

Thursday, 04 October 2018

DOMESTIC MARKET ACTIVITY AS ON 03-10-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	3683959	+8.34	25560.73	+53.92	3478420	+53.12
EURINR	117945	+0.03	728.21	-18.94	85493	-19.16
GBPINR	51913	+4.05	716.12	+1.78	74941	+1.60
JPYINR	32094	+3.27	239.81	-7.18	37068	-7.81

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar index against a basket of six major currencies was 0.2 percent lower at 95.313. DXY after scaling 95.744 overnight, its highest since Sept. 4. The yen and the Swiss franc, both safe-haven currencies, dipped against peers such as the euro, dollar and Australian dollar. "U.S. data due later today, such as the non-manufacturing ISM index, will provide a chance to see if the economy is performing in line with the Fed's views," the dollar has benefited from recent euro weakness but that fundamental factors after the Federal Reserve raised interest rates last month had played a larger role. The dollar index has advanced about 1.4 percent since the Fed moved last Wednesday and said it foresees another rate hike in December. 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.
- EUR/USD-** The euro rebounded on Wednesday, snapping five days of losses as reports that Italy plans to cut its budget deficit after next year eased concerns over the prospect of a wider deficit that had rattled markets. EUR/USD was up 0.23% to 1.1573 by 04:05 AM ET (08:05 AM GMT), rebounding from Tuesday's one-and-a-half month trough of 1.1504. Italian newspapers reported that Italy's populist government will reduce its budget deficit targets for 2020 and 2021 to 2.2% and 2% respectively and stick with its plan for 2.4% for 2019. The government had originally said it would planned to run a deficit of 2.4% over the next three years which would have breached European Union fiscal rules, spooking markets and prompting criticism from the European Commission. Italian Prime Minister Giuseppe Conte was to hold a cabinet meeting later in the day to discuss the situation. Italy needs to send its draft budget plan to the EC by the middle of October.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	73.58	+0.59	72.95	73.27	73.46	73.78	73.97
EUR-INR	85.16	+0.07	84.67	84.92	85.17	85.42	85.67
GBP-INR	95.59	+0.03	94.99	95.29	95.53	95.83	96.07
JPY-INR	64.74	+0.67	64.13	64.44	64.67	64.98	65.21

CURRENCY IN FOCUS

EUR-INR (Oct.)

NCFEUR 1810(NCFEURV8)2018/10/03 - Daily B:85.1350 A:85.1650
O 85.2500 H 85.4300 L 84.9400 C 85.1650 V 80,826 T 0 | 97,481 +0.065 +0.08%



Technical Strategy: EUR-INR Oct Sell below 85.15 with SL above 85.35 TP-84.90/84.70.

Major Economic Data and Events Schedule For 04-10-2018

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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