

# MORNING NEWS CALL

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INDIA EDITION

Wednesday, October 9, 2019

## FACTORS TO WATCH

No major events are scheduled for the day.

## LIVECHAT - EQUITIES FOCUS

**Reuters stocks correspondents** in London and New York discuss the upcoming corporate results season and how it could play out on bourses in each region. To join the conversation at 6.30 pm IST, [click here](#)

## INDIA TOP NEWS

### SoftBank-backed Oyo to raise \$1.5 billion led by founder, existing investors

Hospitality startup Oyo, backed by Japanese conglomerate SoftBank Group, announced on Monday a \$1.5 billion deal with its existing investors that will tighten the founder's control and provide fresh capital to the money-losing firm.

### Yes Bank in talks with Microsoft, other tech firms to sell up to 15% stake - Mint

Private sector lender Yes Bank is in talks with Microsoft Corp and two other technology companies as it looks to bring in a strategic shareholder as part of a strategy to rake in fresh capital, the Mint newspaper reported on Sunday.

## GLOBAL TOP STORIES

### U.S. visa move against China casts pall over talks to end trade war

The United States on Tuesday imposed visa restrictions on Chinese officials for the detention or abuse of Muslim minorities, angering Beijing, but a U.S. official said high-level trade talks would still take place on Thursday and Friday as planned.

### White House says it will refuse to cooperate with impeachment inquiry

The White House said on Tuesday it would refuse to cooperate with an "illegitimate, unconstitutional" congressional impeachment inquiry, setting Republican President Donald Trump on a collision course with the Democratic-led U.S. House of Representatives.

### Powell signals Fed seeking long-term solutions to short-term funding woes

The Federal Reserve's plan to start adding to its \$3.6 trillion bond portfolio soon is the clearest signal yet that the central bank is looking to deliver long-term solutions to address recent disruptions in key short-term funding markets.

## STATE OF THE MARKETS

**SGX Nifty nearest-month futures** were trading at 11,133.00. -NewsRise

The **Indian rupee** is expected to open lower against the dollar as rising tensions between the U.S and China ahead of their high-level trade talks damp risk appetite. -NewsRise

**Indian government bonds** will likely open lower as tensions between the United States and China rose over trade and foreign policy agreement, while traders await fresh triggers domestically. The yield on the benchmark 7.26% bond maturing in 2029 is likely to trade in a range of 6.65%-6.70% today. -NewsRise

**U.S. stocks** ended down sharply and near the day's lows on Tuesday as news that the United States has imposed visa restrictions on Chinese officials overshadowed comments by Federal Reserve Chairman Jerome Powell suggesting openness to further interest rate cuts.

**Asian stocks** fell the most in a week as the United States and China's broadening dispute over trade and foreign policy showed little sign of coming to an end, weighing on global economic growth.

The **British pound** nursed losses, after hitting a one-month low on reports that Brexit talks between Britain and the European Union were close to breaking down, while the **dollar** weakened slightly on rising trade tensions.



The **U.S. Treasury yield curve** steepened on Tuesday, driven by a falling **two-year yield** after Federal Reserve Chair Jerome Powell flagged openness to further rate cuts and said the Fed would expand its balance sheet to ensure money markets function smoothly.

**Oil** prices slipped for a third consecutive session as the prospect of the United States and China striking a trade deal in talks this week dimmed, raising uncertainties for global economic growth and oil demand.

**Gold** prices firmed as tensions between the United States and China ratcheted up ahead of crucial trade talks later this week, sapping risk appetite, while concerns over Brexit added to bullion's safe haven appeal.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	71.01/71.04	October 7	(877.54) crore	772.52 crore
10-yr bond yield	6.67%	Month-to-date	(3,825) crore	(205) crore
		Year-to-date	52,360 crore	28,981 crore

**Source: National Securities Depository Limited**  
**\* FII investment numbers are in Indian rupees**

## PICTURE OF THE DAY



People take pictures of the effigy of the demon King Ravana while it is being burnt during Vijaya Dashmi, or Dussehra festival celebrations in New Delhi, October 8. REUTERS/Anushree Fadnavis

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