

MORNING NEWS CALL

REUTERS

INDIA EDITION

Monday, January 7, 2019

MONDAY, JANUARY 7, 2019

FACTORS TO WATCH

11:00 am: **Winter Session of Parliament** continues in New Delhi.

LIVECHAT - FX WEEK AHEAD

FX Buzz analyst **Jeremy Boulton** analyses G7 currencies at 6:00 pm IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[Reliance Communications says committed to settle dues with Ericsson](#)

Indian telecom company Reliance Communications said it remained "fully committed" to settle dues with Swedish telecom gearmaker Ericsson from the proceeds of its sale of wireless assets to Reliance Jio Infocomm.

[Jet Airways, bankers to meet airline's vendors, lessors to discuss debt plan -sources](#)

Debt-laden Jet Airways is close to reaching a deal with State Bank of India for a fresh loan of 15 billion rupees to meet its working capital needs, two sources aware of the matter told Reuters.

[India's services activity dips in December, but firms step up hiring](#)

Growth in India's services sector slowed slightly in December, but firms hired at a faster clip on continuing optimism as new business and employment remained buoyant, a private survey showed on Friday.

[Court declares tycoon Mallya a "fugitive economic offender"](#)

A court in India set up under anti-money laundering laws declared liquor and aviation tycoon Vijay Mallya a "fugitive economic offender" on Saturday, paving the way for the government to seize his assets, according to Reuters partner ANI.

[India has more than adequate 2,000 rupee notes in system - official](#)

India has not yet decided on further printing of 2,000 rupee notes as there are more than adequate notes of this denomination in the system, Economic Affairs Secretary Subhash Chandra Garg said.

GLOBAL TOP STORIES

[Trump: Weakness in China economy gives Beijing incentive for trade deal](#)

U.S. President Donald Trump said on Sunday that trade talks with China were going very well and that weakness in the Chinese economy gave Beijing a reason to work toward a deal.

[Samsung Electronics braces for profit drop as China slowdown chips away at demand](#)

Samsung Electronics is set to post its first drop in quarterly operating profit in two years as slowing economic growth in China, a key market for the South Korean tech giant, erodes demand for its products.

[Trump holds firm on border wall, offers steel option as compromise](#)

U.S. President Donald Trump pledged on Sunday not to bend in his demand for a wall along the southern border with Mexico but said the barrier could be made of steel instead of concrete as a potential compromise with Democrats who refuse to fund it.



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STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading 1.1 percent higher at 10,892 from its previous close. -NewsRise

The **Indian rupee** is expected to open higher against the dollar after U.S. Federal Reserve Chairman Jerome Powell said low inflation will allow the central bank to be “patient,” boosting appetite for emerging market currencies. -NewsRise

Indian government bonds are likely to trade little changed in early session as the impact of an uptick in crude oil prices may be offset by appreciation in the local currency. The yield on the benchmark 7.17 percent bond maturing in 2028 is likely to trade in a 7.43 percent - 7.48 percent band today. -NewsRise

Wall Street rebounded on Friday to close at its highest in two weeks after a strong jobs report and assurances from Federal Reserve Chairman Jerome Powell that the central bank would be patient and flexible in steering the course of interest rates.

Asian shares sped ahead as a dovish turn by the Federal Reserve and startlingly strong U.S. jobs data soothed some of the market's worst fears about the global outlook.

The **dollar** weakened against its peers, as investors wagered that the Federal Reserve would put its policy tightening on pause in 2019, which eased market concerns about a slowing for U.S. growth.

Treasury yields rose on Friday after the U.S. employment report for December came in more robust than expected, and on the back of U.S. equities, which hit session highs as Federal Reserve Chair Jerome Powell struck a dovish tone in a roundtable interview.

Oil prices rose, lifted by optimism that talks could soon resolve the trade war between the United States and China, while supply cuts by major producers also supported the market.

Gold prices edged down as equities rose on a recovery in risk appetite following comments by U.S. Federal Reserve Chairman Jerome Powell that the central bank would be patient and flexible in steering the course of interest rates.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	69.86/69.89	January 4	-\$22.73 mln	-\$105.88 mln
10-yr bond yield	7.45 pct	Month-to-date	-\$145.18 mln	\$46.2 mln
		Year-to-date	-	-

PICTURE OF THE DAY



Kite-flying enthusiasts fly kites on the first day of the eight-day long International Kite Festival in Ahmedabad, India, January 6. REUTERS/Amit Dave

(Compiled by Swathi Nair in Bengaluru)

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