

Friday, 18 January 2019

DOMESTIC MARKET ACTIVITY AS ON 17-01-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2306455	+0.55	17563.80	-3.10	2462415	-3.17
EURINR	82678	-2.16	508.93	-19.76	62575	-19.71
GBPINR	45149	-7.78	880.99	-25.82	95968	-25.87
JPYINR	51410	-3.61	257.07	21.05	39210	+21.35

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar pushed higher against a basket of its key rivals on Thursday, building on its recent strong gains, while the pound slipped amid softer risk sentiment. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was up 0.14% at 95.80 by 03:54 AM ET (08:54 AM GMT), after gaining about 1% over the previous five sessions. Market sentiment remained subdued amid concerns that the U.S. government shutdown is beginning to take a toll on the economy, while investors awaited more cues from the Federal Reserve after a growing number of its officials expressed caution about further rate hikes. "There's a lot of speculation that we've seen the end to the rate-hike cycle and many people are even talking about rate cuts this year," said Bart Wakabayashi, Tokyo branch manager at State Street Bank. "The immediate (impact) is going to be the messaging from the Fed plus, of course, their action," he said. "If we're assuming that the market is still long dollars, any sort of change in that is going to have a pretty lasting effect." The Fed will hold its next policy-setting meeting on Jan. 29-30.
- USD/GBP -** The British pound was little changed on Thursday in Asia after U.K. Prime Minister Theresa May's government survived a vote of no-confidence. The news followed the hefty defeat of the prime minister's Brexit deal in the U.K. parliament on Wednesday. The GBP/USD pair last traded at 1.2867, down 0.08% by 11:51 PM ET (04:51 GMT). May now has until next week to table an outline for a plan "B." The market now believes the original March 29 deadline for Britain's exit from the bloc may now be extended. "We must find solutions that are negotiable and command sufficient support in this House," May said. "It's unlikely there will be big changes to May's plan, so parliament is likely to oppose it as well," said Yukio Ishizuki, senior currency strategist at Daiwa Securities, in a Reuters report.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.12	-0.32	70.77	70.94	71.21	71.38	71.65
EUR-INR	81.10	-0.35	80.78	80.94	81.19	81.36	81.61
GBP-INR	91.59	-0.20	91.15	91.37	91.70	91.92	92.24
JPY-INR	65.39	-0.36	65.10	65.24	65.50	65.64	65.90

CURRENCY IN FOCUS

USD-INR (Jan)



Technical Strategy: USD-INR Jan. Sell AT 71.20 with SL above 71.40 TP-70.90/70.70.

Major Economic Data and Events Schedule For 18-01-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
Day 2	All	G20 Meetings	-	-	High
3:00pm	GBP	Retail Sales m/m	-0.8%	1.4%	-

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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