Trustner

WEEKLY MARKET BRIEF

Seven Sessions Down, Then a Rescue Nobody Was Watching For: The US Treasury Changed a Bond-Buyback Schedule — and India's Longest Losing Streak Since September 2025 Ended the Next Morning

Your weekly compass through the financial markets

Week of August 17 – August 23, 2026 | Vol. 1, Issue 25

Trust. Protect. Grow.

DOWN WEEK ▼ Nifty −0.47% to 24,252.00 · Sensex −0.60% to 77,540.83 — a second straight down week, and the smallest of losses after the largest of dramas

NIFTY 50	SENSEX	INDIA VIX	BRENT CRUDE
24,252	**77,541**	**11.20**	**~$93**
▼ −0.47%	▼ −0.60%	▼ −0.9% wk	▲ ~+7% wk

THE LOSING STREAK	THE RESCUE	THE REGULATOR
7 sessions	**+628 points**	**₹3.67 Cr**
the Nifty's longest since September 2025	Thursday's Sensex rebound, made in Washington	impounded over the first alleged CAS rigging

Indian Equities

A seven-session slide, then two days that took most of it back

On the face of it this was an unremarkable week: the **Nifty 50 fell 0.47% to 24,252.00**, down 114.00 points from the previous Friday's 24,366.00, while the **Sensex lost 0.60% to 77,540.83**, down 468.42 points — a second consecutive down week, and a shallow one. The Bank Nifty actually *rose* 0.47% to 57,761.95 and the Fin Nifty added 0.18% to 26,261.00. If you had looked only at the two Friday closes a week apart, you would have concluded that nothing happened.

A great deal happened. By Wednesday the Nifty had fallen for **seven consecutive sessions** — its longest losing streak since September 2025 — surrendering 2.1% from its 10 August close, with the Sensex down four days running and 1,099 points below where it began the week. Then on Thursday the Nifty jumped **153.55 points (+0.64%)** and the Sensex **628.04 points (+0.82%)**, before Friday finished almost exactly flat. Two sessions erased four-fifths of a slide that had taken seven to build.

THE WEEK'S PATH — DOWN A STAIRCASE, UP A LIFT

Nifty 50, Friday 14 August close through Friday 21 August close · every point a verified daily close

Daily closes: Mon −78.35, Tue −132.75, Wed −76.60, Thu +153.55, Fri +20.15. Tuesday's exact close is derived from the reported "Nifty at 24,155, Sensex down 493 points" and confirmed by the reconciliation below.

THE RECONCILIATION WE RUN BEFORE WE WRITE A WORD

24,366.00 − 78.35 − 132.75 − 76.60 + 153.55 + 20.15 = **24,252.00**. On the Sensex: 78,009.25 − 281.09 − 492.70 − 325.78 + 628.04 + 3.11 = **77,540.83**. Both land exactly on Friday's reported closes, starting from the closes we published last week — only the second time this year that all five sessions have been independently verifiable and summed to the point. It also settled a disagreement: several roundups called the week "−0.5% on the Nifty", but 114.00 points against a base of 24,366.00 is **−0.47%**. A small thing, and precisely why it is worth checking — the number nobody bothers to verify is the number nobody notices is wrong.

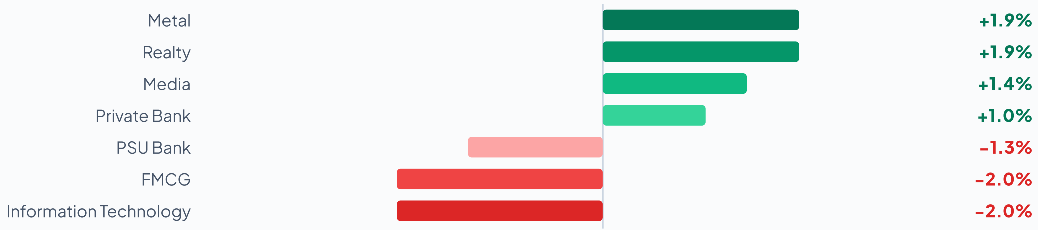
Sectoral Scorecard — The Index Fell, the Average Stock Did Not

Metals and property up; technology and consumer staples carried the loss

The headline decline hides an unusually clean split. **Metals and realty, each up roughly 1.9%**, finished comfortably higher along with media and private banks, while the damage concentrated in **IT and FMCG, both down about 2%** — technology because a sharp rise in US bond yields punishes the long-duration, richly valued end of any market, staples because they had been the crowd's hiding place and were sold to fund the rebound.

SECTOR MOVES, WEEK ENDED 21 AUGUST

Seven sector indices where two independent sources agreed on direction and magnitude



Weekly moves, common scale. Metal and realty are shown at the midpoint of a two-source range (+1.8% to +2.0%); sectors on which our sources disagreed are not charted.

WEEK'S BIGGEST GAINERS — NIFTY 50	WEEKLY	WEEK'S BIGGEST FALLS	WEEKLY
HDFC Life Insurance	+3.54%	Tata Motors (Passenger)	–4.96%
Eternal	+2.98%	HCL Technologies	–4.23%
Kotak Mahindra Bank	+2.98%	Infosys	–4.12%

THE BROADER MARKET QUIETLY WON THE WEEK

While the Nifty 50 lost 0.47%, the **Nifty Midcap 150 finished flat and the Smallcap 250 and Microcap 250 both rose about 0.7%**. That divergence is the defining feature of 2026: year to date the **Microcap 250 is up roughly 16% while the Nifty 50 is down about 7%** — a gap of some 23 percentage points between the index everyone quotes and the corner of the market almost nobody does. If your portfolio has beaten the headlines this year, that is probably why; and the honest question is not how clever the allocation was, but how much of it happened by accident. Gaps this wide have historically closed, and rarely by large caps falling further. *Index and category performance is described for illustration only; past performance is not indicative of future results.*

Economy Watch — The RBI's Minutes Were the Hawkish Part of a Dovish Decision

Repo held at 5.25%, but a Deputy Governor put a rate *hike* on the table

On **Wednesday 19 August** the Reserve Bank published the minutes of the Monetary Policy Committee meeting held on 3–5 August — the one at which the repo rate was left unchanged at **5.25%** with a neutral stance, and to which, as this brief noted at the time, the Nifty responded by moving 9.75 points. The decision was mild. The minutes were not.

Members warned that persistent headline or core inflation could force a policy recalibration despite resilient growth, and **Deputy Governor Poonam Gupta went further**, recording that no further easing is possible from here and that a case for a *hike* could emerge during 2026–27. The projections behind that view are the ones to hold on to: retail inflation is expected to average **5% across FY27**, running at 4.7% in the second quarter, **peaking at 5.9% in the third** and easing to 5.5% in the fourth, while the MPC nudged its FY27 real GDP growth forecast up to **6.7%** from 6.6%. India's ten-year government bond yield ended the week at a two-month high.

WHAT "NO FURTHER EASING" ACTUALLY CHANGES FOR A HOUSEHOLD

For two years the working assumption in Indian savings decisions has been that rates would drift lower. A projected inflation *peak of 5.9%* alongside a policy rate of 5.25% inverts it: if those projections prove roughly right, money yielding less than about 6% loses purchasing power through the middle of next year even as the balance grows. That is not a reason to reach for risk you cannot sit through, and it is not a market call. It is a reason to know *which* of your money is short-term money that should stay safe, and which is long-term money being quietly taxed by sitting there — a distinction worth an unhurried conversation with your Relationship Manager rather than a decision made from a headline.

Global Markets

The bond market ran the week — and then rescued it

This was the week the American bond market became the only story that mattered. On **19 August the US Treasury confirmed that outstanding public debt had passed $40 trillion for the first time**, months earlier than forecast, and the **30-year Treasury yield touched a 19-year high above 5.3%** — its highest since 2007. Equities everywhere sold off in sympathy. Then the Treasury did something unscheduled: it announced it would **at least double its buybacks of longer-dated debt**, raising the per-operation maximum from $2 billion to at least $4 billion. Yields fell, risk assets turned, and Asia opened higher the next morning. **That is the entire explanation for**

Currency & Forex

A quiet week for the rupee, for once

USD/INR (Fri 21 Aug)	~₹95.74
Previous Friday	₹95.64
Move on the week	▲ ~0.1%
India 10-yr G-sec	2-month high

Thursday's 628-point Sensex rebound. Wall Street still finished lower — **S&P 500 -1.43% to 7,674.37**, **Nasdaq -2.05% to 26,180.46**, **Dow -0.85% to 53,277.01**, each reconciling exactly against the closes we published last week — despite a strong Friday. India, down 0.47%, outperformed all three.

The rupee ended near **₹95.74 to the dollar**, barely changed from ₹95.64 — a quiet outcome in a week containing a 7% rise in crude and a 19-year high in US long-bond yields, either of which would normally have pushed it lower. A soft dollar did most of that work. The more interesting Indian rate is the domestic one: the **ten-year government bond yield rose to a two-month high** after the RBI minutes landed — the bond market saying it now thinks the next move in policy rates is at least as likely to be up as down.

Commodities

Oil back toward $94; gold and silver had their best week in months

Brent Crude	~$93 ▲~7% wk
Crude (MCX)	₹8,305/bbl ▲7.13%
Gold (COMEX)	~$4,660 · 3-mo high
Gold (MCX)	₹1,59,802/10g ▲5.31%
Silver (MCX)	₹2,45,458/kg ▲5.12%

Crude resumed its climb after President Trump said no talks were under way with Tehran, reaching roughly **$92 by Wednesday and finishing near $93** — a weekly gain of about **7%**, confirmed by MCX crude's 7.13% rise. Precious metals did better still, for the opposite reason: a sliding dollar and $40 trillion of US debt sent **gold to a three-month high near $4,660** and **silver above $70 for the first time since mid-June**, each up around 5%. Both MCX moves reconcile exactly against the levels published here last Saturday. *(Friday Brent quotes ranged $93–94 and international gold $4,600–4,680; the MCX figures are the precise ones.)*

Money Flows & Market Mood

Domestic money kept doing the heavy lifting

FII, Fri 21 Aug (cash)	-₹542.71 Cr
DII, Fri 21 Aug (cash)	+₹2,124.14 Cr
DII cover on the day	3.9× FII selling
India VIX (Fri)	11.20 ▼0.9% wk
Nifty 50, year to date	~-7%

On Friday foreign institutions sold **₹542.71 Cr** of Indian shares in the cash market while domestic institutions bought **₹2,124.14 Cr** — nearly four rupees of domestic buying for every rupee of foreign selling. That ratio, repeated across most sessions this year, is the biggest structural change in Indian equities in a decade, and the money behind it is largely your money: monthly SIP flows now approaching ₹32,000 crore. The fear gauge, meanwhile, did almost nothing — **India VIX eased to 11.20 from 11.30** through a seven-session losing streak. *(A verified five-day FII/DII total was not available and is not published; nor is an August month-to-date FPI figure, on which sources conflicted.)*

Mutual Fund Pulse — Somebody Tried to Rig the Closing Price. The System Caught It in Six Days.

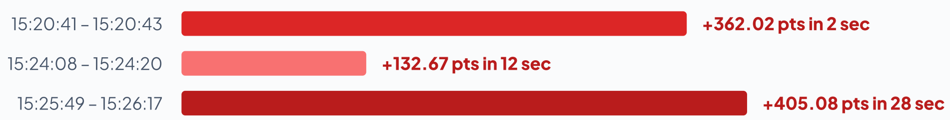
SEBI's first enforcement action on the Closing Auction Session, and why it matters to a NAV

Three weeks ago this brief reported a piece of plumbing: on **3 August India's Closing Auction Session went live**, so the closing price of every F&O-eligible stock — and therefore the price at which your fund's net asset value is struck — is now set by a 20-minute auction from 3:15 PM rather than the last half-hour of ordinary trading. The obvious follow-up question was whether a short, concentrated window would prove easier to push around than a full session. Ten days later, someone allegedly tried.

On **19 August SEBI issued an interim order** barring **Copthall Mauritius Investment**, a unit of JPMorgan Chase, and **Mansi Share and Stock Broking** from the securities market, and impounding roughly **₹3.67 crore** of alleged unlawful gains. The regulator's finding is that on **13 August — a Sensex weekly expiry day** — the two entities placed large, aggressive and subsequently cancelled orders that moved the Sensex Indicative Equilibrium Price sharply within seconds, while holding index options that expired the same afternoon. Copthall alone accounted for **86.6% of the gross buy value** in Sensex constituents during the auction, on gross purchases of ₹191.29 crore. SEBI has alleged prima facie violations of Regulations 3 and 4 of the PFUTP Regulations and Section 12A of the SEBI Act.

THREE SPIKES IN THE SENSEX EQUILIBRIUM PRICE, 13 AUGUST

Points added to the indicative closing level, and the number of seconds it took



Source: SEBI interim order dated 19 August 2026; bar lengths proportional to points moved. Allegations are prima facie and remain to be adjudicated — no finding of guilt is implied.

WHY A FUND INVESTOR SHOULD FIND THIS REASSURING RATHER THAN ALARMING

The instinctive reaction to "someone manipulated the closing price" is that the market is rigged and one's savings are at the mercy of faster machines. Look at the timeline instead. The mechanism went live on 3 August; the alleged manipulation happened on 13 August; a detailed interim order — naming the entities, timestamping the spikes to the second, quantifying the gain and impounding the money — was public by **19 August**. **Six days.** And note what the alleged scheme was worth: **₹3.67 crore, in a market that trades lakhs of crores**, extracted from expiring index options — a game played entirely among derivatives traders. A monthly SIP into a diversified equity fund was not a participant, a target, or a casualty. *Named entities are referenced solely to report a regulatory action of public record.*

The week's other industry news came from the **31st AMFI Annual General Meeting on Friday 21 August**, where SEBI Chairman **Tuhin Kanta Pandey** noted that industry assets have grown from around **₹15 lakh crore in July 2016 to about ₹86 lakh crore in July 2026** — near 19% a year — and set the regulator's next priority as **investor outcomes** rather than industry size. Separately, and far more practically, **AMFI has revised the procedure for claiming units after a unit holder's death** to make transmission simpler for nominees. If you have never checked whether your folios carry a current nominee, that is the highest-value thirty minutes of admin available to you this month.

🌍 Geopolitical Spotlight

Talks called off, and a neighbour picks a side

The oil story got worse before it got quieter. On **Tuesday 18 August President Trump said no talks were under way or scheduled with Tehran**, and that he had told his envoys to stop their conversations — a reversal of the optimism that had pulled Brent toward $82 at the start of the month. He simultaneously called the situation "so good", suggested talks might resume "at some point", and repeated his claim that the United States is in "complete control" of the Strait of Hormuz. Markets priced the first sentence: Brent rose to roughly $92 by Wednesday. The same day the **United Arab Emirates suspended all trade and financial transactions with Iran** — a hard turn from a state that has long been Tehran's most important commercial back door, and a sign that the economic front of this conflict is widening even where the military one is static.

🏛 IPO Watch & Digital Assets

Two strong listings, and bitcoin's best week in years

Milky Mist Dairy Food	**listed 18 Aug**
Shiprocket	**listed 19 Aug**
Tempsens Instruments	**open 20–24 Aug**
Bitcoin (Fri 21 Aug)	**~$77,230 ▲~22% wk**

The primary market stayed busy: **Milky Mist Dairy Food listed on 18 August and Shiprocket on 19 August**, both reported to have opened well above issue price, while **Tempsens Instruments** opened its mainboard offer on 20 August. *(Listing-day gains came from a single IPO-tracking source and are not quoted.)* The louder number was in crypto: **bitcoin rose about 22% to roughly $77,230** from $62,837 — its best week in at least two years — on the same Treasury buyback news that lifted gold, with some $4 billion of shorts liquidated over two days. It is still well below its January peak near $94,820. An asset that moves 22% in a week on a change to a government bond-repurchase schedule is a leveraged bet on liquidity, not a store of value.

🔭 The Week Ahead — What We're Watching

Themes, not predictions

30Y YIELD

Whether the Treasury's buyback expansion actually holds the long end

Yields fell on the announcement, then partially rebounded within a day. If the 30-year pushes back above 5.3%, the pressure that produced this week's slide returns — and it will land on Indian IT and other long-duration sectors first.

OIL DRIVER

Any resumption of US-Iran contact

Brent at $93 is the tax India pays on this conflict, transmitted through the rupee, the current account and the inflation path the RBI has just said it is watching. A genuine return to the table eases all three at once; silence keeps the drag where it is.

MPC 5-7 OCT

How the market re-prices a central bank that has stopped easing

The minutes moved the debate from "how much more will they cut" to "might they have to hike". Watch the ten-year yield rather than the equity index; bond markets change their minds more slowly and more truthfully.

CAS WATCH

What the exchanges do next about the closing auction

An interim order is not the end of a process; expect scrutiny of expiry-day auction behaviour and possibly surveillance changes. The practical consequence for fund investors remains nil — but this is now the mechanism your NAV is struck on.

🛡 The Trustner View — Nobody Had This on Their List

On the difference between watching the news and forecasting it

Ask yourself, honestly, what you would have needed to know on Monday morning to trade this week well. Not that oil would rise, or that the RBI sounded hawkish, or that Indian IT looked expensive — all knowable, all pointing one way. You would have needed to know that **the US Treasury would change the size of its long-dated bond buyback operations** mid-week, and that this one technical adjustment would turn a seven-session slide in Mumbai into a 628-point rebound the next morning while adding 22% to bitcoin. **Nobody had that on their list.** The people who did best this week did not predict it; they had already decided, months ago, how much of their money belongs in equities, and did not revisit the question on Wednesday. On this evidence that is the only sophistication that survives contact with reality.

"The investor's chief problem — and even his worst enemy — is likely to be himself." — Benjamin Graham

This week's companion blog — *"The Rescue Nobody Forecast: What a US Treasury Buyback Schedule Did to Your Indian Portfolio"* — works through why the variable that decides a week is so rarely the one on the front page, and what a sensible person does about it. Read it on **merasip.com/blog**.

✅ Three Things To Do This Week

#	ACTION	WHY IT MATTERS
1	**Check the nominee on every mutual fund folio you hold**	AMFI has just revised the death-claim procedure specifically to make transmission easier for nominees — and that process is dramatically simpler when a current nominee exists. Thirty minutes of admin that spares a grieving family months of paperwork — and almost nobody does it until it is too late. Do it for insurance policies and bank accounts on the same afternoon.
2	**Find out how much of your equity money is actually in small and micro caps**	The Microcap 250 is up around 16% this year while the Nifty 50 is down about 7%. If your portfolio has quietly outperformed, that gap is probably why — and a weight that grew through returns rather than a decision is the kind that hurts most when the gap closes.
3	**Re-read your emergency fund in light of "no further easing"**	With inflation projected to peak near 5.9% and the repo at 5.25%, the real return on idle cash is heading negative. Short-term money should stay safe and liquid — but cash that has sat untouched for three years because nobody revisited it is a decision being made by default.

When did you last check who inherits your investments?

Nominee records, folio consolidation and a clear line of succession take one short conversation to fix, and years to untangle if they are missing. AMFI has just simplified the claim process for nominees — which only helps if a current nominee is on record. We will go through yours with you, folio by folio. No jargon, no obligation.

Schedule a Review | **Explore MeraSIP**

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