

Thursday, 25 July 2019

DOMESTIC MARKET ACTIVITY AS ON 24-07-2019

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

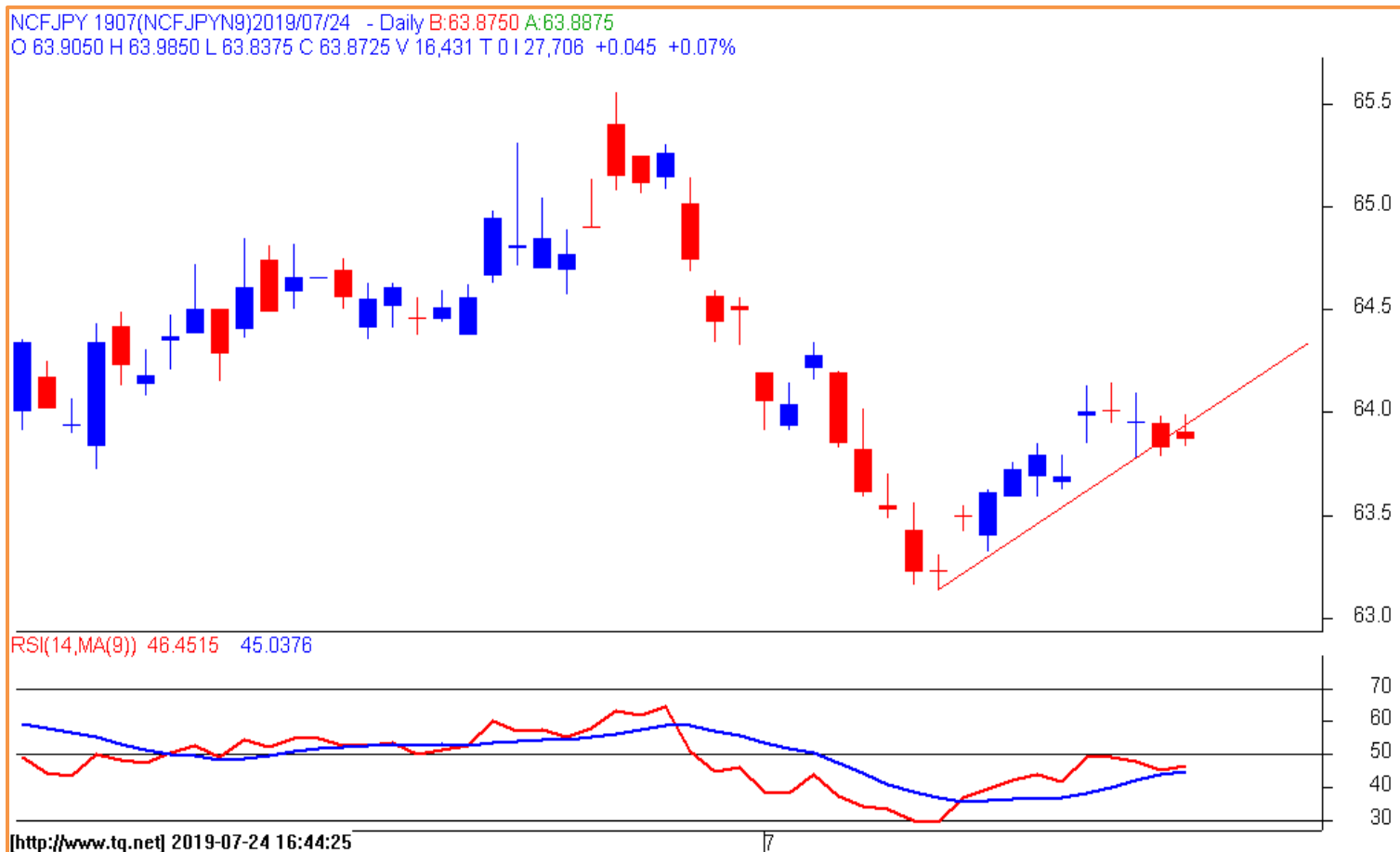
- DOLLAR INDEX-** The U.S. dollar index edged up to a five-week high of 97.50, following gains of nearly 0.5% the previous day. Demand for the dollar was underpinned after Washington on Tuesday reached a deal to lift government borrowing limits. Analysts reckon increased U.S. borrowing would tighten the supply of money in the country's banking system and in turn support the dollar. "In addition to the euro's weakness ahead of the ECB meeting, the dollar is supported as market participants continue to discount the likelihood of the Fed cutting rates by 50 basis points at next week's FOMC (Federal Open Market Committee) meeting," said Ayako Sera, senior market economist at Sumitomo Mitsui Trust. Speculation that the Federal Reserve would lower rates by 50 basis points at July 30-31 meeting had increased earlier this month following comments from some senior Fed officials, but investors have since scaled back expectations, now seeing a 25 bps rate cuts as more likely.
- GBP/USD-** The British pound was little changed against the U.S. dollar on Wednesday in Asia following news that Boris Johnson was chosen as the new U.K. leader. The GBP/USD pair last traded at 1.2429 by 11:30 PM ET (03:30 GMT), down 0.04%. Johnson, known for his hardline stance on Brexit, was named Prime Minister and leader of the Conservative Party. Johnson defeated Jeremy Hunt by a margin of 2 to 1. Johnson said after the announcement on Tuesday that he would unite Britain. "Like some slumbering giant we are going to rise and ping off the guy-ropes of self-doubt and negativity with better education, better infrastructure, more police, fantastic full-fiber broadband sprouting in every household. We are going to unite this amazing country and we are going to take it forward," he told the audience. "I know that there will be people around the place who will question the wisdom of your decision and there may be some people here who still wonder what they have done, and I will just point out to you that no one party, no party has a monopoly of wisdom." Johnson has recently insisted that the U.K. must leave the EU on Oct. 31 "do or die, come what may" despite widespread concern over a "no-deal" Brexit.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.01	0.03	68.90	68.95	69.05	69.10	69.20
EUR-INR	76.98	-0.31	76.75	76.86	77.03	77.15	77.31
GBP-INR	86.32	0.24	85.55	85.93	86.20	86.58	86.85
JPY-INR	63.92	0.14	63.76	63.84	63.92	64.00	64.08

CURRENCY IN FOCUS

JPY-INR (July)



Technical Strategy: Sell JPY-INR July AT 63.90 -63.95 with SL above 64.15 TP-63.65/63.45.

Major Economic Data and Events Schedule For 25-07-2019

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
5:15pm	EUR	Main Refinancing Rate	0.00%	0.00%	Low
-	-	Monetary Policy Statement	-	-	High
6:00pm	-	ECB 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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