

Tuesday, 12 February 2019

DOMESTIC MARKET ACTIVITY AS ON 11-02-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2337115	-2.05	8705.29	-38.21	1220282	-38.18
EURINR	81022	+0.35	320.01	-36.18	39574	-36.01
GBPINR	46142	-3.07	825.82	-23.06	89567	-22.82
JPYINR	50207	-0.14	137.43	-31.00	21181	-30.79

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar edged upwards to a new high for 2019 in early trading in Europe Monday, as the slowdown in the euro zone showed signs of raising more political instability. At 03:10 AM ET (0810 GMT), the euro had fallen to \$1.1317, as fears for the economy drive yields on safe assets to unattractively low levels. The German 10-year government bond yield last week fell below 0.10% for the first time in over two years, amid repeated signs of weakness in the economy that has been the most reliable source of growth in Europe for the last decade. The dollar index, which tracks the greenback against a basket of major currencies, was up 0.1% - rising for an eighth straight session -- to 96.530.
- GBP/USD -** The British pound fell to the lows of the day on Monday after data showing that Britain's economy slowed sharply in the final three months of 2018 amid concerns about the impact of Brexit. GBP/USD was down 0.36% to 1.2899 by 05:03 AM ET (10:03 AM GMT) from around 1.2931 earlier. The Office for National Statistics reported that the quarterly rate of growth slowed to 0.2% in the three months to December from 0.6% in the previous quarter. This was below forecasts of 0.3% and slightly weaker than the Bank of England estimated last week. "GDP slowed in the last three months of the year with the manufacturing of cars and steel products seeing steep falls and construction also declining," ONS statistician Rob Kent-Smith said. For 2018 as a whole, growth dropped to its lowest since 2012 at 1.4%, from 1.8% in 2017. Exports were hit by global weakness and consumers and businesses grew increasingly concerned about the lack of a plan for when Britain is due to leave the European Union on March 29. Last week the BoE cut its forecast for growth this year to 1.2%, which would be the weakest since the 2009 recession. In December alone, the economy contracted by 0.4%, the largest drop since March 2016. With less than seven weeks before the Brexit deadline, British Prime Minister Theresa May has failed to win parliament's backing for the withdrawal agreement she agreed with Brussels.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.30	-0.18	71.08	71.19	71.32	71.43	71.56
EUR-INR	80.77	-0.44	80.53	80.65	80.82	80.94	81.10
GBP-INR	92.20	-0.52	91.68	91.94	92.24	92.49	92.79
JPY-INR	64.81	-0.07	64.53	64.67	64.85	64.99	65.17

CURRENCY IN FOCUS

USD-INR (Feb)



Technical Strategy: Sell USD - INR Feb. below 71.30 with SL above 71.45 TP-71.10/70.95.

Major Economic Data and Events Schedule For 12-02-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
6:30pm	GBP	BOE Gov Carney Speaks	-	-	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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