

Thursday, 01 November 2018

DOMESTIC MARKET ACTIVITY AS ON 31-10-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2387822	-1.69	18339.72	+72.91	2470683	+72.05
EURINR	98172	+0.58	475.64	+10.56	56363	+10.29
GBPINR	38196	+1.19	736.77	+46.01	77920	+45.89
JPYINR	34158	-1.29	177.4	+24.92	26999	+24.74

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar eased but held near 10-week highs against a currency basket on Wednesday, supported by indications that the U.S. economy remains strong, while the yen remained steady after Bank of Japan's latest policy announcement. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, edged down 0.1% to 96.69 by 04:37 AM ET (08:37 AM GMT), after hitting an overnight peak of 96.85, the most since August 15. Demand for the dollar continued to be underpinned after data on Tuesday showing the U.S. consumer confidence rose to an 18-year high in October, bolstered by a solid labor market. Indications of strength in the U.S. economy contrasted with a deteriorating outlook for the euro zone, where data on Tuesday showed that economic growth slowed more than expected in the third quarter.
- EUR/USD/JPY-** The euro was hovering near 10-week lows against the dollar, with EUR/USD changing hands at 1.1353. The euro, which is on track for a monthly decline of around 2.2% against the dollar, has been pressured lower by political uncertainty in Germany, following Chancellor Angela Merkel's decision to step down in 2021. An ongoing row between Rome and Brussels over Italy's budget has also weighed on the single currency. The yen was little changed against the dollar, with USD/JPY last at 113.08 after the BoJ kept monetary policy on hold overnight, but cut its inflation forecasts, indicating that it will continue with its massive stimulus program for some time to come. The pound was a touch higher, with GBP/USD rising 0.3% to 1.2745, recovering from Tuesday's 10-week lows of 1.2691. Sterling weakened broadly on Tuesday after ratings agency Standard and Poor's warned that a no-deal Brexit would likely tip the UK economy into a prolonged recession.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	74.19	0.36	73.83	74.01	74.21	74.39	74.58
EUR-INR	84.34	0.27	83.95	84.15	84.35	84.54	84.74
GBP-INR	94.73	0.42	93.95	94.34	94.62	95.01	95.29
JPY-INR	65.71	0.09	65.37	65.54	65.69	65.86	66.00

CURRENCY IN FOCUS

USD-INR (Nov.)



Technical Strategy: USD-INR Nov. Sell AT 74.20 with SL above 74.40 TP-73.90/73.70.

Major Economic Data and Events Schedule For 01-11-2018

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
3:00pm	GBP	Manufacturing PMI	53.0	53.8	High
5:30pm	-	BOE Inflation Report	-	-	-
-	-	MPC Official Bank Rate Votes	0-0-9	0-0-9	Low
-	-	Monetary Policy Summary	-	-	High
6:00pm	-	BOE Gov Carney Speaks	-	-	-

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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