

MORNING NEWS CALL

Powered by Reuters

INDIA EDITION

Monday, August 31, 2020

FACTORS TO WATCH

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

5:30 pm: Government to release **April-June GDP data** in New Delhi.

PROMOTION

LIVECHAT - REUTERS GLOBAL MARKETS FORUM

Wayne Cole, Reuters Chief Treasury Correspondent in Sydney, joins us to discuss the themes to watch for markets in the week ahead. To join the conversation at 9:30 am IST, [click here](#)

INDIA TOP NEWS

Indian economy likely to see record quarterly slump as pandemic hits

India's economy likely suffered its largest quarterly slump on record, data is expected to show, as coronavirus-related lockdowns add to already-declining consumer demand and investment.

India sets global record with single-day rise in coronavirus cases

India on Sunday reported the biggest single-day jump in coronavirus infections of any nation in the COVID-19 pandemic, as the epicentre shifts to the south Asian giant.

Defying trade tensions, Chinese buyers snap up Indian steel

India's steel exports more than doubled between April and July to hit their highest level in at least six years, boosted by a surge of Chinese buying in defiance of tensions between Beijing and New Delhi.

Reliance to buy Future Group's retail arm for \$3.38 billion

Mukesh Ambani-led Reliance Industries said on Saturday it has agreed to acquire the retail and wholesale business and the logistics and warehousing business of Future Group in a deal valued at \$3.38 billion, including debt.

Indian banks panel names official for State Bank of India top job

A state-run banks appointment panel on Friday recommended Dinesh Kumar Khara, one of the State Bank of India's four managing directors, as the next chairman of India's top lender.

India to reopen underground train networks even as coronavirus cases jump

India will reopen underground train networks and allow sports and religious events in a limited manner from next month as part of the government's efforts to revive the economy, even as coronavirus infections soar.

Hundreds protest against exams in India as virus cases hit new peak

Hundreds of masked protesters demonstrated in major Indian cities on Friday against a government plan to hold exams for millions of students during the coronavirus pandemic, as the daily tally of infections hit a record.

GLOBAL TOP STORIES

China's slower factory growth eclipsed by robust services in boost to economic recovery

China's factory activity grew at a slower pace in August as floods across southwestern China disrupts production, but the services sector expanded at a solid rate in a boost to the economy as it continues to recover from the coronavirus shock.

Democrats oppose Trump Wisconsin visit, president says 'strength' only answer

Democrats said Donald Trump should not visit the Wisconsin city where protests erupted last week after a Black man was shot in the back by a white police officer, while the Republican president said "strength" was the only way to deal with unrest.

Warren Buffett looks to Japan, takes 5% stakes in five biggest trading firms

Berkshire Hathaway said it has acquired slightly more than 5% of the shares in five large Japanese companies, marking a departure for Chairman Warren Buffett as he looks outside the United States to bolster his conglomerate.



STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading 0.6% higher at 11,754.00. - NewsRise

The **Indian rupee** is expected to add to last week's surge against the U.S. currency amid upbeat risk sentiment on bets that central banks will continue with supportive monetary policies. - NewsRise

India government bond yields are likely to fall in early session on bets that the central bank may not allow yields to rise further, while investors await the country's gross domestic product data for the April-June quarter for further cues. The yield on the benchmark 5.79% bond maturing in 2030 is likely to trade in a range of 6.06%-6.13%. - NewsRise

Wall Street advanced on Friday, with technology stocks driving the S&P 500 to its sixth record closing high since confirming a bull market on Aug. 18.

Asian shares notched a 29-month high as investors wagered monetary and fiscal policies globally would stay super stimulatory, while an upbeat reading on China's service sector augured well for continued recovery there.

The **dollar** was poised to register its fourth consecutive monthly decline, its longest streak since the summer of 2017, while the yen steadied after a longtime lieutenant of Shinzo Abe reportedly joined the race to succeed him as Japan's leader.

Longer-term **U.S. Treasury yields** rose on Friday as U.S. Federal Reserve officials fleshed out the central bank's new approach to inflation, while investors rebalanced intermediate-dated debt following large auctions earlier this week.

Oil prices nudged up, with Brent futures set to post a fifth straight monthly gain, as global stimulus measures underpin prices even as demand struggles to return to pre-COVID levels in a well supplied market.

Gold prices rose to their highest level in nearly two weeks, as demand was boosted by a weaker dollar and the U.S. Federal Reserve's new policy framework suggested that interest rates would remain low for some time.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	73.39/73.42	August 28	1,432.59 crores	(1,320.88) crores
10-yr bond yield	6.097%	Month-to-date	46,602 crores	(1,425) crores
		Year-to-date	35,652 crores	(1,10,860) crores

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

PICTURE OF THE DAY



People watch a Muharram procession to mark Ashura, in Mumbai, August 30. REUTERS/Francis Mascarenhas

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:
reuters.marketwatch@thomsonreuters.com

To subscribe for the India Morning Newscall newsletter [click here](#)

© 2020 Refinitiv. All rights reserved.

Refinitiv
3 Times Square, New York, NY 10036

Please visit: [Refinitiv](#) for more information.

[privacy statement](#)