

# MORNING NEWS CALL

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INDIA EDITION

Tuesday, August 13, 2019

## FACTORS TO WATCH

11:00 am: **Federal Cabinet** likely to meet in New Delhi.

5:30 pm: Government to release **July consumer price inflation** data in New Delhi.

## LIVECHAT - FIXED INCOME VIEW

Danske Bank's Chief Fixed Income analyst, **Jens Peter Sorensen**, evaluates the outlook for bond markets and tells us where he sees pockets of value in an increasingly negative yielding world. To join the conversation at 02:30 pm IST [click here](#)

## INDIA TOP NEWS

### Reliance to roll out fibre broadband, unveils oil stake sale to Aramco

Reliance Industries unveiled plans to launch high-speed internet services in India, a tie-up with Microsoft and a stake sale in its oil business to Saudi Aramco, underscoring billionaire Chairman Mukesh Ambani's ambitions for the group.

### Jet Airways sale suffers setback as two potential investors back out

Creditors' hopes of resurrecting Jet Airways and salvaging some value from the bankrupt airline were dealt a fresh blow on Monday as two potential investors said they were no longer interested in putting money into the business.

### IBM, Tata join U.S. tech platform's governing council

International Business Machines and Tata Communications have joined the governing council of Hedera Hashgraph, a distributed public ledger platform that aims to be faster and runs at a larger scale than current blockchain technologies, a top official at Hedera said.

### Indian e-commerce platform Meesho raises \$125 million in Naspers-led funding

Digital platform Meesho has raised \$125 million in its latest funding round, led by South African internet group Naspers, the e-commerce start-up said on Monday.

### Sonia Gandhi returns to lead India's beleaguered Congress after son Rahul quits

Congress party selected past president Sonia Gandhi as its interim leader on Saturday, while it searches for a successor to her son Rahul Gandhi, who quit following a crushing election defeat by Prime Minister Narendra Modi.

### Indian authorities lock down Kashmir's major city on Eid holiday

Indian security forces kept disputed Kashmir's biggest city of Srinagar largely locked down on Monday, the Muslim festival of Eid al-Adha, to prevent any major protests against a decision that scrapped the Himalayan region's special rights.

## GLOBAL TOP STORIES

### New Trump rule targets poor and could cut legal immigration in half, advocates say

U.S. President Donald Trump's administration unveiled a sweeping rule on Monday that some experts say could cut legal immigration in half by denying visas and permanent residency to hundreds of thousands of people for being too poor.

### Hong Kong's airport reopens after protests but more than 200 flights cancelled

Hong Kong's airport reopened but its administrator warned that flight movements would still be affected, after China said protests that have swept the city over the past two months had begun to show the "sprouts of terrorism".

### Singapore slashes 2019 GDP forecast as global risks expand

Singapore slashed its full-year economic growth forecast as global conditions were seen worsening and data confirmed the slowest growth rate in a decade amid mounting fears of recession in the city-state.

## STATE OF THE MARKETS

**SGX Nifty nearest-month futures** were trading 0.2% higher at 11,108.50. -NewsRise

The **Indian rupee** is expected to open lower against the U.S. currency as weak risk appetite prompted more losses in Asian currencies. -NewsRise

The **Indian government bonds** are expected to fall in early trade tracking a likely fall in the local currency, even as investors await the retail inflation data for July. The yield on the benchmark 7.26% bond maturing in 2029 is likely to trade in a range of 6.47%-6.53% today. -NewsRise

**U.S. stocks** dropped in a broad sell-off on Monday as simmering geopolitical tensions spooked equity investors and drove a bond market rally while the protracted U.S.-China trade war stoked fears of impending recession.

**Asian shares** slumped as fears about a drawn out Sino-U.S. trade war, protests in Hong Kong and a crash in Argentina's **peso** currency drove investors to safe harbours like **bonds, gold**, and the Japanese **yen**.

The **yen** stood near a seven-month high against the dollar as unrest in Hong Kong and gyrations in Argentina's markets heightened investor risk aversion and fanned demand for the safe-haven Japanese currency.

**U.S. Treasury yields** fell on Monday, in line with the weak stock market, as trade worries and global political tensions from Hong Kong to Argentina supported safe-haven assets.

**Oil** prices edged lower, offsetting narrow gains in the previous session, on the expectation major producers would continue to reduce global supplies due to a slowing economic growth outlook.

**Gold** prices gained, hovering near a more than six-year high hit the previous day, as concerns around protests in Hong Kong, a slump in Argentina's markets and the ongoing Sino-U.S. trade war dented risk appetite.

## PICTURE OF THE DAY



Muslims offer Eid al-Adha prayers at the ruins of Feroz Shah Kotla mosque in New Delhi, August 12. REUTERS/Anushree Fadnavis

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(Compiled by Priyanka Das in Bengaluru)

For questions or comments about this report, contact:  
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