Baroda BNP PARIBAS MUTUAL FUND

Together for more

The Week that was

August 14, 2026

"Indian Markets break winning streak, retreat amid geopolitical uncertainty"

Indian Developments

Broad markets snapped their two-week winning streak, ending the week on a weaker note as macro risks weighed on investor sentiment. For the week ended **August 14, 2026**, the benchmark **Nifty 50 declined by 0.83% to close at 24,366**. Similarly, the broader markets registered minor weekly corrections, with the Nifty Midcap Select dipping 0.13% and the BSE SmallCap Select index sliding 0.65%.

The **INDIA VIX** showed structural hardening as risk premiums expanded. Grounding investor sentiments was a notable surge in domestic banking system deposits—which spiked by nearly ₹11 lakh crore over the trailing six weeks to reach a historic record of ₹269.44 lakh crore. However, persistent geopolitical logjams in West Asia alongside hardened cross-border stances continued to enforce near-term caution across institutional desks.

Sectoral Developments

The Winners: Defensive asset pockets and specialized operational segments generated significant relative alpha this month. Hospitals spearheaded sectoral outperformance with a strong +1.49% weekly return, followed closely by Telecommunication (+0.86%) and Consumer Durables (+0.17%).

The Laggards: High-multiple and commodity cyclicals faced distinct tactical de-allocations. Housing Finance experienced the deepest monthly consolidation, correcting -1.40%, while Nifty Metal (-0.71%) and Energy (-0.44%) bore the brunt of capital out-rotation.

Global Developments

USA: A highly supportive domestic setup emerged after softer-than-anticipated July headline CPI data eased direct concerns regarding aggressive Federal Reserve interest rate hikes. Main street optimism surrounding expanding mega-cap tech corporate earnings pushed major equity benchmarks firmly back into positive territory.

Asian Markets: In stark contrast to the previous week's severe de-rating, regional indices staged an elegant technical rebound. The Nikkei 225, Kospi, and Shanghai Composite indices clawed back near-term losses to settle higher on a weekly basis, despite ongoing headline standoffs regarding the restriction of Gulf shipping channels.

Other Markets:

- Brent Crude: **$87.2 per barrel**
- Rupee ended the week at **₹95.435 against the US dollar**
- 10-Year Benchmark Yield: **6.76%.**

Source: www.nseindices.com; MCX Gold Prices; Economic times, Bloomberg.

Data for week ended on August 14, 2026.

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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Data for week ended on August 14, 2026.