

Friday, 12 April 2019

DOMESTIC MARKET ACTIVITY AS ON 11-04-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2442233	-2.21	15008.77	+1.26	2167547	+1.58
EURINR	58408	+3.54	469.87	-26.63	60121	-26.39
GBPINR	60297	+12.39	1336.88	+2.24	147469	+2.48
JPYINR	25007	-0.84	158.83	+3.96	25465	+4.30

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar was flat on Thursday after the release of the Federal Reserve’s March meeting minutes. The U.S. dollar index that tracks the greenback against a basket of other currencies last traded at 96.523 by 1:40 AM ET (05:40 GMT), down 0.04%. The majority of policymakers expect the central bank to remain on pause for the rest of the year, the minutes showed. However, Fed officials left the door open for more rate hikes by saying some policymakers under certain circumstances could “judge it appropriate to raise the target range for the federal funds rate modestly later this year.” “Several participants noted that their views of the appropriate range for the federal funds rate could shift in either direction,” the minutes say. On Wednesday, the IMF cut its forecast for world growth this year to the lowest since 2009, a mere 3.3%. Meanwhile, the euro recovered some of its early losses in the wake of the European Central Bank’s unchanged decision on interest rates and downbeat economic remarks from ECB President Mario Draghi.
- EUR/USD -** EUR/USD is almost unchanged in the Thursday session. Currently, the pair is trading at 1.1276, up 0.02% on the day. On the release front, German Final CPI remained steady, with a gain of 0.4%. This matched the forecast. The U.S. will release producer price index reports. PPI is expected to rise to 0.3% and Core PPI is forecast to improve to 0.2%. Unemployment claims is projected to rise to 210 thousand. On Friday, the euro zone releases industrial production, while the U.S. posts UoM consumer sentiment and the semi-annual Treasury currency report. There were no surprises from the ECB policy meeting, and the euro responded with limited movement. The bank held the minimum bid rate at 0.00%, where it has been pegged since 2016. Investors were more interested in Mario Draghi’s comments after the rate decision. Draghi acknowledged that euro zone economic data remains weak, particularly in the manufacturing sector. The economic outlook remains weak, with Draghi saying that “slower growth momentum is expected to extend into the current year”. At the same time, Draghi said that the likelihood of a recession remains low.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.11	-0.33	68.78	68.95	69.17	69.34	69.57
EUR-INR	78.00	-0.53	77.69	77.84	78.12	78.28	78.55
GBP-INR	90.53	-0.47	89.98	90.25	90.62	90.90	91.27
JPY-INR	62.27	-0.40	61.94	62.11	62.34	62.50	62.74

CURRENCY IN FOCUS

EUR-INR (Apr)



Technical Strategy: Sell EUR-INR Apr AT 78.10 -78.15 with SL above 78.30 TP-77.80/77.60.

Major Economic Data and Events Schedule For 12-04-2019

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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