

MORNING NEWS CALL

REUTERS

INDIA EDITION

Tuesday, January 2, 2018

FACTORS TO WATCH

11:00 am: **Winter session** of parliament continues in New Delhi.

BREXIT UPDATE

We discuss the latest Brexit developments with UK economics correspondent Alistair Smout at 1930 IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[State-run Bank of India says gets \\$354 mln capital from government](#)

Bank of India, the country's sixth biggest lender by assets, said on Saturday it received 22.57 billion rupees from the government, joining other lenders in which the government is injecting funds to shore up their capital base.

[Indian regulators face legal challenge in probe over prescient messages](#)

A series of raids by India's market regulator, investigating whether corporate announcements were prematurely leaked by market participants in social media chatrooms, were the largest it has conducted.

[Reliance Jio to buy RCom's wireless assets in \\$3.75 bln deal-sources](#)

Debt-laden Reliance Communications has signed a deal to sell its wireless assets to Reliance Jio Infocomm for nearly 240 billion rupees, two sources familiar with the matter told Reuters on Friday.

GLOBAL TOP STORIES

[Iranian protesters attack police stations, raise stakes in unrest](#)

Iranian protesters attacked police stations late into the night on Monday, news agency and social media reports said, as security forces struggled to contain the boldest challenge to the clerical leadership since unrest in 2009.

[North Korea's Kim says 'open to dialogue' with South Korea, will only use nukes if threatened](#)

Kim Jong Un on Monday warned the United States that he has a "nuclear button" on his desk ready for use if North Korea is threatened, but offered an olive branch to South Korea, saying he was "open to dialogue" with Seoul.

[Compass Group chief, five others killed in Sydney seaplane crash](#)

The chief executive of British catering giant Compass Group and four members of his family were killed when the seaplane they were flying in crashed into a Sydney river on New Year's Eve.

STATE OF THE MARKETS

The **SGX Nifty Futures** was trading at 10,512.50, trading down 0.4 percent from its previous close.

The **Indian rupee** will likely open lower against the dollar, as local shares are expected to slip with global investors returning from New Year holiday, while rising crude oil prices will also hurt sentiment. - NewsRise

Indian sovereign bonds are likely to rise in early trade, as the central bank announced the auction of a new 10-year paper this week, which will spur overall demand, traders said. The benchmark bond yield is likely to trade in 7.28 percent-7.34 percent band today, a trader with a private bank said. Yesterday, the note closed at 96.33 rupees, yielding 7.34 percent. - NewsRise

There were no fireworks on **Wall Street** for the last trading day of the year, as U.S. stocks closed out their best year since 2013 on a down note, with losses in technology and financial stocks keeping equities in negative territory for the session.

Asian shares scaled a decade peak after a survey of Chinese manufacturing proved surprisingly upbeat, while the euro lurked within striking distance of its 2017 top against an ailing U.S. dollar.



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The **dollar** fell to its lowest in over three months against a basket of major currencies on Friday, marking its steepest annual drop since 2003, on doubts over durability of a pickup in U.S. economic growth in wake of last week's tax overhaul.

Year-end demand helped **U.S. Treasuries prices** end the year stronger on Friday, before a heavy week of data, though volumes were light before Monday's New Year's Day holiday.

Oil prices had their highest January opening since 2014, with Brent and WTI crude prices rising to mid-2015 highs, supported by ongoing supply cuts led by OPEC and Russia as well as strong demand.

Gold prices hit over 3-month highs, supported by technical factors after the precious metal broke through strong resistance last week.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	63.90/64.93	January 1	\$51.2 mln	\$27.01
10-yr bond yields	7.28 pct	Month-to-date (December)	-\$832.87 mln	\$524.43 mln
		In 2017	\$7.86 bln	\$26.26 bln



PICTURE OF THE DAY



A surfer rides a wave during the Punta Galea Big Wave Challenge in Punta Galea, Getxo, near Bilbao, Spain, December 30, 2017. REUTERS/Vincent West

(Compiled by Nandi Kaul in Bengaluru)

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