

MORNING NEWS CALL

REUTERS

INDIA EDITION

Tuesday, January 8, 2019

TUESDAY, JANUARY 8, 2019

FACTORS TO WATCH

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

LIVECHAT - EUROPE ECONOMICS

Is Germany heading towards a recession? What does Brexit, trade wars mean for the rest of Europe. We will be chatting with **Dr. Christian Grimme**, Economist at IFO institute at 5:30 pm IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[RBI likely to pay bumper interim dividend to help Modi government-sources](#)

India's central bank, having changed leadership last month following a clash with the government, is likely to transfer an interim dividend of 300-400 billion rupees to the government by March, according to three sources with direct knowledge of the matter.

[India forecasts 7 percent-plus economic growth ahead of elections](#)

India forecast its economy will grow more than 7 percent in the current financial year ending in March, giving some relief to Prime Minister Narendra Modi who seeks a second term in national elections to be held by May.

[RBI says it is open to liquidity needs, ahead of shadow banker meeting](#)

India's central bank is open to infusing "need-based" liquidity into the financial system, Governor Shaktikanta Das said on Monday ahead of a meeting with the shadow banking sector, which has been hit hard by a funding crunch.

[Modi plans job quotas for less well-off Indians as election nears](#)

India's cabinet on Monday backed proposals to reserve 10 percent of government jobs for Indians outside the higher income brackets, a plan the main opposition party suggested was an attempt by the government to lure back voters as an election nears.

[Indian state firms allowed private help with old oil, gas blocks](#)

Energy-hungry India will allow state-owned explorers to rope in the private sector to raise production from old fields as the world's third biggest oil importer strives to better exploit its hydrocarbon resources and cut dependence on foreign oil.

[Trump, Indian PM Modi discuss trade, Afghanistan -White House](#)

U.S. President Donald Trump and Indian Prime Minister Narendra Modi discussed reducing the U.S. trade deficit with India and increasing their cooperation in Afghanistan in a telephone call on Monday, the White House said.

[Bandhan Bank to buy Gruh Finance in share-swap deal](#)

Bandhan Bank will buy mortgage provider Gruh Finance in a share-swap deal to build up its housing loan portfolio, the companies said on Monday.

[BPCL to buy Iranian oil in February after 3-month gap - sources](#)

State-run Bharat Petroleum will import 1 million barrels of Iranian oil in February after a gap of three months, with the nation's overall purchases from Tehran remaining at 9 million barrels, three industry sources said.

GLOBAL TOP STORIES

[U.S., China can reach trade deal 'we can live with' -U.S. Commerce secretary](#)

U.S. Commerce Secretary Wilbur Ross predicted on Monday that Beijing and Washington could reach a trade deal that "we can live with" as dozens of officials from the world's two largest economies resumed talks in a bid to end their trade dispute.



THOMSON REUTERS®

Nissan's Ghosn says he is innocent in first appearance since November arrest

Nissan Motor's ousted Chairman Carlos Ghosn defended himself against allegations of financial misconduct in a Tokyo court, declaring his innocence in his first public appearance since his arrest in November.

N.Korea leader visits China after warning of alternate path to U.S. talks

North Korean leader Kim Jong Un is visiting China at the invitation of Chinese President Xi Jinping, only days after warning he may take an alternative path if the United States does not ease sanctions and pressure on his isolated country.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading flat at 10,807.50 from its previous close. -NewsRise

The **Indian rupee** is expected to open lower against the dollar after Brent crude oil reached its highest level since mid-December, offsetting a further decline on the dollar index. -NewsRise

Indian government bonds are expected to rise in early trade as the federal government will auction a new 10-year note this week, boosting demand for other notes. The yield on the benchmark 7.17 percent bond maturing in 2028 is likely to trade in a 7.47 percent-7.53 percent band today. -NewsRise

Amazon.com and Netflix fueled a second straight session of gains on **Wall Street** on Monday, as the resumption of U.S.-China trade talks helped ease concerns that have pummeled the market in recent months.

Asian shares rose for the third straight session as investors bet that Washington and Beijing are inching towards a trade deal and that U.S. Federal Reserve would halt its tightening if economic growth slows further.

The **dollar** fell versus other major currencies for a fourth straight session, as investors grew increasingly convinced the Federal Reserve will not raise interest rates this year amid uncertainties over the U.S. economy.

U.S. Treasury prices fell on Monday, extending losses from Friday, as investors evaluated the likelihood of further Federal Reserve rate hikes this year and as the United States and China resumed trade talks.

Oil prices were stable, supported by hopes that talks under way in Beijing involving U.S. and Chinese officials could end trade disputes between the world's biggest economies, while OPEC-led supply cuts also tightened markets.

Gold held steady as bets on a pause in U.S. interest rate hikes and hopes of a Sino-U.S. trade deal put pressure on the dollar, but an improved risk appetite capped gains for the safe-haven metal.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	69.87/69.9	January 7	\$105.5 mln	\$17.53 mln
10-yr bond yield	7.5 pct	Month-to-date	-\$203.8 mln	\$63.73 mln
		Year-to-date	-	-



PICTURE OF THE DAY



A Sadhu or a Hindu holy man applies ash on his face at a makeshift shelter before heading for an annual trip to Sagar Island for the one-day festival of "Makar Sankranti", in Kolkata, India, January 7. REUTERS/Rupak De Chowdhuri

(Compiled by Swathi Nair in Bengaluru)

For questions or comments about this report, contact:
reuters.marketwatch@thomsonreuters.com

For more information about our products:
<https://www.thomsonreuters.com/en/products-services.html>
 Or send us a sales enquiry at:
<https://www.thomsonreuters.com/en/contact-us.html>
 or call us on North America: +1 800 758 5555

To subscribe for the India Morning Newscall newsletter [click here](#)
 You may instruct us to remove you from Morning News Call by clicking on the link - <https://forms.thomsonreuters.com/india-morning/Unsubscribe/>

© 2019 Thomson Reuters. All rights reserved. This content is the intellectual property of Thomson Reuters and its affiliates. Any copying, distribution or redistribution of this content is expressly prohibited without the prior written consent of Thomson Reuters. Thomson Reuters shall not be liable for any errors or delays in content, or for any actions taken in reliance thereon. Thomson Reuters and its logo are registered trademarks or trademarks of the Thomson Reuters group of companies around the world.

Privacy Statement: To find out more about how we may collect, use and share your personal information please read our privacy statement:
<http://thomsonreuters.com/site/financial-risk-privacy-statement/>

You can manage your Thomson Reuters Financial and Risk communication preferences via the link - <https://pc2.mypreferences.com/ThomsonReutersFR/>