

Wednesday, 23 January 2019

DOMESTIC MARKET ACTIVITY AS ON 22-01-2019

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 dollar was trading near two-week highs against a basket of its rivals on Tuesday as concerns over the outlook for the global economy underpinned investor demand for safe haven assets. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was up 0.14% to 96.12, the most since Jan. 4 by 02:50 AM ET (07:50 AM GMT). The International Monetary Fund cut its 2019 and 2020 global growth forecasts on Monday, citing a bigger-than-expected slowdown in China and the euro zone and said failure to resolve trade tensions could further destabilize a slowing global economy. The downgrade came just hours after China reported its slowest quarterly economic growth since the financial crisis and its weakest annual expansion since 1990.
- USD/JPY -** The dollar was a touch lower against the yen, which is often sought by investors as a refuge in times of market uncertainty, with USD/JPY dipping 0.11% to 109.53. The greenback had risen more than 1% against the yen last week, hitting a two-and-a-half week high of 109.88 on Friday. The Bank of Japan is widely expected to keep its policy unchanged at its upcoming meeting later in the week and analysts expect monetary policy to remain highly accommodative in Japan this year. "The slowing global economy and depressed oil prices are expected to force the BoJ to revise down its outlook for economic growth and inflation," said Osamu Takashima, currency strategist at Citibank in a note. The dollar has also come under pressure as concerns over slowing global growth have forced the U.S. Federal Reserve to take a cautious approach on any further interest rate increases. Interest rate futures no longer reflects any expectations for Fed rate hikes this year, and recent comments by Fed officials have also suggested no further tightening in the next few months.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	71.49	0.22	71.09	71.29	71.42	71.62	71.76
EUR-INR	81.26	0.11	80.92	81.09	81.19	81.36	81.46
GBP-INR	92.31	0.55	91.45	91.88	92.12	92.55	92.79
JPY-INR	65.35	0.38	64.93	65.14	65.28	65.49	65.62

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
Tentative	JPY	BOJ Outlook Report	-	-	High
-	-	Monetary Policy Statement	-	-	High
-	-	BOJ Policy Rate	-0.10%	-0.10%	Low
-	-	BOJ Press Conference	-	-	High

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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