

Wednesday, 26 December 2018

DOMESTIC MARKET ACTIVITY AS ON 24-12-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2196066	+0.87	19496.96	-20.99	2778104	-21.05
EURINR	82549	-6.46	863.62	+8.15	107841	+8.51
GBPINR	38477	-10.19	731.36	-5.44	82251	-5.49
JPYINR	37400	5.47	283.75	-3.89	44837	-4.13

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar was lower on Monday, starting the week on the back foot as sentiment in financial markets remained fragile on heightened worries over political instability in the United States. Trading volumes were thinning out with most global markets set to shut for Christmas. U.S. markets close early Monday, Christmas Eve, and are shut Tuesday for Christmas Day. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was down 0.2% at 96.25 by 3:45AM ET (09:45 GMT). Market focus will stay attuned to developments out of Washington DC after the failure by the U.S. Congress and President Donald Trump to agree to a spending bill by midnight Saturday resulted in a partial U.S. government shutdown. Mick Mulvaney, Trump's budget director and chief of staff, warned on Sunday the shutdown could continue to Jan. 3, when the new Congress convenes, and Democrats take over the House of Representatives. Meanwhile, reports that President Trump suggested firing Federal Reserve Chair Jerome Powell, a move that could roil already volatile financial markets, will also be in focus.
- EUR/USD -** EUR/USD has started the week with slight gains. Currently, the pair is trading at 1.1402, up 0.28% on the day. There are no euro zone or U.S. indicators, so the markets are likely to be subdued as we head into Christmas. U.S numbers were a mix on Friday. Final GDP came in at 3.4%, revised slightly from the initial reading of 3.5% in November. This was shy of the estimate of 3.5%, but still points to healthy economic growth in the third quarter. Durable goods reports were well short of their estimates. Core durable goods orders declined 0.3%, short of the estimate of 0.3%. This marked the first decline since May. There was better news from durable goods, which rebounded with a gain of 0.8%, after a plunge of 4.3% a month earlier.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	70.14	-0.07	69.67	69.91	70.12	70.36	70.57
EUR-INR	80.04	-0.27	79.49	79.76	79.96	80.24	80.43
GBP-INR	88.78	-0.23	88.26	88.52	88.83	89.09	89.41
JPY-INR	63.21	-0.09	62.88	63.04	63.20	63.37	63.53

CURRENCY IN FOCUS

EUR-INR (Dec.)



Technical Strategy: EUR-INR Dec. Sell below 79.96 with SL above 80.20 TP- 79.66/79.46.

Major Economic Data and Events Schedule For 26-12-2018

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
-	-	No major release	-	-	-

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.

Contact

SMS: 'Arihant' to 56677

Websitewww.arihantcapital.com**Email Id**research@arihantcapital.com

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Arihant Capital Markets Ltd

Commodity/Currency Research Desk: 6, Lad Colony, Y.N. Road Indore-3

T: 0731-4217191. Fax: 0731-4217103

Corporate Office: 1011, Solitaire Corporate Park, Building No.10, 1st Floor,

Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093

D. +91.22.42254800 and 67114800

www.arihantcapital.com