

Tuesday, 21 May 2019

**DOMESTIC MARKET ACTIVITY AS ON 20-05-2019**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2771431	-8.99	18035.59	+59.56	2587953	+60.94
EURINR	59669	-13.92	670.93	+96.05	86126	+97.93
GBPINR	56888	-6.66	950.55	+14.76	106973	+16.08
JPYINR	34060	-23.30	400.31	+69.61	63209	+71.72

**CURRENCY UPDATES**

- DOLLAR INDEX-** The US Dollar (USD), meanwhile, has been plagued by ongoing US-China trade tensions, with 'Greenback' traders becoming increasingly jittery over the effects on the US economy. Angel Gurría, the Secretary General for the OECD, remained pessimistic about economic growth, saying: Tensions between the two superpowers is continuing, with US President Donald Trump's recent declaration of a national emergency over the Chinese telecom giant, Huawei, causing complications. Today will see the publication of the US Chicago National Activity Index for April, which is expected to ease at -0.33. US Dollar traders will be looking ahead to tomorrow's speech by Jerome Powell, the Chair of the Federal Reserve, and with any bullish comments about the US economy this could see the USD/EUR exchange rate being to edge higher. Euro investors, meanwhile, will be awaiting tomorrow's flash consumer confidence figures for May, which are expected to fall by -7.9. The EUR/USD exchange rate will be dictated by political developments this week, with the European Elections remaining in sight for many traders, and with any signs of any challenges to the integrity of the EU, this could weigh on sentiment in the single currency.
- EUR/USD -** The Euro US Dollar (EUR/USD) exchange rate is range bound today and is currently trading around \$1.1161 on the inter-bank market. The Euro (EUR) stabilised against the US Dollar (USD) following the publication of the German PPI figures for April, which rose above the forecast 0.2% to 0.5%. Today also saw the release of the Euro zone's non-seasonally adjusted current account figures for March, which came in at a better-than-expected €35.0bn. However, many single currency traders are paying close attention to news surrounding the upcoming European Elections on Thursday. Euro traders are becoming increasingly concerned that Italy and the UK's Brexit party could destabilise the European Union, and thus this has left investors concerned about the Euro zone's economy. Matteo Salvini, the Deputy Prime Minister of Italy, recently hit out against the EU, saying of the upcoming elections.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.80	-0.74	69.30	69.55	69.70	69.94	70.09
EUR-INR	77.97	-0.80	77.09	77.53	78.01	78.45	78.94
GBP-INR	88.99	-0.89	88.28	88.63	88.84	89.19	89.39
JPY-INR	63.56	-0.97	62.88	63.22	63.40	63.75	63.93

**CURRENCY IN FOCUS**

**USD-INR (May)**



**Technical Strategy: Buy USD -INR May AT 69.72 -69.70 with SL below 70.55 TP-69.95/70.10.**

**Major Economic Data and Events Schedule For 21-05-2019**

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.

**Contact**

SMS: 'Arihant' to 56677

**Website**[www.arihantcapital.com](http://www.arihantcapital.com)**Email Id**[research@arihantcapital.com](mailto:research@arihantcapital.com)

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

**Disclaimer:** This document has been prepared by Arihant Capital Markets Limited (hereinafter called as Arihant) and its subsidiaries and associated companies. This document does not constitute an offer or solicitation for the purchase and sale of any financial instrument by Arihant. Receipt and review of this document constitutes your agreement not to circulate, redistribute, retransmit or disclose to others the contents, opinions, conclusion, or information contained herein. This document has been prepared and issued on the basis of publicly available information, internally developed data and other sources believed to be reliable. Whilst meticulous care has been taken to ensure that the facts stated are accurate and opinions given are fair and reasonable, neither the analyst nor any employee of our company is in any way is responsible for its contents and nor is its accuracy or completeness guaranteed. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. All recipients of this material should before dealing and or transacting in any of the products referred to in this material make their own investigation, seek appropriate professional advice. The investments discussed in this material may not be suitable for all investors. The recipient alone shall be fully responsible/are liable for any decision taken on the basis of this material. Arihant Capital Markets Ltd (including its affiliates) or its officers, directors, personnel and employees, including persons involved in the preparation or issuance of this material may; (a) from time to time, have positions in, and buy or sell or (b) be engaged in any other transaction and earn brokerage or other compensation in the financial instruments/products discussed herein or act as advisor or lender/borrower in respect of such securities/financial instruments/products or have other potential conflict of interest with respect to any recommendation and related information and opinions. The said persons may have acted upon and/or in a manner contradictory with the information contained here and may have a position or be otherwise interested in the investment referred to in this document before its publication. The user of this report assumes the entire risk of any use made of this data / Report. Arihant especially states that it has no financial liability, whatsoever, to the users of this Report.

## Arihant Capital Markets Ltd

Commodity/Currency Research Desk: 6, Lad Colony, Y.N. Road Indore-3

T: 0731-4217191. Fax: 0731-4217103

Corporate Office: 1011, Solitaire Corporate Park, Building No.10, 1st Floor,  
Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093

D. +91.22.42254800 and 67114800

[www.arihantcapital.com](http://www.arihantcapital.com)