FACTORS TO WATCH
5:00 pm: RBI to release weekly foreign exchange data in Mumbai.

INDIA TOP NEWS
RBI holds rates on inflation risk, but more easing seen
The Reserve Bank of India (RBI) kept interest rates on hold on Thursday as it sought to contain a rise in retail inflation, though it vowed to keep policy sufficiently loose to help revive growth in the coronavirus-battered economy.

India should focus on protecting economy, says ex-RBI governor
India's policymakers should focus on protecting the economy as businesses struggle amid the coronavirus pandemic instead of being overly focused on what ratings agencies think, former Reserve Bank of India governor Raghuram Rajan said on Thursday.

Vodafone's India unit sees revenue dip as pandemic hits business
Vodafone Idea reported a 5.4% fall in its first-quarter revenue on Thursday, as a nationwide lockdown hurt its business and the telecom company lost subscribers.

India's Adani not interested in domestic coal mine auctions -CFO
India's largest coal mining services provider and trader Adani Enterprises is not interested in participating in the country's first ever coal mine auctions for the private sector, an executive said on Thursday.

Buy now, pay later firm Sezzle tests the waters in India for year-end launch
Sezzle is testing its buy-now-pay-later service in India for a potential launch at the end of the year, its chief executive officer said, capitalising on rapid global growth in online shopping as competition intensifies in the sector.

GLOBAL TOP STORIES
Trump imposes U.S. ban on WeChat, TikTok in 45 days
U.S. President Donald Trump announced Thursday sweeping bans on U.S. transactions with China's ByteDance, owner of video-sharing app TikTok, and Tencent, operator of the WeChat app, starting in 45 days, in a major escalation of tensions with Beijing.

Congressional Democrats, White House see little progress in coronavirus relief talks
Democratic leaders in the U.S. Congress and top aides to President Donald Trump failed to make substantial progress on Thursday on a new coronavirus aid bill during a contentious meeting that broke up with no clear path to a deal.

Japan's spending slump eases as economy reopens, COVID-19 clouds outlook
Japan's household spending fell at a much slower pace in June than in the previous month as the economy re-opened from lockdown measures to contain the coronavirus pandemic, offering some hope of a moderate recovery later this year.
STATE OF THE MARKETS
SGX Nifty nearest-month futures were trading 0.1% lower at 11,199.50. - NewsRise

The rupee is expected to trade lower against the dollar, tracking the decline in regional currencies and equities after U.S. President Donald Trump signed an order restricting Americans from doing business with two major Chinese social media companies. - NewsRise

Indian government bond yields will likely edge higher in early session ahead of a fresh supply of notes at the weekly debt auction, while bets of an interest rate cut in the near term decreased. The yield on the benchmark 5.79% bond maturing in 2030 is likely to trade in a 5.85%-5.90% range. - NewsRise

Shares on Wall Street shrugged off a sluggish start and closed higher, with the Nasdaq ending the session above 11,000 for the first time as investors hoped for a new fiscal stimulus package.

Australian shares retreated, with miners leading losses, as heightened coronavirus-induced restrictions following a second wave of infections stoked fears of further economic damage and unemployment.

The dollar nursed losses against major currencies ahead of the U.S. non-farm payrolls report, which some investors fear could reinforce the view that momentum in the world's largest economy is slowing.

The Treasury yield curve flattened slightly on Thursday afternoon as government bond investors, who have expressed doubt about the stability of the U.S. labor market's recovery this past week, held off from making major moves ahead of Friday's federal jobs report.

Oil prices slipped, adding to losses in the previous session, on worries that fuel demand growth will drop amid a resurgence of coronavirus cases and as talks have stalled in the United States on a new stimulus deal.

Gold scaled a new all-time peak and was set for its ninth straight weekly gain, as demand was boosted by a softer dollar, falling U.S. Treasury yields and worries over the global economic fallout from rising COVID-19 cases.

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<tr>
<th>CLOSE</th>
<th>FII INVESTMENTS</th>
<th>EQUITIES</th>
<th>DEBT</th>
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</thead>
<tbody>
<tr>
<td>PNDF spot</td>
<td>74.91/74.94</td>
<td>August 6</td>
<td>(218.86) crores</td>
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<tr>
<td>10-yr bond yield</td>
<td>5.86%</td>
<td>Month-to-date</td>
<td>7,266 crores</td>
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<tr>
<td></td>
<td></td>
<td>Year-to-date</td>
<td>(3,684) crores</td>
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(FII investment numbers are in Indian rupees. Source: National Securities Depository Limited)
Men look at a damaged signboard of the Bombay Stock Exchange (BSE) building after heavy rainfall in Mumbai, August 6. REUTERS/Francis Mascarenhas