Tweet of the Day

Ole S Hansen @OleSHansen

Raised hopes of a US-China trade deal driving stocks higher, a softer dollar and output cuts have supported oil following its December collapse, but worries about the global economy still nag

Quarts & Ounces

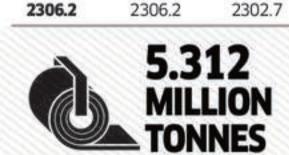


ndex

Bullion DAYS INDEX PREV DAYS 4774.5 4739.6 4780.8 Cement 0.00 CHANGE

PREV DAYS DAYS INDEX LAST WEEK 2014.8 2001.5 2014.8 CHANGE 2.7 Edible Oil DAYS INDEX PREV DAYS

1546.2 1580.4 1577.7 Foodgrains CHANGE 0.00 DAYS INDEX PREV DAYS LAST WEEK



GLOBAL ALUMINIUM PRODUCTION IN NOV 2018

Did You Know?

Holy Guacamole! Super Bowl Snack is **Under Threat**



year, where guacamole is a staple living room snack on Super Bowl Sunday. But the Mexican government's efforts to clamp down on years of mounting fuel theft has a prompted a week-long fuel shortage that has left many states in central and western Mexico high and dry. - Reuters

Small Banks to Hire 5k More in 3 Months

Mumbai | Kolkata: Banking in India is spreading beyond its urban bailiwick, and small banks are taking something more durable than just loan funds to the hinter-

Saikat Das & Atmadip Ray

land-jobs. AU, Ujjivan, Utkarsh, Suryoday and ESAF, the leading names in India's small-finance banking business, are set to hire about 4,000-5,000 people in smaller towns between January and March, executives heading the expansions at the lastmilelenderstotheunderprivileged told ET. While hiring has been a continuous process in the fledgling

The

Right

EXPECTED HIRING

1.500: AU Small Finance Bank

600: Ujjivan Small Finance Bank 200-250: Suryoday

small-finance banks, the pace is quickening as all these lenders are in the final lap of opening branches in line with their initial plans.

"Larger branch footprint is leading to more job creation and relocation opportunities for people to want to move to their home-towns," said Sabyasachi Chakraverty, business head, banking & financial services, at human resources services company TeamLease.

AU Small Finance Bank said it is looking to hire about 1,500 people in the next three months, while Ujjivan would add about 600 people. ESAF wants to hire 500 people, and Suryoday 200-250 people. Other small-finance banks are also ex-

panding their networks, "We have been hiring mostly for our growing branch banking network and SME lending business," Ujjivan Small Finance Bank Managing Director Samit Ghosh said. With 464 branches, Ujjivan has hired 5,729 people in rent 14,304.

RURAL EXPANSION Pace of hiring is rising as lenders race to open branches, expand their businesses



The diversification at these smallfinance banks into areas such as two-wheeler financing, affordable homes, and SME financing requires a new talent pool. "Smallfinance banks have intensified their recruitment drive creating job opportunities in smaller towns and cities," said Chakraverty.

AUSmall Finance Bank's human resource head Manoj Tibrewal said the bank would recruit around 500 people every month between January and March for branch banking business to add to the current strength of 13,000 people.

"This hiring is part of our preparation for next year as this is the season for campus placements," said ESAF Small Finance Bank Managing Director K Paul Thomas, Small-finance banks, as a group, have total loans outstanding of ₹24,972 crore as on September

NRI is based in Hong Kong or

Belgium to trade on roughs, an-

other in Dubai to buy the polished

exported from India, which are

then sold to the US. Japan and

markets across the world. Now, to

meet the loan conditions, these

entities may have to set up

fronts," said a veteran in the dia-

As per the latest rules by SBI,

advance payments for procure-

ment of rough diamonds will be

permitted to only mining compa-

nies as per the list approved by the

RBI and Gems & Jewellery

An SBI spokesperson did not re-

Export Promotion Council.

mond industry.

Larger branch footprint is leading to more job creation and relocation opportunities for people who want to move to their home towns

SABYASACHI CHAKRAVERTY, Business head - banking & financial services. TeamLease

last year with a share of 17% in the country's ₹1,46,741-crore microfinance portfolio.

These banks are hiring both fresh graduates and experienced bankers. Talent with experience at overseas lenders wants to work in these banks that have a restricted

lending mandate. According to TeamLease, the jobs on offer include those in analytics, investorrelations, operational risk, and branch management.

Brent Rallies

Brent oil extended its longest rally

traded over \$60 in December — are up for an eighth session, recoveringfrom a 35% col-

An industry report on Tuesday was said to show American crude inventories

kets that have declined slumped on con-

Rise in Tea Exports to Pak

'Tea Export to

neighbouring Pakistan

continued to show an

January to November

2018, according to Tea

increase than most

destinations during

Board data.

Exports of tea to

Pak on the Rise'



12.60 mkg

Jan-Nov 2018

Jan-Nov 2017

Rise in exports to Pakistan in first 10 months of 2018

13.07 m kg Tea exports to Pakistan in

first 10 months of 2018

225.76 m kg Total exports during the

10-month period of 2018 ₹4,624 crore

Value of total exports in the first 10 months of 2018

REASONS: Exports to UK, UAE and Egypt declined marginally during Jan-Nov 2018

Source: PTI

ROUGH CUT SBI, the biggest lender to the trade, has put tough conditions on lending to cos Strict Bank Rules Force Changes

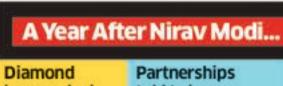
in Diamond Trade Practices

Sugata.Ghosh@timesgroup.com

Mumbai: A year after the Niray Modi-Mehul Choksi scam rattled the nation, diamond houses in India are being pushed to change the way they have been doing businessfor many decades. Harsh new rules laid down by large banks would force them to restructure their entities, change business associates and spend more.

The largest lender to diamantaires, State Bank of India, has imposed funding restrictions on borrowers for exports to countries other than USA and Europe, capped exposure at ₹1,000 crore per borrower, and set stiff credit rating condition on diamond houses for additional finance.

In its credit policy for diamond houses, finalised in 2018-end, the bank has stipulated that borrowers would have to give an undertaking that rough or cut and polished stones are not procured from associate concerns or related parties as a condition for fundbased working capital finance by way of pre-shipment or packing credit in foreign currency.



to Dubai, HK, Ja-

pan to cost more

houses deal told to become with loan curbs corporates Curbs on deal- Finance for export

ing with relat-

ed parties

Also, all existing borrowers with outstanding of ₹50 crore or more would have to convert partnership firms into corporates by December 2019 - a move that would increase their tax liability. Diamond houses that are unable to transform into corporates would have to bring in additional

collateral and pay half a percent-

age point higher interest on loans. SBI's policy, which could be emulated by some state-owned banks, follows instances of frauds, money-laundering and sharp practices that few diamond houses indulged in. Some restrictions have put a question mark on the way they function.

"Introducing restrictions based on geography would hurt the trade badly. One can understand

the exclusion of Dubai. But a quarter of polished stone exports is to Hong Kong, with China, along with Hong Kong, emerging as one of the largest manufacturing centre for studded jewellery," a senior industry person told ET. "Today, Belgium and Hong Kong are the largest centres for distribution and trade," said the person.

The curbs on dealings with related parties would compel many diamond houses to rejig themselves in a trade that is known for its secrecy and dealings among community members. "When you are dealing in such high-value items, personal relations are importance. That's what the trade believes. For 50 or more yearsthat's how it has been...One family member who becomes an

spond to ET's query on the matter. Whilediamond traders validate some of the safeguards that SBI is

putting in place, they feel some conditions could be stifling. A corporate, unlike a partnership, would have to disclose to the Ministry of Corporate Affairs the charges on assets against loans. So, there would be greater disclose, they agree. They also admit that the restriction on advance payment probably follows a few parties making multiple remittances from different banks.

Wheat Prices Likely to Fall on Bumper Crop Forecast and Huge Carryover Stock

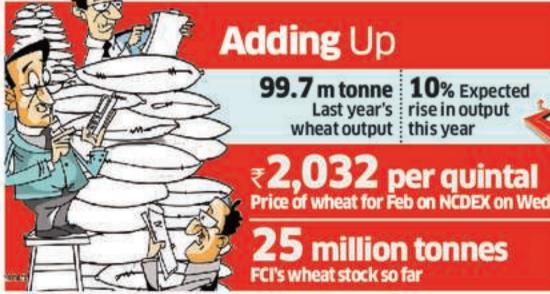
Madhvi.Sally@timesgroup.com

New Delhi: Wheat prices in the spot market are expected to remain steady for the next one month before gradually declining in February on forecast of a good crop and huge carryover stock. According to traders, wheat har-

vesting will begin in Madhya Pra-

desh, Gujarat and Rajasthan from the middle of February, which will put pressure on the market. On Wednesday, wheat futures for February contract fell on the NCDEX by 3% to ₹2,032 per quintal. "From February, when the new crop starts arriving, wheat prices will weaken. However, we have to see if state governments

announce bonus owing to general



election in 2019, and if governrent prices are higher.

ment procurement is higher," said an executive of a global trading company, adding that the cur-Analysts said that looking at the

higher wheat acreage and good weather condition, they expect production to be more than the previous year, which will not support current prices.

"Wheat crop is expected to in- at₹1,950 a quintal.

crease in India by 10% this year from last year's production of 99.7 million tonnes. Wheat prices in February contract and in spot market are likely to correct due to the favourable weather and expected bumper crop," said Anuj Gupta, deputy vice-president of commodity research at Angel Commodity.

With Food Corporation of India a government agency, estimated to be holding the bulk of the grain in the country at close to 25 million tonnes, prices were expected to remain steady in the short

In July, the government had offloaded its wheat stock under the Open Market Sale Scheme at ₹1,875 a quintal and currently it is

Aluminium is the Market to Watch Closely in 2019

Metal is a better gauge of economic growth than copper, partly because China consumes a majority of the world's aluminium factors that raises the prospects of

Bloomberg

On the long list of leading indicators that market participants attempt to use to figure out where the economy may be headed, don't overlook aluminium.

Despite the many market-soothing words uttered by Federal Reserve Chairman Jerome Powell and former chairs Janet Yellen and Ben S Bernanke at the American Economic Association's annual meeting in Atlanta on Friday, economic and market risks have not vanished. In fact, the risks for 2019 and 2020 look a lot like those in 2015 and 2016, when a Chinese manufacturing recession. depressed euro-zone manufacturing activity, and a US business investment recession held back



markets and growth. One of the most overlooked economic dynamics of the past five years is the Chinese manufacturing recession that lasted from December 2014 until June 2016. Now, China is on the edge of another manufacturing recession. following contractions in the December 2018 Caixin manufacturing PMI. This is just one of the major

prices, other industrial commodities and even equities. In fact,

a 2015-2016 redux.

aluminium led markets in 2018 in a dynamic that we also saw during the drop in late 2014 to mid-2016 as well as the recovery-driven rise from mid-2016 until early 2018. One reason why aluminium is such a leading indicator is that China consumes a majority of the world's aluminium. Not just a plurality, but an outright, albeit slight, majority of 54%.

Then, as now, aluminium led

other markets lower, including oil

This means that aluminium is a more reliable read on China's economic health than almost any other metric.

And reliable Chinese growth metrics are in short supply. Although Powell noted the fall in copper prices, which is often referred to on Wall Street as "Dr Copper" for its ability to track the global economy's health, aluminium is arguably a better gauge of demand and growth, as supplies are not as tight worldwide and demand is more broadly distributed. As an ominous forerunner of the risks ahead in 2019, LME aluminium prices suffered massive downward pressure in 2018. The risk to industrial metals prices from a trade war — and the proxy implications for the global economy - was apparent in April.

In any case, watching aluminium prices for signs of life and a light at the end of the economic tunnel of doom and gloom would be a wise strategy. Not just for aluminium but for oil prices and equities.

'Better to Self-regulate'

▶▶ From Page 1

by Facebook for \$19 billion in 2014 is spending more than 80% of the amount on print advertising, 15% on television ads and the rest on radio spots, according to data sourced from media agencies.

WhatsApp had a total of 32,475 ad insertions — the number of times an ad is aired on TV — bet-Council (BARC) India.

The Facebook-owned firm has been under fire from the Indian The company that was acquired government and others overfake news and false information being circulated on its messaging platform. Such messages have allegedly incited mobs, triggering multiple cases of lynching across India.

The company, which has at least 200 million users in India, rolled out the campaign after the governween the start date of December ment issued a warning, asking it 3 and December 28, according to to immediately stop the spread of the latest data collected by the irresponsible and explosive mes-Broadcast Audience Research sagesfilled with rumours and provocation on its platform.

"Just the way alcohol brands have taken the cause of safe driving and tobacco companies openly acknowledge their harmful impact on health, social platforms will have to take on the cause of data, privacy and fake news," said Saurabh Varma, CEO, Publicis Communications India. "It is better to self-regulate rather than have a policy thrust down your throat."

led out in early December, focused on "ordinary people" teaching someone close to them accounts that engage in unwanted how they can avoid becoming

propagators of misinformation and is titled 'Share Joy, Not Rumours'. Apart from the campaign aga-

inst false information, WhatsApp has also announced measures to help users identify fake news. The company introduced a feature to identify whether a message was created by the sender or came from someone else by labelling forwarded messages. Additional-The campaign, which was rol- ly, WhatsApp has declared that it continues to strengthen antispam detection capabilities to ban automated activity.

Nod for ₹1k-cr **Share Buyback**



NEW DELHI Staterun iron ore producer NMDC said its board has approved

plan. It will buy back 10.20 crore shares at ₹98 apiece from shareholders, the company stated in a BSE filing. The finance ministry on Tuesday approved the min-

NMDC Board



a ₹1,000-crore share buyback er's buyback plan.

cerns over a trade war between the nations. Meanwhile, an industry report on Tuesday was said to show American crude inventories declined. Fears of a slowdown in oil demand are receding with an easing of trade tensions, which helped drag crude prices into a bear market after they hit a fouryear high in October. Confidence is also strengthening that the Opec and its allies including Russia will curb output enough to counter booming US supplies and

above \$60 on **Trade Talks** Bloomberg

lapse in the last quarter of 2018. US President Donald Trump is said to be eager to strike a deal with China soon to perk up financial mar-

avoid an oversupply.

in a year and a half, rebounding above \$60 a barrel, on hopes of a resolution in the US-China trade dispute. Futures in London — which last

MCX FUTURE PRICES HIGH CLOSE VOLUME OPEN INT. LOW VALUE EXPIRY DATE (LAKH) (LOTS) ALUMINI-1KGS (Lot-1 MT) 132.10 133.25 134.40 130.20 131.45 131.80 131.30 132.45 133.75 14546.27 702.88 99.05 11075 530 74 6432 713 686 130.40 131.45 KGS (Lot-5 MT) 131.25 132.60 146.65 132.10 133.20 147.10 130.20 131.60 145.10 5415 4823 325 253 130.20 131.60 GS (Lot-100 KGS) 1550.00 1560.00 1555.00 1580.00 1588.00 20.20 99,29 9.53 1570.00 1585.00 1600.00 (Lot-1 MT) 24902 18318 414.60 104207.44 419.00 414.35 419.40 24294 25406.21 13408 954 419.20 COTTON-1BALES (Lot-25 BALES) 1794 757 116 20860.00 20730.00 21120.00 2715 29-Mar-19 CPO-10KGS ot-10 MT) 532,60 539.30 537.20 543.60 702 400 22 4869 1348 2174.34 120.23 29-Mar-19 544.80 CRUDEOIL-1B BL (Lot-100 BBL) 3586.00 3624.00 20753 1759 3525.00 3579.00 34307.48 93556 7293.50 43.73 2021 CRUDEOILM BBL (Lot-10 BBL) 39765 5528 273 3496.00 3586.00 203524 3649.00 3548.00 14367 127.89 51.14 3.54 476 50 203 31-Jan-19 25183.00 25245.00 GOLDM-10GRMS (Lot-100 GRMS) 6787 655 50 20105.01 6330 31754.00 31651.00 31756.00 778.34 92.36 245 31830.00 RMS (Lot-1 GRMS) 54.49 7245 1697 236 3149.00 1731 3141.00 10.16 3151.00 3159.00 2755 138.20 140.60 61530.57 8810 LEADMINI-1KGS (Lot-1 MT) 14322 IKGS (Lot-360 KGS) 1131 31-Jan-19 22.53 1558.00 1564.80 NATURALGAS 212.10 210.10 44933.97 16950 213.70 1866.26 194.90 NICKEL-1KGS (Lot-250 KGS) 793.10 31934.71 16110 31-Jan-19 577 794.10 154 799.20 NICKELM-1KGS (Lot-100 KGS) 12372.04 438.65 15604 787.80 793.20 8244 31-Jan-19 794.30 796 00 SILVER-1KGS (Lot-30 KGS) 6423 63 18037 2074 39237.00 39390.00 75905.83 39488.00 05-Mar-19 754.25 03-May-19 39845.00 39925.00 SILVERM-1KGS (Lot-5 KGS) 17164 17777.25 9021 39421.00 28-Feb-19 39341.00 39254.00 39855.00 ZINC-1KGS (Lot-5 MT) 13595 4677 29-Mar-19 179.25 177.00 178.50 23042 179.60

CALLS					F 100 (100 to 15	PUTS				
OI (LOTS)	PREMIUM (LACS)	VALUE (LACS)	VOLUME (LOTS)	CLOSE	STRIKE	CLOSE	VOLUME (LOTS)	VALUE (LACS)	PREMIUM (LACS)	(LOTS
41	0.7	31.8	1	711.0	31100	66.0	7	218.2	0.5	36
34	1.3	63.7	2	637.0	31200	88.0	14	438.0	1.2	56
17	1.1	63.7	2	559.0	31300	106,5	48	1507.7	5.3	58
5	0.5	31.9	1	466.5	31400	137.5	9	283.8	1,2	38
149	3.0	223.5	7	430.0	31500	154,5	92	2913.3	15.3	239
135	0.7	63.9	2	368.0	31600	213.0	24	763.7	5.3	65
104	1.6	160.1	5	312.0	31700	232.5	16	511.1	3.9	99
47	2.4	288.6	9	266.5	31800	284.0	37	1187.1	10.5	36
19	0.9	128.5	4	212.5	31900	380.0	1	32.3	0.4	7
152	8.5	1480.5	46	195.0	32000	405.5	9	291.7	3.7	20
9	0.0	0.0	0	171.5	32100	-	-	~	-	-
16	0.1	32.3	1	110.0	32200	-	-	-	100	*
10	0.0	0.0	0	65.5	32300	-	1 12	-	-	12
_	MCX-COM	MDEX				-	- ALL	JMINI JA	N19 (RS/1	KGS)
3780	0									145

