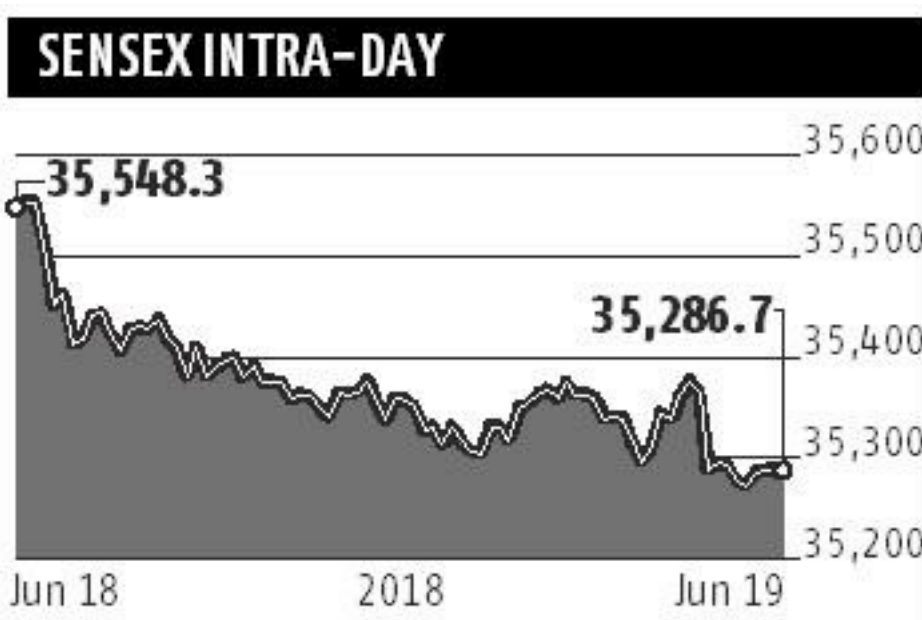


Stocks remained subdued for the second straight day on Tuesday, owing to a sell-off across [global markets](#) after the US and China reignited their trade dispute.

The BSE Sensex plunged around 261 points to end at a two-week low of 35,286.74, while the broader Nifty dropped 89 points to 10,710.45.

[Asian markets](#) nosedived after US President [Donald Trump](#) threatened to impose additional tariffs on Chinese goods, and Beijing vowed to retaliate, fanning fears of a full-blown trade war between the world's two largest economies.



Unabated selling by foreign funds and a weak rupee added to the gloom, brokers said.

The 30-share Sensex barometer opened positive, but soon fell on across-the-board selling. It finally settled at 35,286.74, down 261.52 points, or 0.74 per cent. This is its lowest closing since June 6, when it had ended at 35,178.88.

The NSE Nifty ended 89.40 points, or 0.83 per cent lower at 10,710.45.

Foreign portfolio investors (FPIs) sold shares worth a net Rs 7.54 billion, while domestic institutional investors (DIIs) picked up equities worth Rs 8.24 billion on Monday, according to provisional data. "Escalating trade disputes between the US and China is impacting the global market and the ripple effect dented the domestic market sentiment.

"Lack of fresh triggers and weakening rupee may lead the market to consolidate further. Consolidation in oil price in expectation of gradual increase in output ahead of OPEC meet may provide some support to INR," said Vinod Nair, head of research at Geojit Financial Services.

Compiled by BS Research Bureau | Source: Bloomberg

Vedanta was the biggest loser in the Sensex pack, sinking 3.55 per cent, followed by Adani Ports that fell 2 per cent. Only ITC, HDFC Bank, HDFC and ONGC managed to close in the green. All sectoral indices finished with losses. Metal fell 1.69 per cent, followed by realty (1.33 per cent), oil and gas (1.22 per cent), IT (1.21 per cent), teck (1.08 per cent), PSU (1.07 per cent).

Selling pressure also gathered momentum in broader markets, with the BSE small-cap index falling 1.29 per cent and the mid-cap index losing 0.98 per cent.

In Asia, Hong Kong's Hang Seng tanked 2.94 per cent, Japan's Nikkei declined 1.73 per cent and China's Shanghai Composite Index slumped 3.82 per cent. Taiwan and Singapore also closed with losses.

SLIDE CONTINUES

Jun 19, '18 1D (%)

America (June 18)

Ibovespa	69,814.7	-1.3
Dow Jones	24,987.5	-0.4
S&P 500	2,773.8	-0.2

Europe(18:30 IST)

Dax	12,667.9	-1.3
Cac 40	5,387.2	-1.2
FTSE 100	7,593.7	-0.5

Asia

Shanghai SE	2,907.8	-3.8
Hang Seng	29,468.2	-2.8
Nikkei 225	22,278.5	-1.8
Nifty 50	10,710.5	-0.8
Sensex	35,286.7	-0.7

European markets, too, were down in their early session. Frankfurt was trading lower by 1.58 per cent, while Paris CAC 40 fell 1.16 per cent. London's FTSE was down 0.74 per cent.