

MORNING NEWS CALL

REUTERS

INDIA EDITION

Thursday, January 10, 2019

FACTORS TO WATCH

No major events are scheduled.

LIVECHAT - BONDS FOCUS

Reuters interest rate reporter **Dhara Ranasinghe** delves into government bond markets at 6:00 pm IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[Yes Bank finalises potential candidates for top job](#)

Yes Bank said on Wednesday it has finalised the potential candidates for the position of chief executive officer to replace the incumbent Rana Kapoor, but did not disclose names.

[IL&FS says ITNL roads business attracts strong interest](#)

India's heavily indebted Infrastructure Leasing & Financial Services said on Wednesday it has received more than 30 expressions of interest for IL&FS Transportation Networks domestic road business.

[IndusInd Bank Q3 profit rises 5 percent](#)

IndusInd Bank reported a 5.2 percent rise in third-quarter profit on Wednesday, helped by higher interest income.

[India sets jobs quota for less well-off, critics see pre-vote ploy](#)

India's parliament passed a landmark bill on Wednesday reserving 10 percent of government jobs for people outside high income brackets, a move criticised by some as a pre-election gimmick amid high unemployment.

[Pfizer to shut two manufacturing plants in India](#)

U.S. drugmaker Pfizer said on Wednesday it was shutting down two manufacturing plants in India that make generic injectables like penicillin in response to falling demand.

GLOBAL TOP STORIES

[China says trade talks with U.S. set foundation to resolve concerns](#)

Trade talks between China and the United States this week were extensive, and helped establish a foundation for the resolution of each others' concerns, China's commerce ministry said, but gave no details on the issues at stake.

[BoJ mulls unpleasant policy options if Fed puts rate hikes on hold](#)

Worried by prospects of a pause in the U.S. interest rate hike cycle, the Bank of Japan is shifting focus towards a risk that it may be forced to deploy more stimulus this year to stop sharp yen rises from derailing an economic recovery, sources say.

[Trump storms out of talks on shutdown, bemoans 'total waste of time'](#)

U.S. President Donald Trump stormed out of talks with Democratic congressional leaders on Wednesday over funding for a border wall with Mexico and reopening the government, complaining the meeting at the White House was "a total waste of time."



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STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading 0.3 percent higher at 10,907 from its previous close. -NewsRise

The **Indian rupee** is expected to extend losses against the U.S. currency after Brent crude oil reached its highest in almost a month, overshadowing a broad weakness in the dollar amid dovish Federal Reserve minutes. -NewsRise

Indian government bonds are expected to fall in early trade as crude oil prices extended gains, hurting the outlook for domestic inflation. The yield on the benchmark 7.17 percent bond maturing in 2028 is likely to trade in a 7.45 percent - 7.50 percent band today. -NewsRise

Wall Street rallied for a fourth session on Wednesday, propelled by Apple, chipmakers and other trade-sensitive stocks after signs of progress in trade talks between the United States and China.

Asian shares began cautiously, struggling to rise after a multi-day rally as markets await more news on U.S.-China trade talks that have raised hopes of a deal to avert an all-out trade war.

The **dollar** weakened versus major peers such as the **euro** and **yen** due to growing expectations the Federal Reserve will pause its rate tightening cycle this year.

Dovish Federal Reserve speakers and a strong 10-year note auction helped bring **Treasury yields** down from two-week highs on Wednesday, after optimism that the United States would reach a trade deal with China had earlier boosted risk appetite.

Oil prices fell on swelling U.S. supply, although the mood in global markets was increasingly confident amid hopes the United States and China may soon end trade disputes that have undermined global economic growth.

Gold prices held near seven-month highs as the dollar was pressured by rising expectations the U.S. Federal Reserve will keep interest rates steady this year, while investors also waited for further news on Sino-U.S. trade talks.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	70.63/70.66	January 9	\$39.14 mln	-\$47.66 mln
10-yr bond yield	7.47 pct	Month-to-date	-\$262.36 mln	-\$96.67 mln
		Year-to-date	-	-



PICTURE OF THE DAY



A Naga Sadhu or a Hindu holy man, wearing prayer beads, plays a traditional instrument on the banks of the river Ganges ahead of the "Kumbh Mela", or the Pitcher Festival, in Prayagraj, previously known as Allahabad, India, January 9. REUTERS/Jitendra Prakash

(Compiled by Swathi Nair in Bengaluru)

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