

Thursday, 25 April 2019

DOMESTIC MARKET ACTIVITY AS ON 24-04-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2718058	2.47	25157.35	35.87	3590748	35.50
EURINR	65016	1.58	600.08	11.70	76294	11.75
GBPINR	46356	-12.05	1195.3	-3.75	131896	-3.50
JPYINR	29291	-5.83	322.72	58.83	51456	58.43

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar is continuing its march higher early Wednesday in Europe, enjoying further support from a strong corporate earnings season at home coupled with better-than-expected economic data. Encouraging reports from companies as diverse as Twitter, United Technologies and Lockheed Martin were buttressed on Tuesday by a robust new home sales report, propelling U.S. stock indexes to new record high closes. As such, the dollar is being supported by strong demand for U.S. assets. At 03:00 AM ET (0700 GMT), the dollar index, which measures the greenback against a basket of six major currencies, was at 97.363, roughly unchanged from late Tuesday in Europe but up around 0.4% from 24 hours earlier, and up 0.7% from a week earlier. It's now closing in on this year's high of 97.655.
- GBP/USD -** GBPUSD touched a two-month low yesterday on a combination of increased Brexit concerns and a strong US dollar which touched a fresh 22-month high. Volatility in the pair is expected to pick-up as UK PM May tries, yet again, to get her Withdrawal Agreement passed before the European elections at the end of next month. Brexit discussions returned after the Easter parliamentary recess with talk that some MPs are trying to force another vote of confidence in PM May, despite rules stopping a vote until December. Senior Conservative MPs are becoming increasingly concerned that upcoming elections could see the Tory party lose swathes of votes and want to force PM May to state her departure date before the European elections. PM May is also rumored to be looking to place the Withdrawal Agreement back in front of Parliament for the fourth time to see if she can force it through. The next few days will see Brexit conjecture and likely animosity increase, putting Sterling at risk. GBPUSD is also under pressure from a strong US dollar which Tuesday touched a 22-month high on expectations that US interest rates will not be cut again this year. US Q1 GDP data out on Friday will give the market more information on the strength of the US economy. The greenback is also benefitting from economic weakness around the globe and positive US Treasury yield differentials compared to most G-7 counterparts.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.69	-0.03	69.43	69.56	69.74	69.87	70.05
EUR-INR	78.50	-0.01	78.20	78.35	78.55	78.70	78.90
GBP-INR	90.69	+0.09	90.23	90.46	90.72	90.94	91.20
JPY-INR	62.40	+0.06	62.17	62.28	62.41	62.53	62.66

CURRENCY IN FOCUS

EUR-INR (May)



Technical Strategy: Sell EUR-INR May below 78.80 with SL above 79.00 TP-78.50/78.30.

Major Economic Data and Events Schedule For 25-04-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
Tentative	JPY	BOJ Outlook Report	-	-	High
-	-	Monetary Policy Statement	-	-	-
-	-	BOJ Press Conference	-	-	-

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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