

Thursday, 27 December 2018

**DOMESTIC MARKET ACTIVITY AS ON 26-12-2018**

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	N.A	N.A	N.A	N.A	N.A	N.A
EURINR	N.A	N.A	N.A	N.A	N.A	N.A
GBPINR	N.A	N.A	N.A	N.A	N.A	N.A
JPYINR	N.A	N.A	N.A	N.A	N.A	N.A

**CURRENCY UPDATES**

- DOLLAR INDEX-** The U.S. dollar edged higher against the other major currencies on Wednesday, with activity likely to stay subdued as many global markets remained closed for the Christmas holiday. Markets in Britain, Germany and Hong Kong are all closed, resulting in muted trading volumes. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was up 0.2% at 96.20 by 3:55AM ET (08:55 GMT). Market focus will stay attuned to developments out of Washington DC amid the partial U.S. government shutdown and signs of confrontation between the White House and the Federal Reserve. President Donald Trump on Tuesday said the partial government shutdown was going to last until his demand for funds to build a wall on the U.S.-Mexico border is met. Building a wall along the border with Mexico to keep migrants from entering the country illegally was a central plank of Trump's presidential campaign, but Democrats are vehemently opposed and have rejected his funding request of \$5 billion.
- INR/USD -** The bitter Sino-U.S. trade war has also taken the sheen away from currencies of export-dependent economies such as Taiwan and South Korea. All of this as well as capital-outflow fears have left a majority of the regional units carrying sizable losses into the year-end. Indian rupee INR=IN advanced as much as 0.5 percent and was the best performer after a more than 6 percent plunge in oil prices on Wednesday - a boon to India's economy which is a net oil importer. "We remain bullish on the rupee in the current stage not only because of oil prices but also because of RBI's (Reserve Bank of India) open market operations that inject additional liquidity," Gao said.

**TECHNICAL LEVELS**

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	70.07	-0.11	69.67	69.91	70.00	70.36	70.57
EUR-INR	79.76	-0.26	79.20	79.49	79.81	80.24	80.43
GBP-INR	88.84	+0.21	88.26	88.57	88.55	89.40	89.77
JPY-INR	63.37	+0.33	62.88	63.04	63.37	63.53	63.81

**CURRENCY IN FOCUS**

**EUR-INR (Dec.)**

NCFEUR 1st(NCFEURC1)2018/12/23 - Weekly B:80.0050 A:80.0200  
O 80.0550 H 80.1550 L 79.6850 C 80.0200 V 74,160 T O I 35,690 -0.2425 -0.30%



**Technical Strategy: Trading Range 79.60-80.25.**

**Major Economic Data and Events Schedule For 27-12-2018**

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
10:30am	JPY	Housing Starts	-0.1%	+0.3%	-ive

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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