

Tuesday, 22 January 2019

DOMESTIC MARKET ACTIVITY AS ON 21-01-2019

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 measures the greenback's strength against a basket of six major currencies, edged down 0.1% to 95.90, not far from Friday's two-week high of 96.05. Hopes for a thaw in U.S.-China trade tensions, a more dovish-sounding Federal Reserve and optimism that Britain could avoid a "No-Deal" Brexit are some of the factors that have fanned the return in investor risk appetite, which went into a deep freeze in December as global equity markets tumbled. "The dollar index is clearly on a recovery track. The currency was stuck in a downtrend at the start of January but is now being bought back against its peers such as the yen, euro, pound and the Aussie.
- GBP/USD** - The pound slid on Monday as British Prime Minister Theresa May prepared to outline her Plan B for Brexit, designed to break the deadlock in parliament by setting out proposals that are expected to focus on winning more concessions from the European Union. GBP/USD was down 0.3% to 1.2833 by 05:01 AM ET (10:01 AM GMT), while EUR/GBP was up 0.41% to 0.8859. Sterling had climbed to a two-month peak of 1.3001 on Thursday on growing confidence that Britain can avoid a no-deal Brexit, but faced profit-taking on Friday. May will make a statement in parliament at about 15:30 GMT and put forward a motion on her proposed next steps, after her Brexit divorce deal was voted down by 432 lawmakers in the 650-seat parliament last week. Over the following week, lawmakers will be able to propose alternatives. They will debate these plans on Jan. 29, and voting on them should indicate whether any could get majority support. Attempts to forge a consensus with the opposition Labour Party failed so May is expected to focus on winning over 118 rebels in her own party and the Democratic Unionist Party - a small Northern Irish party which props up her government - with concessions from the EU.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.34	+0.11	70.95	71.14	71.37	71.56	71.79
EUR-INR	81.17	-0.16	80.83	81.00	81.24	81.41	81.65
GBP-INR	91.80	-0.52	91.24	91.52	91.81	92.09	92.39
JPY-INR	65.11	-0.05	64.56	64.83	65.25	65.52	65.94

CURRENCY IN FOCUS

EUR-INR (Jan)



Technical Strategy: EUR-INR Jan. Sell below 81.00 with SL above 81.15 TP-80.80/80.65.

Major Economic Data and Events Schedule For 22-01-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
3:00pm	GBP	Average Earnings Index 3m/y	3.3%	3.3%	Medium

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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