

Friday, 22 March 2019

DOMESTIC MARKET ACTIVITY AS ON 20-03-2019

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 United States could soon freeze preparations for delivering F-35 fighter jets to Turkey, officials told Reuters, in what would be the strongest signal yet by Washington that Ankara cannot have both the advanced aircraft and Russia's S-400 air defences system. The lira firmed to 5.4160 against the dollar in the wake of the Fed decision but eased back to 5.4415 after Reuters report, analysts said. Amid a slowing economy the Fed now sees only one rate hike next year, and announced a plan to end its balance sheet reduction program by September. "It's a very positive decision for emerging market currencies including the lira, and we were able to observe its impact on the market, with lira gaining around 1 percent against the dollar," an Istanbul-based forex trader said. "However, the report that ties with the U.S. are seen entering a difficult period was the only factor that limited this rise." The United States is nearing an inflection point in a years-long standoff with Turkey, a NATO ally, after so far failing to sway President Tayyip Erdogan that buying the S-400 Russian air defense system would compromise the security of any F-35 aircraft delivered to Turkey.
- EUR/USD** - the EUR/USD the rest of the session is likely to be determined by trader reaction to the up trending Gann angle at 1.1377 and the 50% level at 1.1374. The Euro is trading lower on Thursday and inside yesterday's range. There was no follow-through to the upside after yesterday's wicked two-sided trade. The price action suggests investor indecision and impending volatility. Furthermore, the lack of follow-through to the upside indicates Wednesday's rally was fuelled by short-covering rather than aggressive buying. The main trend is up according to the daily swing chart. A trade through 1.4448 will reaffirm the uptrend. The main trend will change to down on a trade through 1.1177. This move is highly unlikely, but the prolonged move up in terms of price and time, puts the EUR/USD inside the window of time to form a closing price reversal top.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	68.87	-0.26	68.49	68.68	68.94	69.13	69.40
EUR-INR	78.27	-0.31	77.85	78.06	78.33	78.54	78.81
GBP-INR	91.24	-0.68	90.51	90.87	91.41	91.77	92.31
JPY-INR	61.82	-0.51	61.46	61.64	61.87	62.05	62.27

CURRENCY IN FOCUS

GBP-INR (Mar)



Technical Strategy: Sell GBP-INR Mar AT 91.35 -91.40 with SL above 91.40 TP-91.05/90.80.

Major Economic Data and Events Schedule For 21-03-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
1:45pm	EUR	French Flash Services PMI	50.6	50.2	High
2:00pm	-	German Flash Manufacturing PMI	48.0	47.6	-
-	-	German Flash Services PMI	54.8	55.3	-

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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