

Thursday, 07 March 2019

DOMESTIC MARKET ACTIVITY AS ON 06-03-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2320082	+0.75	14658.12	-24.07	2072372	-23.88
EURINR	67876	+6.44	469.54	-35.83	58628	-35.47
GBPINR	68442	-1.33	854.55	-44.61	91863	-44.30
JPYINR	40065	+2.94	170.61	-14.87	26924	-14.68

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar held steady near a two-week high against its major peers in early European hours on Wednesday, while the Australian dollar sank to its lowest level of the year after data showed the economy slowed to a near standstill in the fourth quarter. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was at 96.80 by 4:15AM ET (09:15 GMT), after going as high as 96.95 the previous day, its best level since Feb. 15. Robust U.S. economic data supported the dollar after reports on Tuesday showed a rebound in housing and services activity, which eased concerns over a slowdown in the world's biggest economy.
- EUR/USD -** After failing to make a daily-close above the 112 mark yesterday for the fourth time since the start of the month, the USD/JPY is now having a difficult time setting its next short-term direction. As of writing, the pair was virtually unchanged on the day at 111.87. Although the Organisation for Economic Co-operation and Development (OECD) today announced that it cut its global economic growth forecast down to 3.3% in 2019 from 3.5% reported in November's publication, there was no negative market reaction that could ramp up the demand for safe-havens such as the JPY. Reflecting the neutral sentiment, European equity indexes trade mixed with Germany's DAX losing 0.2% and the UK's FTSE adding 0.12%. On the other hand, the US Dollar Index is struggling to gather strength after finding resistance around the 97 mark yesterday. In the NA session on Wednesday, the ADP's private sector employment report and December trade balance data will be looked upon for fresh impetus. Moreover, markets will be paying close attention to the Fed's Beige Book for fresh clues on the economic slowdown in early 2019.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	70.46	-0.33	70.16	70.31	70.58	70.73	71.00
EUR-INR	79.85	-0.48	79.56	79.70	79.96	80.11	80.37
GBP-INR	92.78	-0.37	92.41	92.59	92.89	93.07	93.36
JPY-INR	63.13	-0.23	62.81	62.97	63.24	63.40	63.67

CURRENCY IN FOCUS

USD-INR (Mar)



Technical Strategy: Sell USD-INR Mar at 70.55 with SL above 70.70 TP-70.30/70.00.

Major Economic Data and Events Schedule For 07-03-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
6:15pm	EUR	Main Refinancing Rate	0.00%	0.00%	Low
-	-	Monetary Policy Statement	-	-	High
7:00pm	-	ECB Press Conference	-	-	-

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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