

News Highlights:

Rupee opens higher for fourth session tracking recent gains in domestic equities:

- The Indian rupee on Tuesday opened higher for the fourth consecutive session to hit a one-week high against the US dollar on the back of recent gains in domestic equity markets. The Indian rupee had opened at 70.92 a dollar, up 0.34% from Friday's close of 71.15. On Monday, markets were closed due to assembly election in Maharashtra.
- Domestic equity markets surged in eight out of nine trading sessions and rose 4.3% during this period. In pre-opening, the benchmark Sensex index fell 0.33% or 127.81 points to 39170.57. So far this year it gained 9%.
- Traders also exercised caution and are awaiting fresh cues on the potential trade deal between the US and China. US President Donald Trump said China has indicated that negotiations over an initial trade deal are advancing, raising expectations the leaders could sign an agreement at a meeting next month in Chile.

Weekly Pivot Table

Currency	R3	R2	R1	Pivot	S1	S2	S3
USD-INR	72.6775	72.2375	71.7225	71.2825	70.7675	70.3275	69.8125
EUR-INR	80.9233	80.1617	79.7433	78.9817	78.5633	77.8017	77.3833
GBP-INR	96.4717	94.5283	93.1342	91.1908	89.7967	87.8533	86.4592
JPY-INR	66.9717	66.6233	66.0967	65.7483	65.2217	64.8733	64.3467

Pair of the week- USD-INR



Trading Strategy

Sell USD/INR OCT below 70.80 SL 71.35 TGT 70.10/69.30.

Technical View- In previous session on the weekly chart USD-INR was unable to cross resistance level of 71.80 and saw sell-off. 70.70 works as immediate support for USDINR OCT future, if it closes below it then again selling pressure could emerge for the downside TGT of 69.90-69 in the upcoming sessions. On the contrary, if it manages to sustain above 71.10 then again buying could emerge for the upside TGT of 71.90-72.60. USD-INR has its major support at 70.70 and resistance at 71.80.

On Technical aspects USD-INR is expected to trade in a range of 71.80-70.70 on the weekly chart. However any breakout or breakdown will decide the further movement.

Major Economic Data & Events Schedule For the Week

Date	Time	Country	Economic Indicators	Forecast	Previous
23-Oct	Tentative	USD	OPEC Meeting		
24-Oct	6:00 AM	JPY	Services PMI		52.8
	2:00 PM	GBP	Gross Mortgage Approvals		42.6K
	2:30 PM	EUR	Manufacturing PMI (Oct)	46	45.7
	2:30 PM	EUR	Markit Composite PMI (Oct)	50.4	50.1
	2:30 PM	EUR	Services PMI (Oct)	51.9	51.6
	5:15 PM	EUR	Deposit Facility Rate (Oct)	-0.50%	-0.50%
	5:15 PM	EUR	ECB Marginal Lending Facility		0.25%
	5:15 PM	EUR	ECB Monetary Policy Statement		
	5:15 PM	EUR	ECB Interest Rate Decision (Oct)	0.00%	0.00%
	6:00 PM	USD	Core Durable Goods Orders (MoM) (Sep)	-0.10%	0.50%
	6:00 PM	USD	Durable Goods Orders (MoM) (Sep)	-0.70%	0.20%
	6:00 PM	USD	Initial Jobless Claims	215K	214K
	6:00 PM	EUR	ECB Press Conference		
	7:15 PM	USD	Manufacturing PMI (Oct)	50.7	51.1
	7:15 PM	USD	Markit Composite PMI (Oct)	51.6	51
	7:15 PM	USD	Services PMI (Oct)	50.9	50.9
	7:30 PM	USD	New Home Sales (MoM) (Sep)	-0.50%	7.10%
7:30 PM	USD	New Home Sales (Sep)	700K	713K	
25-Oct	7:30 PM	USD	Michigan Consumer Expectations (Oct)		84.8
	7:30 PM	USD	Michigan Consumer Sentiment (Oct)	96	96

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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