

Markets Show Resilience Yet Again

WITHSTANDING THE TARIFF/TRUMP STORM WITH MIGHT

Even amid surprising global news, Indian markets continue to show remarkable resilience.

The US tariffs on Indian goods—initially feared ever for a 25%, now revised to 50% (double the 25% shocker)—haven't rattled market sentiments much as the market would usually do. Markets opening today, just a third of a percentage lower, says it all.

Global Updates

US Tariffs & Indo-US Relations:

Trump's tariff announcements appear more transient than tactical, and markets have learned not to overreact such. Indo-US diplomatic tensions may be simmering, especially post-Operation Sindoor credit frictions.

India-China Normalization:

India-China ties show signs of normalization, with PM Modi visiting China after 7 years, for the upcoming SCO Summit.

Cooking of an Alternative Alliance :

On the flip side, there are encouraging developments between BRICS nations, which could create a strong alternative alliance.

China- Brazil Cooperation:

BRICS cooperation is gaining momentum, with China's top diplomat Wang Yi's statement that China is willing to work with Brazil to deepen bilateral cooperation and leverage the stability and complementarity of their cooperation to effectively offset external uncertainties.

Domestic Updates

Time Correction Phase:

We're in a time correction phase for over a year now.

Valuations:

Markets are currently facing multiple challenges like low corporate earnings, expensive valuations, slower pickup in consumption along with tariff concerns, and yet markets haven't sharply corrected.

Market Strength:

That speaks volumes about the underlying strength and belief in India's growth story despite the ongoing hiccups.

Investor Takeaway

Despite temporary discomfort, the market seems to be discounting negative news smartly and awaiting structural positives. There are news floating about the government likely to make some reform oriented announcements around 15th August.

This is not a time to step away – it's time to step up smartly.

Let's move past the old cliché of avoiding markets in downturns. Instead, use dips as opportunities to build long-term wealth.

As always, we're here to help you navigate wisely.

Stay invested. Stay informed. Stay smart.