

Friday, 02 November 2018

**DOMESTIC MARKET ACTIVITY AS ON 01-11-2018**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	NA	NA	NA	NA	NA	NA
EURINR	-	-	-	-	-	-
GBPINR	-	-	-	-	-	-
JPYINR	-	-	-	-	-	-

**CURRENCY UPDATES**

- DOLLAR INDEX-** The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was down 0.57% to 96.35 after gaining 2.28% in October. The dollar has been boosted by expectations for a faster pace of rate hikes from the Federal Reserve going into 2019 as the U.S. economy remains strong.
- EUR/USD-** Next 1-3 weeks: "The 'negative' phase in GBP that started about 2 weeks ago (see update on 19 Oct, spot at 1.3020) ended abruptly as Brexit headlines sent GBP blasting past the 'key resistance' at 1.2820 (GBP hit a high of 1.2831 during NY hours and extended its gain earlier this morning when more Brexit headlines crossed the wires). The sudden surge in GBP came as a surprise as after the steep decline on Tuesday (30 Oct), we were of the view that GBP could break the year-to-date low of 1.2662. The strong recovery in GBP suggests the 1.2697 low seen on Tuesday is a short-term bottom and we do not expect this level to come into the picture, at least not for the next one week or so. Despite the robust rebound, it is premature to expect a major bullish reversal. GBP has likely moved into a 'correction' phase and the current recovery could extend higher but at this stage, any further advance is likely limited to 1.2950".

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	73.66	-0.72	73.12	73.39	73.92	74.19	74.72
EUR-INR	84.03	-0.37	83.78	83.90	84.07	84.19	84.36
GBP-INR	95.02	0.30	94.59	94.80	95.09	95.30	95.59
JPY-INR	65.31	-0.60	65.00	65.16	65.46	65.62	65.92

**CURRENCY IN FOCUS**

**USD-INR (Nov.)**



**Technical Strategy: USD-INR Nov. Sell AT 73.90 with SL above 74.10 TP-73.60/73.40.**

**Major Economic Data and Events Schedule For 02-11-2018**

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
6:00pm	USD	Average Hourly Earnings m/m	0.2%	0.3%	High
-	-	Non-Farm Employment Change	193K	134K	-
-	-	Unemployment Rate	3.7%	3.7%	Low

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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