

Tuesday, 15 January 2019

DOMESTIC MARKET ACTIVITY AS ON 14-01-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2124512	+4.51	14511.09	+14.49	2046538	+14.05
EURINR	78576	-4.41	617.20	+64.05	75832	+64.29
GBPINR	41560	+10.66	940.48	-1.37	103274	-2.24
JPYINR	52952	+5.60	310.43	+39.46	47294	+38.69

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar edged lower against a basket of the other major currencies amid heightened investor expectations that the Federal Reserve will not raise rates this year. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was last at 95.21. After a stellar 2018, in which the greenback gained 4.3% due to the U.S. central bank hiking rates four times, investors now expect the Fed to halt its monetary tightening policy. Market participants think that worries of slowing domestic and global growth as well as tame U.S. inflation will make Fed policymakers hesitant to raise borrowing costs in the world's largest economy. Fed Chairman Jerome Powell reiterated last week that the U.S. central bank has the ability to be patient on monetary policy given that inflation remains stable. Data on Friday showed that U.S. consumer prices in December fell for the first time in nine months in December.
- USD/JPY -** The safe haven yen strengthened and the Australian dollar fell on Monday after data showing that China's exports unexpectedly fell in December, pointing to further weakness in the world's second-largest economy and deteriorating global demand. USD/JPY was down 0.42% at 108.08 by 02:51 AM ET (07:51 AM GMT). China's exports unexpectedly fell the most in two years in December, while imports also saw a shock drop. A separate report showed that China posted its biggest trade surplus with the U.S. on record in 2018, which could prompt President Donald Trump to turn up the heat on Beijing in their bitter trade dispute.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.03	0.71	70.35	70.69	70.86	71.21	71.38
EUR-INR	81.48	0.02	80.79	81.13	81.34	81.68	81.89
GBP-INR	91.23	0.92	90.19	90.71	91.03	91.55	91.87
JPY-INR	65.73	0.72	65.05	65.39	65.61	65.95	66.16

CURRENCY IN FOCUS

EUR-INR (Jan)



Technical Strategy: EUR-INR Jan. Buy AT 81.40 with SL below 81.20 TP-81.75/81.95.

Major Economic Data and Events Schedule For 15-01-2019

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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