

Friday, 26 October 2018

DOMESTIC MARKET ACTIVITY AS ON 25-10-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	3665425	-4.71	18310.84	-23.22	2496315	-23.26
EURINR	107936	+0.59	644.02	-33.89	76907	-33.67
GBPINR	44137	-1.88	667.09	-14.30	70503	-13.97
JPYINR	42640	-5.36	338.47	-19.20	51710	-19.50

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was holding steady at 96.16 by 04:32 AM ET (08:32 AM GMT), not far from the nine-week peak of 96.31 reached on Wednesday. The dollar had strengthened on Wednesday as investors sought out safe haven assets amid a selloff in equities, but despite the falls in stock markets moves in foreign exchange markets remained modest. Equity markets continued to tank on Thursday amid investor concerns over a long list of economic and geopolitical issues. Fears over the health of the global economy, rising U.S. interest rates, Jamal Khashoggi's murder and global trade wars, along with some disappointing corporate results contributed to an atmosphere of mounting risk aversion.
- EUR/USD-** The shared currency remains apathetic after the ECB decision today, with EUR/USD around the 1.1400 neighbourhood for the time being. Spot navigates in the lower bound of the weekly range after the ECB's Governing Council left its monetary conditions unchanged at today's meeting, in line with prior surveys. In fact, the ECB left intact the interest rate on the main refinancing operations, the interest rate on the marginal lending facility and the deposit facility at 0.00%, 0.25% and 0 -0.40%, respectively. Moving forward, markets will now look to the usual press conference by President Mario Draghi as well as the subsequent Q&A session.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	73.27	0.17	73.03	73.15	73.30	73.42	73.57
EUR-INR	83.63	0.21	83.31	83.47	83.60	83.76	83.89
GBP-INR	94.53	0.06	94.25	94.39	94.55	94.69	94.84
JPY-INR	65.25	0.40	65.00	65.12	65.31	65.43	65.62

CURRENCY IN FOCUS

JPY-INR (Oct.)



Technical Strategy: JPY-INR Oct sell below 65.25 with SL above 65.45 TP-64.95/64.65.

Major Economic Data and Events Schedule For 26-10-2018

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
6:00pm	USD	Advance GDP q/q	3.3%	4.2%	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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