

MORNING NEWS CALL

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INDIA EDITION

Tuesday, May 21, 2019

FACTORS TO WATCH

No major events are scheduled for the day.

LIVECHAT - POLICY FOCUS

James Crabtree, associate professor of practice at the Lee Kuan Yew School of Public Policy and author of *The Billionaire Raj*, joins us to discuss his political and policy expectations ahead of Indian election results. Crabtree will also take questions on what to expect from Chinese policy as U.S.-China tensions re-escalate at 9:30 am IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[BJP prepares return to power as exit polls predict clear win: sources](#)

India's ruling Bharatiya Janata Party is to meet coalition partners to discuss a new government, two BJP sources said on Monday, after exit polls predicted a clear general election victory for the party led by Prime Minister Narendra Modi, to the delight of Hindu groups.

[Tata Motors sees JLR back in profit this year as China sales recover](#)

India's Tata Motors expects its luxury Jaguar Land Rover arm to return to profit this financial year helped by cost cuts and a recovery in Chinese demand, it said on Monday, after the group's fourth-quarter profit fell less than expected.

[Adani stocks cheer incumbency wave in India, Australia](#)

Shares in various Adani Group companies, including those of flagship Adani Enterprises, surged on Monday after exit polls predicted Indian Prime Minister Narendra Modi would return to power, even as Australian poll results also spelled good news for the Indian conglomerate.

GLOBAL TOP STORIES

[Worries of longer, costlier U.S.-China trade war hits markets](#)

Worries that the United States and China were digging in for a longer, costlier trade war weighed on financial markets on Monday as Beijing accused Washington of harboring "extravagant expectations" for a deal to end their dispute.

[U.S. eases restrictions on China's Huawei to keep networks, phones operating](#)

The U.S. government on Monday temporarily eased some trade restrictions imposed last week on China's Huawei, a move that sought to minimize disruption for the telecom company's customers around the world.

[T-Mobile's deal for Sprint gets big boost from FCC commission](#)

T-Mobile's \$26 billion acquisition of rival Sprint appeared to win the support of a majority of the Federal Communications Commission on Monday, in a significant step toward the deal's approval.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were up 0.1% at 11,882.00. - NewsRise

The **Indian rupee** is expected to open little changed against the dollar amid mixed regional cues on U.S-China trade. - NewsRise

Indian government bonds are likely to rise in early trade, as investors look to buy notes ahead of the results of the nation's general election. The yield on the benchmark 7.26% bond maturing in 2029 is likely to trade in a range of 7.25%-7.30% today. - NewsRise

U.S. stocks slid on Monday as the White House's restrictions on Chinese telecoms equipment maker Huawei Technologies weighed on the technology sector and raised concerns that the move would further inflame trade tensions between the United States and China.

Asian shares wobbled near four-month lows on mounting worries the White House's black-listing of Chinese telecom giant Huawei Technologies could further inflame already tense relations between Washington and Beijing.

The **dollar** held near a 2-1/2-week high, supported by higher U.S.-yields and as intensifying trade frictions between the United States and China boosted appetite for the safe-haven greenback.

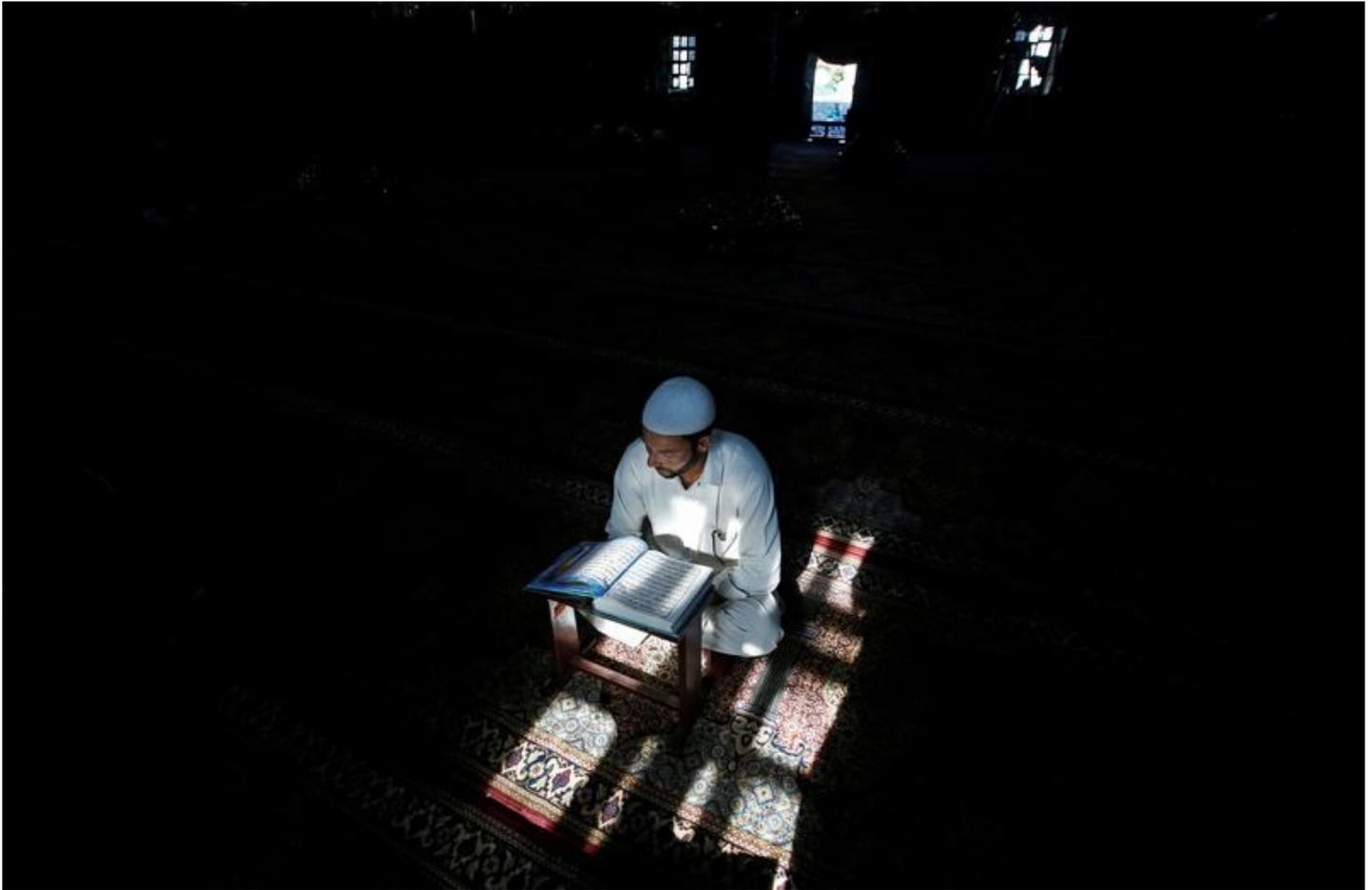
U.S. Treasury yields slipped on Monday, with long-dated debt falling for a second straight session and Wall Street stocks weaker, as risk appetite diminished amid ongoing trade tension between the United States and China.

Oil prices edged up on escalating tensions between the United States and Iran and on signs that producer club OPEC will continue withholding supply this year.

Gold eased after touching a more than two-week low in the previous session, as a strong dollar diminished bullion's safe-haven appeal amid heightening Sino-U.S. trade tensions.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	69.50/69.53	May 20	\$248.42 mln	-\$11.17 mln
10-yr bond yield	7.29%	Month-to-date	-\$707.22 mln	-\$169.05 mln
		Year-to-date	\$9.06 bln	-\$2.73 bln

PICTURE OF THE DAY



A Kashmiri Muslim man reads the Koran inside the shrine of Mir Syed Ali Hamdani, a Sufi saint, during the holy month of Ramadan in Srinagar, May 20. REUTERS/Danish Ismail

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(Compiled by Karthick Arvinth in Bengaluru)

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