

# Market to see a gap down opening today post imposition of US tariff

**WEAK SIGNAL.** Gift Nifty indicates Nifty could fall around 200 points at open after steady session on Wednesday

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Market is expected to open lower with a gap on Thursday, with US President Donald Trump imposing a 25 per cent tariff on India. Gift Nifty at 24,690 (830 pm IST) indicates that Nifty may see a gap down opening of around 200 points on Thursday.

## HEADWINDS

"Markets will react negatively to the imposition of tariff on India. Despite the unpredictable policy making of US, market was expecting a tariff deal to work out as longer term US India strategic interests are aligned," said Nilesh Shah, MD Kotak Mahindra AMC.

It is also likely to pose

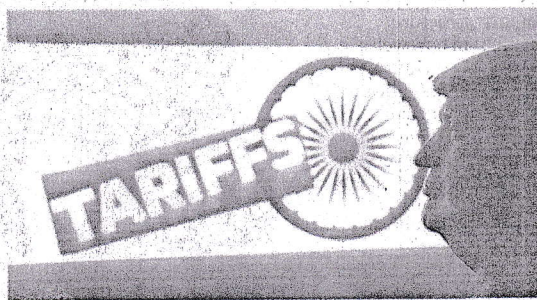
headwinds to India's gross domestic product (GDP) growth, said Aditi Nayar, Chief Economist, ICRA.

On Wednesday, the Sensex gained 143.91 points to settle at 81,481.86, while the Nifty 50 inched up by 33.95 points.

Markets closed marginally higher on Wednesday following a volatile session marked by monthly F&O expiry and investor caution ahead of the US Federal Reserve's policy decision.

## BUYING OPPORTUNITY?

Kishor Ostwal of CNI Infochange in its X post said "Nifty RSI is 42 that too on expiry day and with knee jerk should be good opportunity but again only micro-caps will deliver good returns not large caps."



**SECTORAL IMPACT.** Industries like textiles, pharmaceuticals, and automotive components — key Indian exports — are likely to be impacted the most following US tariff REUTERS

Utsav Verma, Head of Research, Choice Institutional Equities, said investors will reassess their strategies with a mix of caution and optimism. "Sectors like textiles, pharmaceuticals, and automotive components — key Indian exports — are likely

to be most impacted and may see reduced investor interest in the short term," he said.

"Many investors expect the tariff rate to eventually settle around 15 per cent, paving the way for renewed confidence and stronger trade ties," Verma said

adding that "In the short term, market will try to shed its complacency."

## SENSEX EDGES UP

Wednesday's session was primarily driven by strong earnings from infrastructure major L&T, which emerged as the top gainer on the Nifty 50, surging 4.68 per cent after posting robust Q1 results. Market breadth remained slightly positive with 2,030 stocks advancing against 1,968 declining shares on the BSE, while 160 stocks remained unchanged. A total of 144 stocks hit 52-week highs compared to 66 touching 52-week lows.

Looking ahead, analysts expect continued volatility as markets await the Federal Reserve's policy outcome and commentary.