journey towards a developed India," he added. GeographicReference The UP-Japan Investment Meet 2026, being held from August 18 to 23, is attended by more than 200 industrialists, chief executives, business leaders and policymakers from Japan. The Japanese delegation is led by Yamanashi Prefecture Governor Kotaro Nagasaki. (ANI)

SEBI's new CAS rules will help reduce volatility, normalisation expected soon: Experts



Mumbai (Maharashtra) [India], August 18 (ANI): Amid SEBI's emphasis that the Closing Auction Session (CAS) is "here to stay" as a core market reform, experts have said that some adjustments will be required in the initial period and people who hedge using algorithms and risk management practices will have to get used to it. \

Devarsh Vakil, Head of Prime Research at HDFC Securities, said that intermediaries are actively spreading public awareness across all trading channels.

"It's a recent regulatory development, so the people who hedge using algorithms and risk management practices will have to get used to this".

He said the newly-introduced Securities Lending and Borrowing Mechanism (SLBM) classes will bolster closing-session liquidity.

"Eventually it will settle down. In the long run I think these are the steps which will help reduce the volatility and it is a step in the right direction," he said. History "The representatives from our risk and compliance and IT people have been interacting with various regulators and giving our feedback. SEBI is quite open to learning new suggestions from the participants and improving the system," he added.

Shrikant Chouhan, Head of Equity Research at Kotak Securities, said that at the beginning, any particular system creates some problems "because of the overall understanding of the segment with traders, investors, or option traders".

"The option traders are mainly affected because within this 15-minute gap, prices change a lot, which impacts option writers, especially on the day of expiry. The intraday volatility is very low. India VIX is close to 11 or 11.5 levels, which is the lowest," he said, adding that it signals that "option traders are not active."

Chouhan emphasised that the regulator remains open to discussions with brokers and proprietary desks.

"They are ready to listen to all brokers, option traders, and algorithm operators...in the next one or two months, something concrete will come out, leading to normalisation in the market," he said, adding that the step will fulfil the government's objective to curb excessive speculative activity. SEBI Chairman Tuhin Kanta Pandey stated on Monday that the Closing Auction Session (CAS) is "here to stay" as a core market reform.

He noted that the regulator is open to making operational tweaks to refine the mechanism, if needed.

Speaking to media on the sidelines of the Symposium on Cyber Defence at SEBI's NISM Campus in Navi Mumbai, Pandey addressed market friction and social media backlash surrounding the recent CAS rollout.

Defending the mechanism, Pandey emphasised that CAS aligns Indian equities with global benchmarks.

"Internationally, market participants have really welcomed CAS because execution at the closing price is bound to rise, replacing the earlier practice where prices were derived based on VWAP (Volume-Weighted Average Price)," Pandey said. Acknowledging initial trading disruption, Pandey attributed the friction to legacy infrastructure rather than structural flaws.

"Some of the concerns being raised stem from the fact that certain market players have not updated their own internal systems yet," Pandey explained.

"Remnants of historical systems built around event-driven setups are still in place. Traders using specific algorithms didn't immediately see the typical benefits they were used to," he added.

Corporate bond market still lacks equity-like liquidity, higher yields generally come with higher risk: Grip Invest CEO

MUMBAI (MAHARASHTRA) [INDIA], AUGUST 18: India's corporate bond market continues to have lower liquidity than the equity market due to relatively low trading volumes, even as efforts are being made to increase retail participation, according to Grip Invest CEO Vaibhav Laddha. IndiaNews Focus

Speaking to ANI on the sidelines of the Great Indian Bond Festival at the National Stock Exchange (NSE) in Mumbai on Tuesday, Laddha said corporate bonds are listed and tradable, but the market does not yet have the depth or level of trading activity seen in equities.

"Today markets are not as liquid as the equity markets because the trading volume is not that high," Laddha said.

He clarified that lower liquidity does not mean investors cannot sell their bonds before maturity.

"There is no difficulty in trading bonds or exiting them before maturity because they are listed tradable instruments. However, as I said, the market depth or the trading activity is not so much there," he said.

His comments come as the corporate bond market seeks greater participation from retail investors, with lower ticket sizes making bond investments more accessible to individual investors.

On the risks involved in corporate bonds, Laddha said investors should understand that higher yields generally come with higher risk.

"Risk and yields are correlated. Higher the risk, higher the yield," he said.

Laddha said credit ratings provide investors with a way to assess the risk associated with corporate bonds. He said ratings range from AAA, which carries relatively lower credit risk, to BBB within the investment-grade category, while bonds rated below BBB are not investment-grade instruments.

"Higher the rating, lower the yield," he said, adding that investors should select bonds according to their risk appetite.

"For some, AAA and AA bonds might be the fit. For some, some part of your portfolio can go into BBB bonds, which will offer you much higher returns than your average fixed deposits or instruments like those," Laddha said.

On corporate bonds versus traditional bank fixed deposits, he said bonds should be seen as another investment option rather than a replacement for FDs.

"The asset allocation is really important. So if you have 100 rupees of net worth, then you should invest a part of that in equity, fixed deposits, and then something like bonds," he said.

FM Sitharaman suggests public sector banks focus on Gen Z

NEW DELHI [INDIA], AUGUST 18: Finance Minister Nirmala Sitharaman on Tuesday asked public sector banks (PSBs) to consider launching a focused, month-long 'Banking for Youth' campaign from October 2, 2026, as she called on state-owned lenders to build stronger and longer-term relationships with young Indians.

"I would like Public Sector Banks to consider launching a focused, month-long 'Banking for Youth' campaign commencing 2nd October 2026 (Gandhi Jayanti), with particular outreach to young citizens above 16 years of age," Sitharaman said in her closing remarks on the second day of the PSB Confluence 2026. She said the campaign could be coordinated through the Department of Financial Services (DFS) and the Indian Banks' Association (IBA).

The Finance Minister said the campaign should reach young people at the beginning of their financial journey, bring them into the formal banking system and establish an early connection with them.

Instead of waiting for young customers to visit branches, Sitharaman suggested that banks reach them through colleges, universities, skill-building institutions and other campuses. She also proposed dedicated "Yuva Kiosks" or "Yuva Banking Mitra" at bank branches to help young customers navigate banking and financial services. Sitharaman also pointed to the perception gap between public and private sector banks among younger customers, saying private banks appeared to have an image of being banks that were "cool enough as well", and urged PSBs to keep pace with the expectations of young Indians. Highlighting the changing expectations of younger customers, Sitharaman said, "Young Indians have grown up with smartphones. They expect banking to be simple, intuitive, personalised and available around the clock. Public Sector Banks must therefore keep pace with these expectations."

She also suggested that the IBA explore a web- and mobile-friendly portal dedicated to banking awareness for young people. The portal could provide simple information on safe banking practices, KYC, education and skilling finance, entrepreneurship and other financial services, while also helping users locate their nearest PSB branch.

Sitharaman stressed that the initiative should go beyond merely opening accounts and instead aim to establish relationships that follow customers from campus to their careers and later stages of their lives.

"The larger objective should be to build a long-term banking relationship from campus to career and beyond, rather than a one-time account-opening engagement," she said, adding that banks should plan for customers' progression across stages such as education, employment and marriage.