

MORNING NEWS CALL

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INDIA EDITION

Friday, July 10, 2020

FACTORS TO WATCH

5:30 pm: Government to release May **Industrial output** data in New Delhi.

6:00 pm: State Bank of India Chairman **Rajnish Kumar** at the "SBI Banking & Economics Conclave."

INDIA TOP NEWS

TCS profit misses estimates, pandemic hits client spending

Tata Consultancy Services posted a near 14% drop in first-quarter profit on Thursday, that also missed estimates, as the COVID-19 pandemic forced its clients to cut spending on IT services.

Reliance to load Venezuelan oil cargo under fuel swap deal - sources

Reliance will load its first cargo of Venezuelan crude in three months this week in exchange for diesel under a swap deal the parties say is permitted under the U.S. sanctions regime on the Latin American country, according to a Reliance source and a shipping document from state oil firm PDVSA.

U.S. in talks with India on market access, trade concessions - U.S. envoy

The United States is in talks with India on market access for its goods in exchange for reinstating New Delhi's trade concessions under the Generalised System Of Preferences (GSP), U.S. ambassador to India Kenneth Juster said on Thursday.

Indian bank PNB reports 36.89 billion rupees DHFL loans as fraud

Punjab National Bank said on Thursday it had reported loans made to Dewan Housing Finance Corporation worth 36.89 billion rupees to India's central bank as "fraud."

A space odyssey: Britain rockets into unknown with OneWeb

Britain is betting that satellite operator OneWeb will help it boldly go into a post-Brexit era. But it faces formidable challenges to complete a working constellation and rebuild a collapsed venture that has proved a money pit for investors. The British government and Indian telecoms conglomerate Bharti Enterprises said last week they would together put up \$1 billion to buy OneWeb, which filed for bankruptcy after its biggest backer, SoftBank Group, declined to provide fresh funding.

India's fuel demand recovered further in June

India's fuel demand in June extended its recovery from a 13-year low hit in April, lifted by a pickup in activity as the economy gradually reopens from lockdown restrictions imposed to combat the coronavirus pandemic, government data showed on Thursday.

Tata Sons in talks to buy out AirAsia India stake at steep discount - report

Indian conglomerate Tata Sons is in talks to buy out AirAsia Group's stake in their airline joint venture in India at a steep discount, the Business Standard newspaper reported on Thursday, citing banking sources.

POLL-India inflation likely slowed in June as output returns

India's consumer price inflation likely eased in June from March, a Reuters poll predicted, as loosened coronavirus-led restrictions in most of the country drove a slight recovery in economic activity and helped reduce a supply crunch.

GLOBAL TOP STORIES

U.S. sets one-day record with more than 60,500 COVID cases; Americans divided

More than 60,500 new COVID-19 infections were reported across the United States on Thursday, according to a Reuters tally, setting a one-day record as weary Americans were told to take new precautions and the pandemic becomes increasingly politicized.

U.S. Supreme Court rebuffs Trump's immunity claim, lets prosecutor get financial records

The U.S. Supreme Court on Thursday firmly rejected President Donald Trump's arguments for sweeping presidential immunity and ruled that a New York prosecutor can obtain his financial records but prevented - at least for now - Democratic-led House of Representatives committees from getting similar documents.

Chinese banks prepare contingency plans over threat of U.S. sanctions, sources say

Chinese state lenders are revamping contingency plans in anticipation of U.S. legislation that could penalise banks for serving officials who implement the new national security law for Hong Kong, sources at five state financial institutions said.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were 0.4% lower at 10,796.00. - NewsRise

The **Indian rupee** is expected to fall against the **U.S. currency** as rising coronavirus cases and fatalities in the world's largest economy lifted the dollar index from one-month lows. - NewsRise

Indian government bond yields are likely to edge higher in early trade ahead of a weekly auction today. The yield on the benchmark 5.79% bond maturing in 2030 is likely to trade in a range of 5.76%-5.82% until the 300-billion-rupee bond sale today. - NewsRise

The **S&P 500** and **Dow** dropped on Thursday as investors worried about another round of business shutdowns to contain a surge in coronavirus cases and began to shift their focus to earnings, while the Nasdaq hit another record closing high.

Asian shares and **U.S. stock futures** fell as record-breaking new coronavirus cases in several U.S. states stoked concerns that new lockdowns could derail an economic recovery, while investors looked forward to earnings season.

The **dollar** and other **safe-haven currencies** were well bid after a surge in new coronavirus cases in the United States further undermined the case for a quick economic recovery.

U.S. Treasury yields fell on Thursday as an auction of 30-year bonds showed continued strong demand for the safe-haven government debt amid the relentless COVID-19 pandemic.

Oil prices dipped after steep falls in the previous session and were set for a weekly decline on worries renewed lockdowns following a surge in coronavirus cases in the United States and elsewhere will suppress fuel demand.

Gold was set for a fifth straight weekly gain as the COVID-19 pandemic showed no signs of abating, keeping the safe-haven metal above the key \$1,800 level.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	74.97/75.00	July 9	(1,059.46) crores	256.62 crores
10-yr bond yield	5.77%	Month-to-date	(5,588) crores	1,094 crores
		Year-to-date	(24,101) crores	(1,05,865) crores

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

PICTURE OF THE DAY



People mourn after seeing a body of their relative, who died due to the coronavirus disease (COVID-19), outside a mortuary in New Delhi, India July 9. REUTERS/Adnan Abidi

The Financial and Risk business of Thomson Reuters is now Refinitiv.

(Compiled by Pranay Prakash in Bengaluru)

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