

MARKET HIGHLIGHTS (% change) as on 12-June-19

INDICES	LAST	CHANGE	WOW	MOM
SENSEX	39756.81	-0.49	-0.82	5.77
NIFTY	11906.2	-0.50	-0.97	5.27
S&P 500	2879.84	-0.20	2.66	-0.05
FTSE 100	7367.62	-0.42	2.1	2.23
CAC 40	5374.92	-0.62	1.98	0.88
HANG SENG	27308.46	-1.76	2.00	-4.55
KOSPI	2108.75	-0.15	1.98	0.03
DJIA	26004.83	-0.17	2.59	0.24
NYMEX CRUDE	51.14	-4.17	-4.58	-20.57
COMEX GOLD	1331.9	0.41	0.64	3.47

Source: Reuters

CURRENCY HIGHLIGHTS (% change) as on 12-June-19

CURRENCY	LAST	CHANGE	WOW	MOM
INR	69.37	-0.01	-0.32	1.69
DX	97.00	0.32	-0.05	-0.33
EURUSD	1.1287	-0.37	0.12	0.57
EURINR	78.44	-0.09	0.41	-1.03
GBPUSD	1.2686	-0.28	-0.10	-2.12
GBPINR	87.996	-0.30	0.21	-3.88
USDJPY	108.49	-0.01	0.08	-0.75
JPYINR	63.9237	0.00	-0.23	0.97

Source: Reuters

Technical outlook for 13-Jun-19

Currency Futures	Trend	S2	S1	R1	R2
USDINR June'19 (NSE)	Sideways	69.10	69.40	69.80	70.10
EURINR June'19 (NSE)	Down	78.30	78.50	79.00	79.30
GBPINR June'19 (NSE)	Down	87.90	88.20	88.80	89.10
JPYINR June'19 (NSE)	Down	63.70	63.90	64.40	64.70
EURUSD June'19 (NSE)	Sideways	1.1272	1.1302	1.1362	1.1392
GBPUSD June'19 (NSE)	Up	1.2690	1.2720	1.2780	1.2810
USDJPY June'19 (NSE)	Sideways	108.434	108.437	108.443	108.446

FUNDAMENTAL OUTLOOK

Indian rupee

USD/INR continue to trade in narrow range ahead of key inflation data from India, U.S. Asian currencies and equities struggled for direction on Wednesday following the latest trade rhetoric from the U.S. President Donald Trump, a day after threatening a tariff increase on Chinese goods if there was no progress in trade talks following the G20 summit.

The RBI changed its stance to "accommodative" from "neutral" last week and cut interest rates for the third time in a row, bringing the borrowing rate to a nine-year low of 5.75%.

Markets expect that the U.S. Fed might move towards a dovish stance considering the slowdown in the economy. Odds of a rate cut at next week's meeting are around 18%, while at the next meeting in July, it is more than 80%, according to the CME Fed Watch Tool.

USDINR is expected to trade in a narrow range in today's session.

Euro

U.S. President Donald Trump accused Europe of devaluing the euro zone's single currency in a series of tweets on Tuesday that also targeted U.S. monetary policy with renewed attacks on the U.S. central bank.

"The Euro and other currencies are devalued against the dollar, putting the U.S. at a big disadvantage," Trump tweeted without offering any evidence. The trade war also had its impact on Yuan which in turn supported the Euro. Worsening of trade situation might further support Euro.

EURINR is expected to appreciate in today's session.

GBP

May stepped down as leader of the ruling Conservative Party on Friday, having failed three times to win parliament's support for a European Union divorce deal that was supposed to steer the country smoothly out of the bloc and deal with Britain's biggest political crisis in a generation.

Boris Johnson remains the odds-on favourite to be Britain's next PM. Nine other Tory MPs are vying to succeed May: first round of voting Thursday. Second to fourth rounds next week, before top two run-off. GBP could rise if Johnson fails to make run-off. Finally, EU won't renegotiate the Brexit deal - UK politics in turmoil.

Increasing fears of no Brexit deal amid rising political uncertainties might continue to limit the gains.

GBPINR is expected to appreciate in today's session.

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