

Thursday, 15 November 2018

**DOMESTIC MARKET ACTIVITY AS ON 14-11-2018**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2405795	-0.14	15049.81	-3.51	2081036	-2.93
EURINR	79961	-0.76	540.02	-18.93	66050	-18.75
GBPINR	41631	+8.61	1030.80	+25.93	109821	+25.91
JPYINR	31351	-6.73	255.75	+27.41	40220	+28.02

**CURRENCY UPDATES**

- DOLLAR INDEX-** The dollar dipped against a currency basket on Wednesday, while the pound slipped back below the 1.30 level ahead of a key UK cabinet meeting to debate the draft agreement on Brexit hammered out after more than a year of talks. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, slid 0.14% to 97.01 by 03:50 AM ET (08:50 AM GMT). The index hit a 16-month high of 97.53 on Monday.
- GBP/USD-** The GBP/USD pair extended its intraday retracement slide and has now moved on the verge of breaking below the 1.2900 handle. After yesterday's strong upsurge and a subsequent retracement from highs, the pair regained positive traction during the Asian session on Wednesday and touched an intraday high level of 1.3035. The positive momentum, however, started losing steam in wake of critical comments from the UK PM Theresa May's coalition partner - the conservative Northern Irish DUP. Comments by various DUP parliamentary members clearly indicated that the draft deal is unlikely to find acceptance and will be voted down in the Parliament, which was eventually seen exerting some downward pressure through the mid-European trading session on Wednesday. Against the backdrop of persistent Brexit uncertainties, the British Pound was further weighed down by today's softer-than-expected UK consumer inflation figures, coming in to show that the headline CPI raised 0.1% m/m in October and 2.4% y/y. Adding to this, possibilities of some fresh technical selling on a sustained weakness below 100-hour SMA support, coupled with a goodish pickup in the US Dollar demand further collaborated towards accelerating the pair's downward momentum over the past hour or so. Today's key focus will be on the crucial UK Cabinet meeting on the Brexit deal, scheduled later today at 1400 GMT. Ahead of the big event risk, Irish PM Leo Varadkar will address parliament at 1200 GMT and also influence the sentiment surrounding the British Pound.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	72.41	-0.50	71.92	72.16	72.34	72.58	72.76
EUR-INR	81.69	-0.35	81.32	81.51	81.73	81.92	82.15
GBP-INR	93.51	-0.62	92.91	93.21	93.70	94.01	94.50
JPY-INR	63.63	-0.42	63.13	63.38	63.59	63.84	64.05

**CURRENCY IN FOCUS**

**GBP-INR (Nov.)**



**Technical Strategy: GBP-INR Nov. Sell AT 93.65 with SL above 93.85 TP-93.30/93.10.**

**Major Economic Data and Events Schedule For 15-11-2018**

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
3:00pm	GBP	Retail Sales m/m	0.1%	-0.8%	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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