

Wednesday, 29 May 2019

DOMESTIC MARKET ACTIVITY AS ON 28-05-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2564224	-2.98	17633.95	+36.97	2527588	+36.59
EURINR	63452	-1.49	698.49	+106.16	89418	+105.96
GBPINR	61117	+0.98	1328.76	+62.72	150255	+62.86
JPYINR	41970	+12.13	265.06	-2.40	41525	-2.74

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar ticked higher against a currency basket on Tuesday, as market sentiment remained subdued amid persistent uncertainties over trade and the outlook for global economic growth. By 03:31 ET (07:31 GMT) the dollar index, which tracks the greenback against a basket of six major rivals, was 0.2% higher at 97.672, trading about 0.6% off a two-year high of 98.371 hit on Thursday. The index is still up 1.7% for the year. Many of the currency pairs remained in recent ranges, with trade volumes still thin after market holidays in the U.S. and the U.K. on Monday. Trade concerns remained to the forefront of investors' minds. U.S. President Donald Trump said on Monday that Washington was not ready to make a deal with Beijing but he expected one in the future, while at the same time pressing Japanese Prime Minister Shinzo Abe to even out a trade imbalance with the United States.
- EUR/USD -** EUR/USD has ticked lower in the Tuesday session. Currently, the pair is trading at 1.1184, down 0.08% on the day. In economic news, German GfK Consumer Climate slipped to 10.1, short of the estimate of 10.4 points. In the U.S, CB consumer confidence is expected to remain at high levels. The April reading came in at 129.2 and the May estimate stands at 130.1. On Wednesday, Germany releases unemployment change and the ECB posts its semi-annual financial stability review. As the locomotive of the euro zone economy, German indicators are a bellwether for the rest of the euro zone. Consumer confidence took a hit in May, as GfK Consumer Climate slipped to 10.1 points, down from 10.4 in April. This was the lowest score since April 2017. With the escalation in U.S-China trade tensions, there is no end in sight to the tariffs which have been imposed on European goods, and these have made dampened consumer confidence. We'll get a look at the health of consumer spending on Thursday, when Germany releases retail sales. After a decline of 0.2% in April, the markets are expecting a rebound in May, with a forecast of 0.4%.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.89	+0.18	69.71	69.80	69.87	69.96	70.04
EUR-INR	78.37	+0.10	78.18	78.27	78.37	78.46	78.56
GBP-INR	88.70	+0.01	88.40	88.55	88.69	88.84	88.98
JPY-INR	64.02	+0.29	63.73	63.87	64.00	64.14	64.27

CURRENCY IN FOCUS

USD-INR (June)



Technical Strategy: Sell USD -INR June AT 69.98 – 70.00 with SL above 70.15 TP-69.75/69.55.

Major Economic Data and Events Schedule For 29-05-2019

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