

Friday, 01 March 2019

DOMESTIC MARKET ACTIVITY AS ON 28-02-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2245865	-2.28	20034.66	-23.45	2808721	-23.22
EURINR	62928	-3.74	573.53	+4.52	70391	+4.72
GBPINR	84558	-12.28	1107.41	-24.35	116611	-24.34
JPYINR	36183	-1.92	207.84	-32.56	32212	-32.14

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was down 0.1% at 95.93, as investors looked ahead to the release of U.S. fourth-quarter GDP data later in the day. It fell to a three-week low of 95.75 a day earlier, largely a function of the sharp rise in sterling as the risk of a disorderly 'no-deal Brexit' receded further. The pound was a shade lower early Thursday in Europe at \$1.3290. It rallied to a seven-month high of \$1.3351 on Wednesday after the opposition Labour Party formally adopted a call for a second referendum rather than accept a 'no-deal' Brexit. The governing Conservative Party has also softened its stance under pressure from Remain-minded lawmakers. "The push and pull factors for sterling seem set for the short term in that delays and soft Brexit options will lead to strength, with a hard-deal Brexit leading to significant pull backs," noted Nick Twidale, chief operating officer at Rakuten Securities Australia in Sydney. Elsewhere, risk appetite in general was damped by U.S. Trade Representative Robert Lighthizer telling a Congressional hearing it was too early to predict an outcome in U.S.-China trade negotiations. That was his first public comment since Trump announced a delay to the scheduled increase in Chinese import tariffs on Sunday.
- USD/JPY -** The Japanese yen, often viewed as a safe-haven currency, was in demand in early European hours on Thursday, after U.S. President Donald Trump cut short his nuclear summit with North Korean leader Kim Jong-un. The news, together with more weak economic data out of China, stoked profit-taking in risk assets across Asia, something which generally supports the yen because it's the cheapest currency in which to fund short-term bets. The USD/JPY pair was down 0.2% at 110.75 by 3:45AM ET (08:45 GMT), falling back towards Wednesday's two-week low of 110.34. "Basically, they wanted the sanctions lifted in their entirety and we couldn't do that," Trump told reporters. "We asked Chairman Kim to do more and he was unprepared to do that," added Secretary of State Mike Pompeo.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	70.98	-0.78	70.54	70.76	71.14	71.35	71.73
EUR-INR	81.24	-0.67	80.92	81.08	81.33	81.49	81.73
GBP-INR	94.73	-0.57	94.14	94.43	94.83	95.12	95.51
JPY-INR	64.24	-1.08	63.85	64.04	64.37	64.56	64.89

CURRENCY IN FOCUS

USD-INR (Mar)



Technical Strategy: Sell USD-INR Mar at 71.10 – 71.15 with SL above 71.30 TP-70.85/70.75.

Major Economic Data and Events Schedule For 01-03-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
-	-	No major release	-	-	-

Impact - High Medium Low

Note: Economic data expectations are based on median forecast by economists or Reuters and Bloomberg survey. Here positive impact indicates currency could appreciate and negative indicates currency could depreciate in comparison with US Dollar.

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