

Friday, 19 October 2018

DOMESTIC MARKET ACTIVITY AS ON 17-10-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	4215690	-4.72	20826.13	-15.51	2828357	-15.23
EURINR	121461	-1.29	619.89	-16.79	72736	-16.28
GBPINR	47578	-11.91	896.63	+5.32	92525	+5.87
JPYINR	37746	+0.88	180.91	-14.21	27548	-13.82

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar edged higher on Wednesday as a rally on Wall Street boosted risk appetite, although gains were capped before the release of Fed minutes later in the day. Still, moves were muted in currency markets, contrary to the big gains in global stocks and drops in government bond yields in markets such as Italy. "The dollar has been strongly correlated to risk appetite for much of this year, but in the last few days we have seen this correlation loosening a bit, suggesting markets need more strong economic data to push the dollar higher," said Manuel Oliveri, an FX strategist at Credit Agricole (PA:CAGR) in London. Against a basket of its rivals (=USD) (DXY), the dollar rose 0.1 percent to 95.15. It remains about 2 percent below a 2018 peak of near 97 hit in mid-August. Major Wall Street indexes rose by more than 2 percent each as strong earnings indicated the U.S. economy is still expanding, despite rising interest rates and global trade-war tensions . But market analysts warned against buying into the dollar's strength as global financial conditions appeared to be tightening globally.
- EUR/USD-** The dollar edged higher against a currency basket on Wednesday, as market sentiment was boosted by strong earnings reports, dampening demand for safe haven assets. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was up 0.13% to 94.90 by 03:53 AM ET (07:53 AM GMT). European equities joined in a global stock rally as markets shook off last week's worries, with Wall Street posting its strongest gains in almost seven months on Tuesday boosted by upbeat earnings. The solid earnings reports indicated that the U.S. economic recovery is on track despite concerns over rising interest rates and trade war tensions. The dollar was steady against the yen, with USD/JPY at 112.28. The euro was a touch lower against the dollar, with EUR/USD sliding 0.12% to 1.1558, off Tuesday's two-week highs of 1.1620.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	73.68	0.16	73.22	73.45	73.60	73.83	73.97
EUR-INR	85.12	-0.22	84.76	84.94	85.13	85.31	85.50
GBP-INR	96.75	-0.58	96.23	96.49	96.87	97.13	97.50
JPY-INR	65.69	-0.07	65.25	65.47	65.62	65.84	66.00

CURRENCY IN FOCUS

GBP-INR (Oct.)



Technical Strategy: GBP-INR Oct sell below 96.60 with SL above 96.80 TP-96.30/96.10.

Major Economic Data and Events Schedule For 19-10-2018

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
12:00pm	JPY	BOJ Gov Kuroda Speaks	-	-	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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