MORNING NEWS CALL

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INDIA EDITION   Friday, June 12, 2020

FACTORS TO WATCH

2:00 pm: NITI Aayog CEO **Amitabh Kant** at CII's webinar on "FinTech & Digitization" in New Delhi
5:00 pm: Punjab & Sind Bank's MD & CEO **S. Harisankar** at CII's webinar on "MSME - Extending A Helping Hand" in New Delhi
5:30 pm: Government to release **May consumer price inflation data** in New Delhi.
5:30 pm: Government to release **April Industrial output data** in New Delhi.

INDIA TOP NEWS

India sets out proposals for tighter governance at banks
India's central bank proposed on Thursday stricter governance rules for commercial banks, following a series of financial and governance problems at lenders in recent months.

India lifts export ban on Trump-touted drug hydroxychloroquine
India has lifted an export ban on hydroxychloroquine, the anti-malarial drug touted by U.S. President Donald Trump as a potential "game changer" in the fight against the COVID-19 pandemic, a minister said late on Wednesday.

Chinese smartphone brands in India turn to expensive imports as plants struggle -sources
China's Xiaomi and Oppo are importing some smartphone models into India as their local plants struggle to get back to production levels needed to meet demand that built up during lockdown, sources familiar with matter said.

Indian bank staff want cleaner branches amid coronavirus deaths in industry
Indian bank employees are demanding better cleanliness at lenders' branches and more flexibility in staff work schedules following the death of at least 11 bankers and bank employees in the country due to the coronavirus outbreak.

India rejects Pakistan offer of help disbursing coronavirus cash
Pakistani Prime Minister Imran Khan on Thursday offered to help neighbouring India disburse cash to the public during the coronavirus lockdown, citing a report Indians were struggling to make ends meet, but India later rejected the offer.

India's sunflower oil imports could jump 15% -industry official
India's sunflower oil imports could jump 15% in 2019/20 to a record 2.7 million tonnes as household consumption jumped during the lockdown, an industry official said on Thursday.

GLOBAL TOP STORIES

Fears of second U.S. coronavirus wave rise on worrisome spike in cases, hospitalizations
About half a dozen states including Texas and Arizona are grappling with a rising number of coronavirus patients filling hospital beds, fanning concerns that the reopening of the U.S. economy may spark a second wave of infections.

U.S. layoffs easing, labor market distress persists
The number of Americans seeking jobless benefits fell last week, but millions laid off because of COVID-19 continue to receive unemployment checks, suggesting the labor market could take years to heal from the pandemic even as hiring resumes.

Japan's $94 billion reserve to combat pandemic sparks ire as PM Abe's 'pocket money'
A $94 billion emergency fund that can be tapped without parliamentary oversight has been branded Japanese Prime Minister Shinzo Abe's "pocket money" by opposition lawmakers alarmed at its unprecedented size.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were 2.9% lower at 9,612.5. - NewsRise

The **Indian rupee** is expected to extend losses against the U.S. currency as stocks tumbled and the dollar index surged amid fears of a second wave of the coronavirus in the world's largest economy. - NewsRise

Indian government bond yields will likely edge higher in early session ahead of a fresh supply of notes at today's weekly auction and a debt switch on Monday. The yield on the benchmark 5.79% bond maturing in 2030 is likely to trade in a 5.76%-5.82% range till the auction outcome today. - NewsRise

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Wall Street plummeted on Thursday as investors reacted to renewed fears of a pandemic resurgence and digested dour economic forecasts from the U.S. Federal Reserve.

Japanese stocks skidded to two-week lows after Wall Street dived on fears that a resurgence of COVID-19 infections could stunt the pace of reopening economies.

The safe-haven **Swiss franc** and the **yen** held on to gains while the **U.S. dollar** also held firm against riskier currencies after global stock prices tumbled on renewed doubts over the prospects of a quick recovery in the global economy.

U.S. Treasury yields continued their downward trajectory on Thursday amid uncertainty over whether the Federal Reserve would turn to yield curve control in the coming months, while the prospect of negative interest rates seeped back into the market.

Oil prices slid early, extending heavy overnight losses on a surge in U.S. coronavirus cases this week that has raised the prospect of a second wave of the outbreak slamming demand in the world's biggest consumer of crude and fuel.

Gold prices held steady as downward pressure from a stronger dollar countered rising safe-haven demand supported by gloomy economic projections and renewed fears over a second wave in COVID-19 infections.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	75.74/75.77	June 11	(370.57) crores	(75.88) crores
10-yr bond yield	5.78 pct	Month-to-date	21,983 crores	(2,167) crores
		Year-to-date	(18,362) crores	(1,07,581) crores

(FII investment numbers are in Indian rupees. Source: National Securities Depository Limited)

(Clarification – The June 11 edition of India Morning erroneously mentioned India's monthly fuel demand doubled in May. It should have mentioned the demand jumped 47.4%)

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PICTURE OF THE DAY

Traffic move on a highway after some restrictions are lifted during a nationwide lockdown to slow the spread of the coronavirus disease (COVID-19), in Mumbai, June 11. REUTERS/Francis Mascarenhas

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