

Friday, 22 February 2019

**DOMESTIC MARKET ACTIVITY AS ON 21-02-2019**

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

**CURRENCY UPDATES**

- DOLLAR INDEX-** The dollar index that measures the greenback against a basket of major currencies was at 96.297, close to a two-week low. That's despite a broadly balanced set of minutes from the Federal Reserve's last policy meeting that indicated that interest rates could still rise later in the year if the current uncertainty over the economy clears. "The dollar drew some lift as the minutes appeared to have appeased market participants who were clinging to views that the Fed would hike rates one more time this year - but all in all, the minutes were in line with what the Fed said in January," said Daisuke Karakama, chief market economist at Mizuho Bank. However, the greenback and the euro were down against the British pound, after an upbeat statement following a meeting between Prime Minister Theresa May and European Commission President Jean-Claude Juncker. The statement revived hopes that a 'no-deal Brexit' can be avoided at the end of next month, despite increasing signs of political disarray in the U.K. Reports suggest that May is coming under increasing pressure to push back the March 29 date when the U.K. is slated to leave the EU.
- EUR/USD -** The euro turned higher against the dollar in early trading in Europe Thursday, as purchasing manager indices from France and Germany signalled that the euro-zone economy may be bottoming out after its slowdown at the end of 2018. At 03:30 AM ET (0830 GMT), the euro was at \$1.1354, just below a two-week high against the dollar, after PMI readings that outstripped expectations - even though Germany's manufacturing sector appeared to contract in February. Both the ruling Conservatives and the opposition Labour Party have been hit this week by defections from their more centrist lawmakers, most of whom want the U.K. to stay in the EU. Neither party has changed its stance on Brexit immediately as a result, but the splintering appears to make the arithmetic of getting a parliamentary majority for any sort of Brexit deal more complicated.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.27	+0.18	70.82	71.04	71.17	71.39	71.52
EUR-INR	80.89	+0.27	80.43	80.66	80.80	81.03	81.17
GBP-INR	93.10	+0.26	92.37	92.73	92.96	93.32	93.55
JPY-INR	64.37	+0.24	63.94	64.16	64.28	64.50	64.62

**CURRENCY IN FOCUS**

**USD-INR (Feb)**



**Technical Strategy: Buy USD-INR Feb at 71.16-71.15 with SL below 71.00 TP-71.40.**

**Major Economic Data and Events Schedule For 22-02-2019**

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.

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