

MORNING NEWS CALL

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INDIA EDITION

Thursday, August 27, 2020

Earnings Roundup

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FACTORS TO WATCH

10:30 am: RBI Governor **Shaktikanta Das** and SBI Chairman **Rajnish Kumar** at Business Standard's webinar on banking.
GST Council meeting in New Delhi.

PROMOTION

LIVECHAT - REUTERS GLOBAL MARKETS FORUM

Reuters bonds correspondents discuss trends in European govies. To join the conversation at 5.00 pm IST, [click here](#)

INDIA TOP NEWS

Indian opposition-ruled states ask government to pay delayed GST compensation

India's opposition-ruled states urged the federal government on Wednesday to clear delayed payments amounting to several billions of dollars, promised as part of the Goods and Services Tax (GST) to set off a fall in receipts, state officials said.

Amazon faces new antitrust challenge from Indian online sellers - legal documents

A group of more than 2,000 online sellers has filed an antitrust case against Amazon in India, alleging the U.S. company favours some retailers whose online discounts drive independent vendors out of business, a legal filing seen by Reuters showed.

Reliance hires Indian Oil ex-chairman to lead oil-to-chemical business

Reliance Industries has appointed Sanjiv Singh, former chairman of refiner and fuel retailer Indian Oil Corp., as group president and member of its oil-to-chemicals (O2C) business leadership team, according to an internal announcement.

Alibaba puts India investment plan on hold amid China tensions - sources

China's Alibaba Group has put on hold plans to invest in Indian companies, two sources aware of the plans told Reuters, amid souring business relations and rising political tension between the two nations after a clash on their Himalayan border.

India to hold national college tests despite surging virus infections

More than 2 million Indian students will sit for admission tests to medical and engineering schools next week, the government said on Wednesday, despite growing concern that the move could fuel a jump in coronavirus infections.

INSIGHT

Indian farmers driven to debt as banks turn risk-averse during pandemic

Last month, Dnyaneshwar Siddhanth, a farmer from India's western state of Maharashtra, was in desperate need of money to buy seed and fertilizer as the monsoon sowing season approached. But after being rejected by his bank for a loan despite several attempts, Siddhanth finally borrowed 150,000 Indian rupees from a moneylender at a rate of 60% annually. Amid India's worst economic slowdown in decades due to the novel coronavirus pandemic, millions of farmers like Siddhanth are being shunned by banks as lenders turn cautious due to rising bad loans.



GLOBAL TOP STORIES**U.S. targets Chinese individuals, companies amid South China Sea dispute**

The United States on Wednesday blacklisted 24 Chinese companies and targeted individuals it said were part of construction and military actions in the South China Sea, its first such sanctions move against Beijing over the disputed strategic waterway.

China's industrial profits grow at fastest pace since mid-2018

Profits at China's industrial firms grew for a third straight month and at the fastest pace since June 2018, marking a bright spot in the economy as the manufacturing sector slowly recovers from its coronavirus slump.

In law-and-order speech, U.S. Vice President Pence warns against Biden win

U.S. Vice President Mike Pence on Wednesday cast the re-election of President Donald Trump as critical to preserving law and order and economic viability, warning Democratic rival Joe Biden was a stalking horse for the radical left.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading 0.3% higher at 11,585.50. - NewsRise

The **Indian rupee** is expected to trade little changed to the dollar ahead of Federal Reserve Chairman Jerome Powell's speech that could outline a change in the U.S. central bank's inflation strategy. - NewsRise

India government bond yields are likely to edge lower in early session, ahead of the central bank's so-called special open market operation. The yield on the benchmark 5.79% bond maturing in 2030 is likely to trade in a range of 6.16%-6.22% until the auction today. - NewsRise

U.S. stocks surged on Wednesday, pushing the S&P 500 to its fourth straight record closing high, as investors stayed focused on large-cap momentum stocks that have outperformed since the onset of the coronavirus pandemic.

Asian shares touched two-year peaks in the wake of Wall Street's record run as cheap cash drove up big-cap tech darlings, although Sino-U.S. tensions caused caution to creep in as the session progressed.

The **dollar** wallowed near its lowest level for the week as investors looked for hints from Federal Reserve Chairman Jerome Powell that the central bank might tweak its policy framework to help push up inflation.

Yields on longer-term **U.S. Treasuries** were higher Wednesday as traders anticipated that Federal Reserve comments would raise inflation expectations.

Oil prices were in a holding pattern as a massive storm in the Gulf of Mexico raced towards the heart of the U.S. oil industry, forcing oil rigs and refineries to shut, with little impact expected on supply as oil stockpiles remain high.

Gold prices were mostly unchanged after rising more than 1% in the previous session on a weaker U.S. dollar, as investors awaited a speech from Federal Reserve Chairman Jerome Powell due later in the day.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	74.29/74.32	August 26	1753.67 crores	(1039.91) crores
10-yr bond yield	6.203%	Month-to-date	43,516 crores	(521) crores
		Year-to-date	32,566 crores	(1,09,956) crores

(FII investment numbers are in Indian rupees. Source: National Securities Depository Limited)

PICTURE OF THE DAY



Catholic nuns from the Missionaries of Charity, the global order of nuns founded by Saint Mother Teresa, wear protective face shields as they prepare to distribute free snacks and tea among the poor after offering prayers to mark her 110th birth anniversary, amid the coronavirus disease (COVID-19) outbreak, in Kolkata, August 26. REUTERS/Rupak De Chowdhuri

The Financial and Risk business of Thomson Reuters is now Refinitiv.

(Compiled by Pooja Kesavan in Bengaluru)

For questions or comments about this report, contact:
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