

MORNING NEWS CALL

REUTERS

INDIA EDITION

Friday, May 18, 2018

FACTORS TO WATCH

9:30 am: Health Minister **J.P. Nadda** at an event in New Delhi.

11:30 am: Toyota Kirloskar Motor Deputy MD **N. Raja** at launch of sedan model Yaris in New Delhi.

2:00 pm: NITI Aayog CEO **Amitabh Kant** at an event in New Delhi.

5:00 pm: **RBI** to release weekly foreign exchange data in Mumbai.

LIVECHAT - WEEKAHEAD

Reuters EMEA markets editor **Mike Dolan** discusses the upcoming week's main market inflection points at 3:30 pm IST. To join the Global Markets Forum, [click here](#)

INDIA TOP NEWS

[Fraud-hit PNB rapped for not making timely regulatory disclosures](#)

Punjab National Bank has received a warning letter from the country's markets regulator for failing to make timely disclosures to the stock exchanges about a sprawling \$2 billion fraud.

[Google says India anti-trust ruling could cause "irreparable" harm - document](#)

Alphabet's Google has said an Indian antitrust ruling that found it was guilty of search bias could cause "irreparable" harm and reputational loss to the company, according to a legal document reviewed by Reuters.

[Land acquisition woes thwart India's mega refinery plan with Saudi Aramco](#)

At the International Energy Forum in Delhi in April, the world's top oil producer Saudi Aramco inked a preliminary deal to partner with a consortium of Indian players to build a \$44 billion refinery and petrochemical project on India's west coast.

[India's state power plants resume coal imports amid domestic shortages](#)

State-run thermal power plants in India's coastal states have again begun buying overseas coal due to domestic coal shortages, government and utility officials said, in a setback for the country's long-term plans to eliminate imports.

[Vedanta's Indian copper smelter to remain shut until at least June 6](#)

Vedanta Resources' Thootukudi copper smelter, one of India's biggest, will remain shut until at least June 6, a lawyer petitioning against the plant reopening said on Thursday.

GLOBAL TOP STORIES

[China offers Trump package to slash U.S. trade deficit -officials](#)

China has offered U.S. President Donald Trump a package of proposed purchases of American goods and other measures aimed at reducing the U.S. trade deficit with China by some \$200 billion a year, U.S. officials familiar with the proposal said.

[Trump seeks to placate North Korea's Kim over uncertain summit](#)

U.S. President Donald Trump sought on Thursday to placate North Korea's leader Kim Jong Un after Pyongyang threatened to scrap an unprecedented summit, saying Kim's security would be guaranteed in any deal and his country would not suffer the fate of Muammar Gaddafi's Libya, unless that could not be reached.



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CBS votes to end Redstone control but must take battle to court

CBS Corp's board on Thursday voted to end Shari Redstone's control of the media company, but the move will not take effect unless a Delaware judge sides with CBS in its litigation to stop a potential merger with Viacom.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading down 0.3 percent at 10,670.00. -NewsRise

The **Indian rupee** will likely open lower against the U.S. currency as rising Treasury yields lifted the dollar index to four-month highs. -NewsRise

Indian government bonds are likely to fall ahead of a weekly debt sale today, even as higher U.S. Treasury yields will weigh on overall demand. The yield on the benchmark 7.17 percent bond maturing in 2028 is likely to trade in 7.87 percent-7.93 percent band until auction outcome. -NewsRise

Wall Street ended a choppy trading session lower on Thursday, as investors grappled with escalating trade tensions and rising oil prices.

Asian stocks edged up as investors kept a cautious watch on developments in U.S.-China trade negotiations, while the dollar was perched near a five-month peak against a basket of currencies thanks to the benchmark U.S. Treasury yield topping a seven-year high.

The **dollar** edged higher against the yen and set a fresh four-month high, buoyed by a rise in U.S. Treasury yields that suggests a more upbeat outlook for the world's largest economy.

U.S. 10-year Treasury yields rose to a near seven-year peak on Thursday, extending this week's bond market selloff, as traders and investors have not reached a consensus on whether it was time to buy or if the market was vulnerable to more selling.

Oil prices held firm on strong demand, ongoing supply cuts led by producer cartel OPEC and looming U.S. sanctions against major crude exporter Iran.

Gold prices were flat in early trade after hitting a fresh 2018 low overnight, as the dollar and U.S. bond yields held firm near their recent highs.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	67.66/67.69	May 17	-\$122.64 mln	-\$57.61 mln
10-yr bond yield	8.05 pct	Month-to-date	-\$521.96 mln	-\$1.64 bln
		Year-to-date	\$660.09 mln	-\$3.31 bln



PICTURE OF THE DAY



Muslims read the Koran on the first day of the holy fasting month of Ramadan in Brooklyn, New York, U.S., May 16. REUTERS/Gabriela Bhaskar

(Compiled by Erum Khaled in Bengaluru)

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