

Tuesday, 2 April 2019

DOMESTIC MARKET ACTIVITY AS ON 01-04-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2343488	+1.57	13706.13	+8.10	1972236	+7.92
EURINR	50071	+8.25	470.78	-11.95	60172	-11.91
GBPINR	37018	+1.05	1727.26	+83.27	189880	+84.19
JPYINR	21799	-7.27	176.3	-12.19	28025	-11.88

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar is opening the week slightly lower after a bounce in Chinese manufacturing activity encouraged traders to start the new quarter with some cautious optimism. The British pound, meanwhile, has also recouped some of the losses it suffered at the end of a chaotic week in U.K. politics, although the respite looks set to be brief, given weekend press reports that the country's parties are tentatively planning for a general election to break the deadlock on Brexit. At 03:00 AM ET (0800 GMT), the U.S. dollar index, which measures the greenback against a basket of six major currencies, was at 96.688, down some 0.2% from its closing levels on Friday. It dipped after China's Caixin purchasing managers' index rose sharply to its highest in eight months, a bounce that took it comfortably past the 50 reading that typically represents unchanged levels of activity. The bounce hasn't been uniform. PMI readings in France, Germany and Italy all fell, staying below the 50 level in a blow to hopes for a clearer signal of the economy bottoming out after a weak first quarter.
- EUR/USD -** EUR/USD has started the week with slight gains. Currently, the pair is trading at 1.1235, up 0.15% on the day. On the release front, it's a busy day. German and euro zone manufacturing PMIs missed their estimates, with readings of 44.1 and 44.7, respectively. The Euro zone CPI Flash Estimate inflation in March came in at 1.5%, just shy of the estimate of 1.4%. In the U.S., retail sales are expected to tick up to 0.3%. On Tuesday, the euro zone releases PPI and the U.S. posts durable goods orders. German and euro zone manufacturing sectors remain mired in contraction territory. This is largely due to the global trade war, which has lowered the demand for exports, such as German cars and auto parts. German manufacturing PMI dropped to 44.1, losing ground for an eighth straight month. This reading was the lowest since 2012. The all-euro zone release has also been steadily falling and is pointing to significant weakness in manufacturing.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.47	-0.18	69.00	69.24	69.44	69.67	69.87
EUR-INR	78.27	-0.17	77.85	78.06	78.28	78.50	78.72
GBP-INR	91.12	-0.36	90.70	90.91	91.30	91.51	91.91
JPY-INR	62.83	-0.73	62.61	62.72	63.01	63.13	63.42

CURRENCY IN FOCUS

GBP-INR (Apr)



Technical Strategy: Buy GBP-INR Apr AT 91.30 with SL below 91.10 TP-91.55/91.75.

Major Economic Data and Events Schedule For 02-04-2019

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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