

MORNING NEWS CALL

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INDIA EDITION

Thursday, December 2, 2021

FACTORS TO WATCH

10:00 am: **Anand Rathi Wealth** IPO opens for subscription, **Tega Industries** IPO subscription continues.

12:15 pm: **Garden Reach Shipbuilders & Engineers** virtual press briefing on future strategies.

5:00 pm: **Star Health and Allied Insurance** IPO subscription closes.

INDIA TOP NEWS

India November factory growth hits 10-month high on strong demand - PMI

India's manufacturing activity grew at the fastest pace in 10 months in November, buoyed by a strong pick-up in demand, but higher inflationary pressure left factories worried about their future prospects, a private survey showed on Wednesday.

World's top buyer India trims palm oil imports to make space for soft oils

Indian refiners have been reducing palm oil purchases and raising soybean oil and sunflower oil imports after a steep rally in the tropical oil reduced its discount to rivals, industry officials told Reuters.

Crypto can bring about financial inclusion, Infosys chair says

Crypto assets are worth considering and can be used to bring about more financial inclusion, Nandan Nilekani, chairman of software services exporter Infosys, said at the Reuters Next Conference on Wednesday.

SII promises 40 million more AstraZeneca doses to COVAX this year

Serum Institute of India (SII) has pledged to supply about 40 million doses of the AstraZeneca COVID-19 shot to the global vaccine-distribution network COVAX by year-end after resuming exports last week, COVAX co-lead GAVI told Reuters.

Nykaa looks to triple store count in retail expansion-CEO

Indian cosmetics-to-fashion retailer Nykaa plans to more than triple its brick-and-mortar stores to 300, founder and Chief Executive Falguni Nayar said, significantly building its offline presence in the country.

India's biggest car dealer Popular plans \$100 million listing - source

Popular Vehicles & Services, India's biggest auto dealer, is planning a \$100 million listing next year, a source with direct knowledge of the matter said.

Indian fertiliser stocks surge on subsidies doubling plan report

Indian fertiliser stocks jumped on Wednesday after a Reuters report the government plans to increase fertiliser subsidies to a record of more than 1.55 trillion rupees in 2021-2022 to avoid shortages amid a sharp rise in global prices.

India's power demand growth slows in November, helping ease coal shortage

India's electricity demand grew 2.2% in November, slower than the 4.1% increase in October, a Reuters analysis of government data showed, helping the energy-hungry nation tide over a crippling coal shortage that caused widespread power cuts.

GLOBAL TOP STORIES

Omicron rapidly dominating in South Africa; U.S. reports first case

Heavily mutated Omicron is rapidly becoming the dominant variant of the coronavirus in South Africa less than four weeks after it was first detected there, and the United States on Wednesday became the latest country to identify an Omicron case within its borders.

U.S. Congress scrambles to avert government shutdown, as some Republicans balk

Leading Democrats and Republicans in the U.S. Senate scrambled on Wednesday to head off the threat of a partial federal government shutdown posed by Republicans opposed to President Joe Biden's COVID-19 vaccine mandates.

With inflation risks rising, Fed's Powell prepares for possible pivot

The U.S. central bank needs to be ready to respond to the possibility that inflation may not recede in the second half of next year as most forecasters currently expect, Federal Reserve Chair Jerome Powell said on Wednesday.

STATE OF THE MARKETS

SGX Nifty nearest-month futures were trading 0.6% lower at 17,138.00. - NewsRise

The **Indian rupee** may decline versus the dollar today on worries that the new coronavirus mutation and the Federal Reserve's focus on curbing price pressures could disrupt a fledgling global economic recovery. - NewsRise

Indian sovereign bond yields may ease in early trade, in line with U.S. Treasuries, even as investors remain cautious over the fallout of the Omicron variant of the coronavirus. The yield on the benchmark 6.10% bond maturing in 2031 may trade in the 6.31%-6.37% range. - NewsRise

Wall Street's major averages fell more than 1% on Wednesday after a morning rally faded as investor angst about the latest coronavirus variant soared with the first U.S. case confirmation while the market also digested Fed comments on inflation.

Asian shares edged higher in choppy trading, helped by advances in Chinese real estate shares, though fears about the Omicron variant of the new coronavirus capped gains regionally.

The safe-haven **yen** hovered near a seven-week high while the **rand** and riskier currencies languished as the Omicron coronavirus variant established itself as the dominant strain in South Africa and continued to spread globally.

Longer-dated **U.S. Treasury yields** were little changed after giving up earlier gains on Wednesday as the Omicron coronavirus variant was found in the United States, though short-dated yields stayed higher on chances that the U.S. Federal Reserve will speed up its bond purchase tapering.

Oil prices rose, reversing the previous day's losses, on expectations OPEC+ may pause supply additions amid growing concern the spread of the Omicron coronavirus variant could weigh on the global economy and fuel demand.

Gold prices eased hurt by a firmer dollar, as investors assessed how central banks are likely to respond to surging inflation and concerns over economic growth spurred by the new Omicron coronavirus variant.

	CLOSE	FII INVESTMENTS	EQUITIES	DEBT
PNDF spot	74.9/74.93	December 1	(5,241.40) crores	379.27 crores
10-yr bond yield	6.353%	Month-to-date	(5,241) crores	379 crores
		Year-to-date	39,537 crores	1,819 crores

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

PICTURE OF THE DAY



A woman and her son walk past a graffiti on a street, amidst the coronavirus disease (COVID-19) pandemic, in Mumbai, December 1. REUTERS/Hemanshi Kamani

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

(Compiled by Haneyl Jacob in Bengaluru)

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