

Tuesday, 09 July 2019

**DOMESTIC MARKET ACTIVITY AS ON 08-07-2019**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2209211	+5.92	10846.10	-39.29	1575286	-39.37
EURINR	78635	+2.98	364.36	-18.92	47039	-18.69
GBPINR	77505	-3.75	765.16	-22.76	88587	-22.61
JPYINR	43287	+1.95	104.12	-47.15	16359	-46.99

**CURRENCY UPDATES**

- DOLLAR INDEX-** The US Dollar has gapped-higher to start this week's trade, continuing a topside ramp from last week as the month of July has started in a much friendlier manner to USD bulls than the way that June had ended. While last month was punctuated with lower rate expectations around the United States, July has so far seen odds around future rate cuts slim, helping the US Dollar to bounce from the fresh three-month lows that were created just two weeks ago. At this point, the Greenback is finding resistance at a prior area of interest. The level of 97.35 is a prior swing-high that soon re-appeared as support; and this shows up after buyers pushed the bid beyond resistance at prior trend-line support. Sitting higher on the chart, the 97.70 level that had previously functioned as the yearly high remains as potential resistance.
- EUR/USD-** The EURUSD is mired in a 22 pip trading range today. That is not a lot. The 22 day average is 57 pips. The high today reached 1.1234. The low just reached 1.1222. The price has rebounded to 1.1222 currently. Last week, the pair did rebound from the most narrow trading range since 2004 (68 pips) with a range of about 162 pips (non trend to trend) in the week. The market price trended lower after breaking and running from a floor at the 1.1343-47 area. In the process, the pair's price fell below the key 100 day MA at 1.12572 (kicked lower by the better jobs data on Friday). The low on Friday reached 1.12068, just ahead of a target at the 1.1200-027 target area. A move below the 1.1200 area would target the 1.11808 low from June 18. Below that will look to the March 2019 low at 1.11744 and then traders will start to eye the 2019 low at 1.11064 On the topside, the 100 day MA at 1.12572 will be a key "line in the sand" for sellers and buyers. If the sellers/bears are to keep control, staying below that MA is key. Before that, watch the 1.1242-46 area for sellers. There were some swing highs from June 17 and 18 before breaking and running higher on June 20. On Friday, sellers leaned in that area.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	68.82	0.34	68.59	68.71	68.80	68.92	69.01
EUR-INR	77.37	-0.05	77.11	77.24	77.40	77.53	77.68
GBP-INR	86.32	0.08	85.97	86.14	86.32	86.50	86.68
JPY-INR	63.53	-0.13	63.35	63.44	63.57	63.66	63.79

**CURRENCY IN FOCUS**

**JPY-INR (July)**



**Technical Strategy: Sell JPY-INR July AT 63.57 – 63.60 with SL above 63.80 TP-63.30/63.10.**

**Major Economic Data and Events Schedule For 09-07-2019**

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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