

Wednesday, 20 March 2019

**DOMESTIC MARKET ACTIVITY AS ON 19-03-2019**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	NA	NA	NA	NA	NA	NA
EURINR	-	-	-	-	-	-
GBPINR	-	-	-	-	-	-
JPYINR	-	-	-	-	-	-

**CURRENCY UPDATES**

- DOLLAR INDEX-** The U.S. Dollar Index, which tracks it against a basket of six major currencies, was testing new six-week lows at 95.86. Overnight, it had inched slightly lower against the yen but gained against the Aussie, as another set of weak housing market data in Australia added to pessimism about the local economic outlook..
- GBP/USD -** The GBP/USD pair remained well bid through the mid-European session and spiked beyond the 1.3300 handle in the last hour, albeit quickly retreated few pips thereafter. The pair regained positive traction on Tuesday and built on the overnight bounce from sub-1.3200 level, touched in reaction to the House of Commons John Bercow's ruling to block the government's motion for yet another vote on the UK PM Theresa May's Brexit deal. The uptick got an additional boost from today's surprisingly stronger UK average earnings data, advancing 3.4% m/m, and drop in the unemployment rate, falling to 3.9% in January, which largely offset an unexpected jump in the number of people claiming unemployment-related benefits. Meanwhile, the latest leg of a sudden pickup in the last hour or so could further be attributed to a Bloomberg report, saying that the EU leaders were planning to make a "contingent offer" on Brexit extension and allow May to try to get the deal through parliament next week. However, the fact that the UK government will have to come back with substantial changes in order to get the deal passed through the Parliament, especially after the overnight dismissal of the third meaningful vote, kept a lid on any strong follow-through up-move, at least for the time being. On the other hand, the US Dollar bulls remained on the defensive amid growing expectations that the Fed might opt for a more accommodative policy stance this week but did little to influence the price-action, albeit remained supportive of the prevalent bid tone. In absence of any major market moving economic releases from the US, the incoming Brexit-related news/developments might continue to drive sentiment surrounding the British Pound and turn out to be an exclusive driver of the pair's momentum through Tuesday's trading session.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.05	+0.64	68.17	68.61	68.85	69.29	69.53
EUR-INR	78.52	+0.64	77.42	77.97	78.27	78.82	79.12
GBP-INR	91.86	+0.80	90.55	91.20	91.58	92.24	92.61
JPY-INR	62.14	+0.79	61.35	61.74	61.98	62.37	62.60

**CURRENCY IN FOCUS**

**JPY-INR (Mar)**



**Technical Strategy: Buy JPY-INR Mar AT 62.00 -61.98 with SL below 61.85 TP-62.20/62.35.**

**Major Economic Data and Events Schedule For 20-03-2019**

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
3:00pm	GBP	CPI y/y	1.8%	1.8%	Low

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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Arihantis Forbes Asia's '200 Best under a \$Billion' Company  
'Best Emerging Commodities Broker' awarded by UTV Bloomberg

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