

Wednesday, 03 October 2018

DOMESTIC MARKET ACTIVITY AS ON 01-10-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	3400463	+5.76	16606.67	-3.38	2271756	-3.70
EURINR	117911	+4.19	898.38	-4.96	105755	-5.11
GBPINR	49892	+7.90	703.59	-24.97	73760	-25.08
JPYINR	31078	-3.90	258.36	+16.84	40210	+16.99

CURRENCY UPDATES

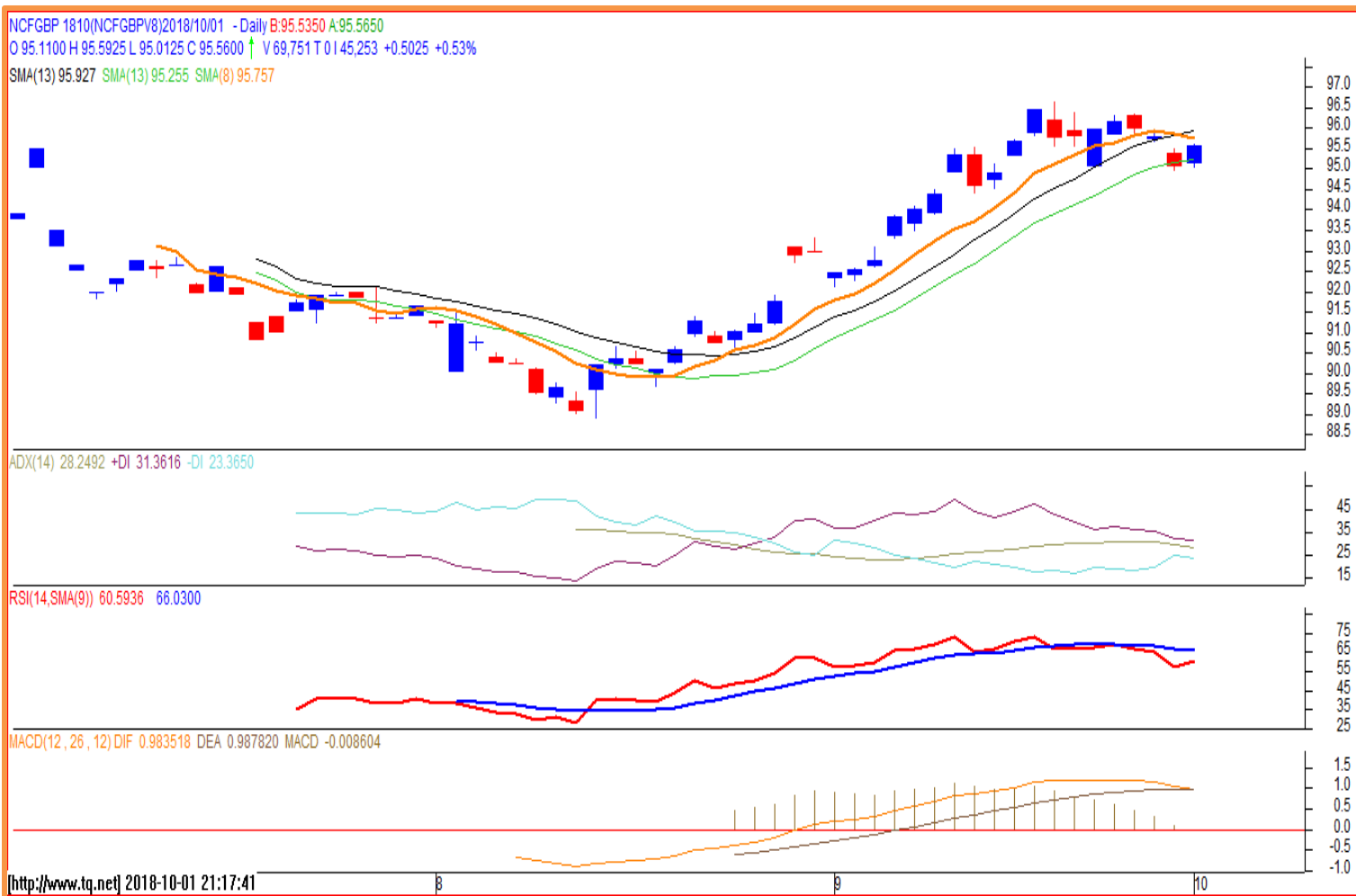
- DOLLAR INDEX-** Last week was definitely eventful for the American Dollar. No brainer here, with this calendar we would be really surprised if nothing happened. How traders took those fundamental events from the last week? Very well! Dollar Index is climbing higher and it looks like the bad times are gone and we are ready for a new upswing. The index is now struggling for direction after climbing beyond the 95.30 level earlier in the day. Despite the correction lower, DXY manages well to keep business above the 95.00 milestone for the time being. The greenback is attempting to extend the bid tone into this week, always on the back of persistent concerns around the Italian fiscal sector and the offered bias in the risk-associated complex. In the US data space, the always-relevant ISM manufacturing for the month of September is next on tap ahead of the speech by Boston Fed E.Rosengren (2019 voter, centrist).
- EUR/USD-** The pair is now reverting three consecutive daily pullbacks and has regained the 1.1600 and beyond after bottoming out in the 1.1570/65 band on Friday. The better mood in the Italian fixed income markets plus the absence of fresh headlines around the recently announced 2.4% budget deficit in Italy appear to be bolstering the recovery in spot along with some softness around the buck. Still in Italy, Joseph Trevisani, Senior Analyst at FXStreet noted: "The Italian budget forces the EU to fight on two fronts. Externally against the UK in the Brexit negotiations and internally against the populist anger in one of the Union's core nations. The Italian threat is far greater". Data wise today, German Retail Sales surprised to the downside during August while the final print of the manufacturing PMI in the euro area came in a tad below expectations.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	73.15	+0.53	72.68	72.92	73.06	73.30	73.44
EUR-INR	85.10	+0.73	84.39	84.75	84.97	85.32	85.55
GBP-INR	95.56	+0.54	94.66	95.11	95.35	95.80	96.05
JPY-INR	64.31	+0.06	63.95	64.13	64.24	64.42	64.54

CURRENCY IN FOCUS

GBP-INR (Oct.)



Technical Strategy: GBP-INR Oct Buy AT 95.35 with SL below 95.15 TP-95.60/95.80.

Major Economic Data and Events Schedule For 03-10-2018

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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