

MORNING NEWS CALL

REUTERS

INDIA EDITION

Monday, October 1, 2018

FACTORS TO WATCH

5:00 pm: Government to release **August Infrastructure output** data in New Delhi.

LIVECHAT - MARKETS UPDATE

EMEA Markets Editor **Mike Dolan** analyses the state of the European markets at 03:30 pm IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[ANALYSIS-India's shadow banking sector likely to face shake-up after default](#)

India's burgeoning shadow finance sector is likely to face a shake-up after defaults at one major lender battered the nation's financial markets in the past week and reinforced worries about credit risk.

[IL&FS wins shareholder approval for restructuring plan](#)

India's troubled Infrastructure Leasing and Financial Services Ltd (IL&FS), whose recent defaults have roiled Indian markets, said on Sunday its shareholders have approved a plan allowing it to raise fresh funds through debt and equity issuances.

[Life Insurance Corp open to taking part in IL&FS rights issue](#)

Life Insurance Corporation, the largest shareholder in debt-ridden Infrastructure Leasing & Financial Services (IL&FS), is open to participating in a rights issue, the insurer's chairman V.K. Sharma said on Friday.

[Yes Bank plunges to 29-month low as management crisis drags on](#)

Shares of India's Yes Bank Ltd plunged nearly 10 percent on Friday to a 29-month low, as the lender's management crisis caused by the central bank curtailing its top executive's tenure dragged on.

[Ircon International falls on debut after \\$64.8 million IPO](#)

Shares of state-run construction company Ircon International Ltd fell as much as 13 percent on its trading debut on Friday, after a \$64.77 million initial public offering (IPO).

GLOBAL TOP STORIES

[Canada, U.S. reach deal to update NAFTA -Canadian sources](#)

The United States and Canada reached a deal to update NAFTA and keep it a trilateral pact with Mexico, beating a midnight deadline with agreements to boost U.S. access to Canada's dairy market and protect Canada from possible U.S. autos tariffs, two Canadian sources with direct knowledge of the talks said on Sunday.

[China factory sector hurt in September as trade frictions bite](#)

Growth in China's manufacturing sector sputtered in September as both external and domestic demand weakened, two surveys showed on Sunday, raising the pressure on policymakers as U.S. tariffs appear to be inflicting a heavier toll on the Chinese economy.

[Tesla's SEC deal provides ammunition for U.S. probe, investor lawsuits](#)

Tesla Inc's settlement with U.S. regulators will help soothe investors calling for more oversight of Chief Executive Elon Musk, experts said, even as it gives ammunition to short-sellers pursuing separate cases and to a probe by the Justice Department.



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STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading up 0.1 percent at 10,971.00, from its previous close. - NewsRise

The **Indian rupee** is expected to open lower against the dollar after crude oil prices climbed to fresh four-year highs on looming supply concerns. - NewsRise

Indian government bonds will likely gain in early trade after the federal government reduced its gross market borrowing for the current fiscal year by 700 billion rupees. The yield on the benchmark 7.17 percent bond maturing in 2028 may trade in a 7.98 percent-8.06 percent band today, a dealer with a private bank said.- NewsRise

Wall Street ended flat on Friday as gains by Intel, real estate companies and utilities offset a drop in Facebook after the social media network disclosed a security breach.

The **Canadian dollar** and the **Mexican peso** rose on hopes of progress in negotiations over a renewed North American Free Trade Agreement (NAFTA) deal, but **Asian shares** got off to a slow start amid further signs of weakness in China.

The **dollar** dipped against the Canadian dollar ahead of a looming deadline in Canada-U.S. talks over reworking the North American Free Trade Agreement, while hitting a more than 10-month high against the yen.

U.S. Treasury yields slipped on Friday as the \$15.3 trillion bond sector recorded its worst month since January due to rising government debt supply and sturdy economic data that have enabled the Federal Reserve to keep raising interest rates.

Brent crude oil prices hit their highest level since November 2014 ahead of U.S. sanctions against Iran that kick in next month.

Gold prices dipped, with the dollar holding steady after marking a near three-week high in the previous session in the wake of the U.S. Federal Reserve's plans last week for multiple interest rate hikes by 2020.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	72.61/72.64	September 28	-\$234.48 mln	---
10-yr bond yield	8.02 pct	Month-to-date	-\$1.08 bln	---
		Year-to-date	-\$1.94 bln	---

PICTURE OF THE DAY



Participants dressed in traditional attire pose during rehearsals for Garba, a folk dance, ahead of Navratri, a festival during which devotees worship the Hindu goddess Durga and youths dance in traditional costumes, in Ahmedabad, September 30. REUTERS/Amit Dave

(Morning News Call - India edition will not be published on Tuesday, October 2 as markets are closed for Mahatma Gandhi Jayanti)

(Compiled by Siddharth Athreya V in Bengaluru)

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