

Thursday, 13 June 2019

DOMESTIC MARKET ACTIVITY AS ON 12-06-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	4038626	+104.17	18282.09	+68.96	2630054	+69.13
EURINR	149046	+93.80	904.26	+121.62	114638	+121.53
GBPINR	105258	+97.41	1512.88	+78.19	170796	+77.89
JPYINR	115832	+105.56	425.92	+81.83	66304	+81.53

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar was trading near two-month lows against a currency basket on Wednesday, as expectations that the Federal Reserve could cut interest rates in the coming months in response to fallout from global trade tensions pressured the currency. The dollar index versus a basket of six major currencies was flat at 96.698 03:14 AM ET (07:14 GMT), not far from the 96.459 level it hit on Monday, it's lowest since April 12. The greenback has been pressured lower by a sharp decline in long-term U.S. Treasury yields, which fell to near two-year lows on Friday after a soft U.S. jobs report raised expectations for an interest rate cut by the Fed. Investor focus is now on the Fed's next policy meeting on June 18-19 and what kind of signals the central bank could offer on the direction of monetary policy. "The market has priced in a rate cut by the Fed to a significant degree," said Shinichiro Kadota, senior strategist at Barclays in Tokyo. "So the market is waiting for next week's Fed meeting as a chance to see by how much and for how long it is ready to ease policy." Expectations for a central bank rate cut this year rose last week after a number of Fed officials, including Chairman Jerome Powell, hinted they were open to easing monetary policy. The euro was steady at 1.1332, within striking distance of a three-month peak of 1.1348 scaled on Friday.
- GBP/USD-** The Pound US Dollar (GBP/USD) exchange rate is currently in consolidation this morning as markets await the publication of the US Consumer Price Index (CPI) later this afternoon. At the time of writing the GBP/USD exchange rate is range bound this morning, with the pairing trading at \$1.2736 ahead of the US CPI figures. The US Dollar (USD) is in the spotlight today as markets brace for the publication of the latest US CPI figures later this afternoon. Economists currently forecast that the figures will show that headline inflation in the US slowed last month, with price growth dipping from 2% to 1.9%.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.46	-0.17	69.29	69.37	69.47	69.55	69.65
EUR-INR	78.75	-0.10	78.58	78.66	78.79	78.88	79.01
GBP-INR	88.48	+0.05	88.21	88.34	88.51	88.64	88.81
JPY-INR	64.16	+0.15	64.02	64.09	64.16	64.24	64.31

CURRENCY IN FOCUS

GBP-INR (June)



Technical Strategy: Sell GBP -INR June AT 88.48 -88.51 with SL above 88.70 TP-88.20/88.00.

Major Economic Data and Events Schedule For 13-06-2019

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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