

Tuesday, 06 November 2018

**DOMESTIC MARKET ACTIVITY AS ON 05-11-2018**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2565198	-4.31	15758.58	-40.66	2154122	-40.80
EURINR	93067	-6.62	552.81	-26.04	66186	-25.99
GBPINR	46124	+4.11	844.07	-23.48	88623	-23.67
JPYINR	33129	-0.70	173.96	-37.04	26863	-37.03

**CURRENCY UPDATES**

- DOLLAR INDEX-** The dollar was holding steady against a currency basket on Monday as Friday's strong U.S. jobs report underpinned expectations for higher interest rates and investors mulled heightened trade tensions and geopolitical risks. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was at 96.28 by 03:52 AM ET (08:52 AM GMT). The dollar remained supported after the Labour Department reported that U.S. job growth rebounded sharply in October and wage growth accelerated at the fastest pace in more than nine years. The robust figures indicated that the labor market is continuing to tighten, underlining the case for the Federal Reserve to hike interest rates again this year and beyond. The Fed will begin its two day meeting on Wednesday, with markets anticipating no change to interest rates ahead of a widely expected rate hike in December.
- GBP/USD-** Sterling regained to 1.30 level against the dollar on Monday amid optimism that Britain will soon reach a deal with the European Union that will allow UK financial services companies based to have continued access to European markets after Brexit. GBP/USD was trading at 1.3024 by 06:00 AM ET (11:00 AM GMT), up 0.41% after hitting an intra-day low of 1.2974 earlier, following an unexpectedly weak report on UK service sector activity. The pair had hit a two week high of 1.3141 overnight. Business activity in the UK service sector grew at the slowest pace in seven months in October, data on Monday showed, held back by heightened economic uncertainty over Brexit and wider fears over the global economic outlook. The report, taken together with similar surveys of the manufacturing and construction sectors indicated that the rate of economic growth could slow sharply in the fourth quarter. But demand for the pound continued to be underpinned after Reuters reported that Britain is confident that it will soon reach a deal with the EU on its post-Brexit financial services trade with the bloc.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	73.25	0.86	72.76	73.01	73.15	73.39	73.53
EUR-INR	83.50	0.20	82.95	83.23	83.44	83.71	83.92
GBP-INR	95.42	0.76	94.43	94.92	95.25	95.74	96.06
JPY-INR	64.79	0.55	64.25	64.52	64.67	64.94	65.09

**CURRENCY IN FOCUS**

**USD-INR (Nov.)**



**Technical Strategy: USD-INR Nov. Sell AT 73.15 with SL above 73.35 TP-72.85/72.65.**

**Major Economic Data and Events Schedule For 06-11-2018**

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
All Day	USD	Congressional Elections	-	-	High

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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