

MORNING NEWS CALL

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INDIA EDITION

Thursday, July 23, 2020

FACTORS TO WATCH

10:00 am: Economic Affairs Secretary **Tarun Bajaj** and Finance Secretary **Ajay Bhushan Pandey** at FICCI's Capital Market Conference in Mumbai.

10:30 am: Central Board of Indirect Taxes and Customs' Member **A.K. Pandey** and GST Council's Joint Secretary **S.K. Rahman** at ASSOCHAM's e-conclave on "3 Years of GST" in Mumbai.

6:00 pm: **PNB Housing Finance** first-quarter earnings conference call in Mumbai.

PROMOTION

LIVECHAT - REUTERS GLOBAL MARKETS FORUM

Reuters European government bonds correspondents look at the state of play in European govies. To join the conversation at 4:00 pm IST, [click here](#)

INDIA TOP NEWS

Pompeo urges India to reduce dependence on China

U.S. Secretary of State Mike Pompeo urged India on Wednesday to focus on domestic supply chains and reduce its dependence on China for telecommunications and medical supplies, as Washington's ties with Beijing deteriorate dramatically.

India watchdog bans former Deloitte partner over IL&FS unit audit

India's National Financial Regulatory Authority on Wednesday imposed a seven-year audit ban on a former partner of Deloitte's India unit for lapses in the audit of an infrastructure lender whose debt defaults sparked a credit crisis in 2018.

Facebook's WhatsApp to partner with more Indian banks in financial inclusion push

Facebook's WhatsApp plans to team up with more Indian lenders to expand banking services in rural areas and for lower income individuals, the messaging platform's country head said on Wednesday.

Glenmark's favipiravir version shows promise in late-stage COVID-19 trial

Glenmark Pharmaceuticals said on Wednesday its version of anti-flu drug favipiravir showed promise in a late-stage study of 150 patients with mild to moderate coronavirus infection.

Mylan gets Indian regulatory approval for tuberculosis drug

Mylan said on Wednesday it has received Indian regulatory approval to make tuberculosis treatment pretomanid available in a country that accounts for a quarter of the world's cases.

Zee Media says Punit Goenka resigns from board of directors

Indian news group Zee Media said on Wednesday that Punit Goenka, chairman and managing director of Zee Entertainment, had resigned as a non-executive, non-independent director of its board.

GLOBAL TOP STORIES

U.S. gives China 72 hours to shut Houston consulate, Trump says other closures 'always possible'

The United States gave China 72 hours to close its consulate in Houston amid accusations of spying, marking a dramatic deterioration in relations between the world's two biggest economies.

Australia forecasts biggest postwar fiscal deficit on virus-driven stimulus

Australia reported its biggest budget deficit since World War Two as the coronavirus crisis knocks the country into its first recession in three decades.

South Korea enters recession as exports plunge by most since 1963

South Korea plunged into recession in the second quarter in its worst economic decline in more than two decades as the coronavirus pandemic battered exports and social distancing curbs paralysed factories.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading little changed at 11,121.50. - NewsRise

The **Indian rupee** is expected to trade higher against the U.S. currency after the dollar retreated further against its major peers and Asian currencies. - NewsRise

Indian government bond yields will likely trade little changed in early session, as traders await fresh triggers including bond-supportive measures from the central bank to soothe concerns of excess supply. The yield on the benchmark 5.79% bond maturing in 2030 is likely to trade in a range of 5.80%-5.85%. - NewsRise

Wall Street ended higher on Wednesday after a see-saw session as investors digested mixed quarterly results and contentious stimulus negotiations in Washington.

Asian shares slipped as investors' worries over rising tensions between Washington and Beijing overcame hopes for more stimulus, after the United States ordered the closure of China's consulate in Houston amid accusations of spying.

The **dollar** crept off milestone lows against other majors and held on to gains against the **yuan**, as heightened Sino-U.S. tension put a bit of caution into currency markets.

Yields of long-term **U.S. Treasuries** bounced off session lows on Wednesday after an auction of \$17 billion of 20-year bonds that analysts dubbed neutral to a bit weak.

Oil prices ticked higher, although gains were limited by a surprise increase in U.S. crude oil reserves as the coronavirus pandemic hit fuel consumption.

Gold rose to its highest in nearly nine years, driven by an escalation in U.S.-China tensions, while expectation of more stimulus measures lifted the metal's appeal as an inflation-hedge.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	74.73/74.76	July 22	2,090.21 crores	(1,810.69) crores
10-yr bond yield	5.81%	Month-to-date	(1,517) crores	(1,185) crores
		Year-to-date	(20,030) crores	(1,08,144) crores

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

PICTURE OF THE DAY



Flood-affected villagers are transported on a boat to a safer place at Kachua village in Nagaon district, in the northeastern state of Assam, India, July 22. REUTERS/Anuwar Hazarika

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(Compiled by Siddharth Athreya V in Bengaluru)

For questions or comments about this report, contact:
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