

Markets volatile, but resilient

Peace talks, DIIs save the day

**KISHOR KADAM
& ANANYA GROVER**
Mumbai, August 7

THE BENCHMARK INDICES rebounded in the last hour of the trading session, after almost a percentage point drop in the initial stages, on hopes that US President Donald Trump will soften his stand on the total tariff of 50% imposed on India. With Trump expected to meet the Russian and Ukraine Presidents for peace talks, there are hopes that things will improve.

In addition, domestic institutional investors (DIIs) provided crucial support, buying shares worth ₹10,864.04 crore, while foreign portfolio investors (FPIs) sold shares worth ₹4,997.19 crore, according to provisional data.

Arun Kejriwal, founder of Kejriwal Research and Investment Services, noted: "There was institutional support in the market, given the sensitivity of the event. A lot is expected to unfold in the next 10 days, so the volatility will remain elevated."

The Sensex dropped 732.70 points, or 0.91%, to hit an intraday low of 79,811.29. However, it recovered sharply in the latter half, rising 811.97 points, or 1.02%. The Sensex ended the day at 80,623.26, up 79.27 points, snapping a two-

BIG SWINGS



(% change)

☐ Intraday loss

☐ Recovery from low

☐ At close

	Sensex	Nifty	BSE Midcap	BSE Smallcap
	-0.91	-0.94	-1.24	-1.49
	1.02	1.04	1.56	1.33
	0.10	0.09	0.30	-0.18

day losing streak.

The Nifty, too, recouped all of its intraday losses of 230 points, closing at 24,596.15, up 21.95 points or 0.09%.

"Domestic equities recovered sharply from intraday lows amid a volatile weekly

expiry. While the session began with broad-based selling following steep US tariff hikes on India, sentiment improved toward the close as reports emerged of potential peace talks involving the US, Russia and Ukraine, raising hopes of a

	<div>☐ Intraday loss</div> <div>☐ Recovery from low</div> <div>☐ At close</div>		
Sectors			
Capital goods	-2.01	1.63	-0.41
Services	-1.96	1.71	-0.29
Power	-1.80	1.47	-0.36
Industrials	-1.71	1.50	-0.24
Telecom	-1.70	1.13	-0.59
Commodities	-1.65	1.30	-0.37
Metal	-1.63	1.83	0.16
Oil & gas	-1.62	1.47	-0.17
Realty	-1.60	1.56	-0.07
Energy	-1.54	1.52	-0.05
Utilities	-1.34	1.36	0.01
Auto	-1.23	1.50	0.25
Consumer discretionary	-1.14	1.33	0.18
Consumer durables	-1.08	1.27	0.18
Healthcare	-0.89	1.44	0.53
Financial services	-0.82	1.05	0.22
TECK	-0.82	1.25	0.41
Bank	-0.77	0.92	0.14
FMCG	-0.72	0.68	-0.05
IT	-0.70	1.44	0.73
			(% change)

(% change)

softer US stance on trade," said Vinod Nair, head of research at Geojit Financial Services.

This renewed optimism triggered a strong rebound in the auto, pharma, metals, and energy sectors, helping the market end in positive territory, he added.

Siddhartha Khemka, head of research, wealth management, Motilal Oswal Financial Services, said: "The rebound was driven by news reports indicating a possible meeting between President Trump and President Putin as early as next week, easing geopolitical concerns. Moreover, optimism around a potential India-US trade settlement supported sentiment, especially with a 20-day window still available for negotiations and the US trade delegation scheduled to visit India on August 24."

Khemka added that the market is expected to remain range bound, tracking developments around US-Russia peace talks, India's response to US tariffs, and the ongoing domestic earnings season.

The market breadth was negative, with 2,193 declining stocks versus 1,844 gainers on the BSE. Investor wealth rose marginally by ₹15,678 crore to ₹445.36 lakh crore. Strong recoveries were seen in the metals, services, capital goods, realty, and energy sectors.