

MORNING NEWS CALL

REUTERS

INDIA EDITION

Thursday, October 4, 2018

FACTORS TO WATCH

No major events scheduled.

LIVECHAT - COMMODITIES TECHNICALS

Wang Tao, Reuters Market Analyst for Commodities Technicals, joins us to discuss his 2018 Q4 outlook for commodities on the charts at 09:00 am IST. To join the conversation, [click here](#)

INDIA TOP NEWS

[India's rescue of debt-ridden IL&FS may spell major losses for lenders -sources](#)

India's move to take control of debt-laden Infrastructure Leasing and Financial Services (IL&FS) will only succeed if lenders agree to take substantial losses, government sources familiar with the discussions told Reuters.

[ANALYSIS-Deepening farm crisis in India could hurt Modi's re-election bid](#)

The financial squeeze on India's farmers is set to worsen because of record high fuel prices and surging costs of fertilisers, posing a challenge to Indian Prime Minister Narendra Modi in an election that must be held by May.

[Vedanta gets interim relief as Indian court stays state's land allotment cancellation](#)

An Indian court on Wednesday ordered an interim stay on the cancellation of land allotted for expansion of Vedanta's south Indian copper smelter, in a relief to the conglomerate whose unit was shut on environmental grounds.

[RBI allows oil firms hit by rising costs to raise \\$10 billion overseas](#)

India said on Wednesday it will allow state oil marketing firms to raise \$10 billion in overseas loans to help them deal with a sharp rise in crude oil prices and a falling rupee currency.

[India risks U.S. sanctions with \\$5-billion purchase of Russian missiles](#)

The United States has warned India against a planned purchase of S-400 surface-to-air missiles from Russia when President Vladimir Putin's visits New Delhi this week, saying such an acquisition would attract sanctions under U.S. law.

[Mauritius bank SBM says unit's India operations hit by cyber fraud](#)

Mauritius banking group SBM Holdings said on Wednesday that its Indian operations suffered a cyber fraud earlier in the week, and that the bank has potentially lost up to \$14 million.

GLOBAL TOP STORIES

[Honda to invest \\$2.75 billion in GM's self-driving car unit](#)

Honda Motor Co Ltd will invest \$2.75 billion and take a 5.7 percent stake in General Motors Co's Cruise self-driving vehicle unit, to jointly develop autonomous vehicles for deployment in ride services fleets around the world.

[EXCLUSIVE-Saudi Arabia, Russia agreed in Sept to lift oil output, told U.S.](#)

Russia and Saudi Arabia struck a private deal in September to raise oil output to cool rising prices and informed the United States before a meeting in Algiers with other producers, four sources familiar with the plan said.

[U.S. judge says China's ZTE violated probation; extends monitor's term](#)

A U.S. judge on Wednesday issued an order finding that China's ZTE Corp violated probation imposed in March 2017 when the company pleaded guilty for conspiring to evade U.S. sanctions by illegally shipping U.S. goods and technology to Iran.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading off 1.1 percent at 10,760.00, from its previous close. - NewsRise

The **Indian rupee** is expected to open at fresh lifetime lows against the dollar after upbeat U.S. economic data boosted 10-year Treasury yields to multiyear highs. - NewsRise

Indian government bonds will likely fall in early trade tracking a uptick in crude oil prices and U.S. Treasury yields and as the local currency may continue to depreciate against the dollar. The yield on the benchmark 7.17 percent bond maturing in 2028 may trade in a 8.12 percent-8.18 percent band today, a dealer with a private bank said.- NewsRise

Wall Street advanced on Wednesday and the **Dow Jones Industrial Average** closed at a record for a second day, after U.S. economic data fueled a rise in Treasury yields, lifting financial stocks.

The **dollar** notched an 11-month top on the **yen** as stunningly strong U.S. economic data drove Treasury yields to their highest since mid-2011, while Asian stocks were pressured as borrowing costs rose at home.

U.S. Treasury yields jumped to multi-year peaks on Wednesday, with the 10-year yield reaching a seven-year high after economic data bolstered the case for the Federal Reserve to raise interest rates again in December and beyond.

Oil prices fell from four-year highs reached the previous session, pressured by rising U.S. inventories and after sources said Russia and Saudi Arabia struck a private deal in September to raise crude output.

Gold prices moved in a narrow range after losses in the previous session, with robust U.S. economic data and hawkish comments from Federal Reserve policymakers boosting the dollar.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	73.31/73.34	October 3	-\$211.34 mln	-\$20.24 mln
10-yr bond yield	8.11 pct	Month-to-date	----	-\$358.76 mln
		Year-to-date	-\$2.39 bln	-\$7.11 bln

PICTURE OF THE DAY



A woman decorates an earthen pitcher typically used during Garba, a folk dance, inside a workshop ahead of Navratri, a festival during which devotees worship the Hindu goddess Durga and youths dance in traditional costumes, in Ahmedabad, October 3. REUTERS/Amit Dave

(Compiled by Siddharth Athreya V in Bengaluru)

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