

Tuesday, 23 April 2019

DOMESTIC MARKET ACTIVITY AS ON 22-04-2019

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2732515	+10.37	17262.31	+9.00	2470424	+8.59
EURINR	62553	-0.74	425.67	-34.14	54127	-34.21
GBPINR	54513	-6.56	826.04	-36.75	90963	-36.78
JPYINR	30893	+15.85	247.16	+58.47	39535	+57.90

CURRENCY UPDATES

- DOLLAR INDEX-** The dollar edged up against key peers such as the euro and the yen on Monday, boosted by the relative strength of the U.S. economy, while losing ground against the Canadian dollar following a rise in crude oil prices. Financial markets in Australia, Hong Kong and many major countries in Europe are closed on Monday for the Easter holiday. Currency trading continues globally but volume is expected to be light. The dollar was lacklustre against the loonier as crude oil prices rose more than 2 percent following a Washington Post report the United States is likely to ask all importers of Iranian oil to end their purchases or will be subject to U.S. sanctions. [O/R] The greenback has found support in recent weeks on the back of a gradual rise in U.S. 10-year Treasury yields and signs of strength in the world's top economy, including better-than-expected retail sales in March, following a weak start to the year. "It's better to say that the euro has been weak rather than that the dollar is strong," said Yukio Ishizuki, senior currency strategist at Daiwa Securities. "Traders have mostly priced in the weakness of the euro zone economy by now," Ishizuki said. "It's a little bit difficult to see the euro weakening further from here, so I think it will be hard for the dollar to strengthen."
- GBP/USD -** GBP/USD, at the moment, stays fragile. On the Easter day morning, the GBP/USD was hovering near the lowest vicinity near 1.1300 levels. When seeing the month's chart, the cable seems to take rounds around the month-low of 1.2992 levels currently. The pair is expected to remain silent until the end of the day due to lack of supporting events. On the Brexit front, certain negative rumours keep the cable grappled for a pullback. The Sunday Time's had reported that Sir Graham Brady, the top conservative leader will ask UK PM to step down. At this time, May's resignation can emit crucial waves affecting the whole Brexit process. As the EU elections are approaching dates, the Labour Party Deputy Leader Tom Watson fetches support for a second referendum. This pessimistic news, along with the previous May's resignation-related rumour, strongly motivates the cable bears.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	69.71	+0.37	69.36	69.53	69.75	69.93	70.14
EUR-INR	78.51	+0.36	78.13	78.32	78.51	78.69	78.88
GBP-INR	90.61	-0.77	90.04	90.32	90.64	90.92	91.24
JPY-INR	62.36	+0.38	62.05	62.20	62.39	62.54	62.73

CURRENCY IN FOCUS

GBP-INR (Apr)



Technical Strategy: Buy GBP-INR Apr AT 90.60 -90.65 with SL above 90.85 TP-90.25/90.00.

Major Economic Data and Events Schedule For 23-04-2019

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.

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