

# Currency Highlights

25<sup>th</sup> June-2019



The dollar was on the back foot on Monday after sustaining its biggest weekly drop in four months last week as traders remained cautious about the prospects of trade talks between the United States and China at this week's G20 summit.

U.S. rates are still higher than other countries' rates and U.S. bond yields are not likely to go negative any time soon, whereas many other countries' yields are already negative far out into the curve," said Marshall Gittler, chief strategist at ACLS Global.

The euro rose to its highest level in three months against the U.S. dollar on Monday as the greenback remained on the back foot amid expectations for the Federal Reserve to cut interest rates later this year.

Japan's key inflation gauge slipped in May, adding to pressure on the Bank of Japan, which faces a strengthening yen and forecasts that price gains will weaken further.

SPOT	Close	Prv. Close	Change	% Change
USDINR	69.420	69.553	-0.13	-0.19
EURINR	79.020	78.710	0.31	0.39
GBPINR	88.260	88.291	-0.03	-0.04
JPYINR	64.600	64.560	0.04	0.06
DXY	95.650	96.072	-0.42	-0.44

Cross Currency	Close	Prv. Close	Change	% Change
EURUSD	1.1382	1.1324	0.0058	0.51
GBPUSD	1.2712	1.2694	0.002	0.14
USDJPY	107.46	107.69	-0.230	-0.21
EURGBP	0.8952	0.8915	0.004	0.42
AUDUSD	0.6955	0.6915	0.004	0.58

Global Indices	Home Currency	Close	Previous Close	Change	% Change
Nifty	INR	11699.65	11724.10	-24.45	-0.21
Dow Jones	USD	26727.54	26719.13	8.41	0.03
DAX	EUR	12355.39	12339.92	15.47	0.13
FTSE 100	GBP	7416.69	7407.50	9.19	0.12
NIKKEI	JPY	21285.90	21258.64	27.26	0.13

RBI Reference Rate	21/06/2019	20/06/2019
USD	69.6343	69.5645
GBP	88.3650	88.3794
EUR	78.5851	78.4711
JPY	64.90	64.69

Interest Rate Future (Underlying)	Price	Yield
768GS2023	103.7300	6.7001
679GS2027	101.1500	6.9882
717GS2028	102.8250	6.8513
726GS2029	97.1300	7.032

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## USDINR



### Technical View:

Indian rupee has appreciated by 0.32% against the US Dollar on Monday.

On the daily chart, pair has retreated from upper Bollinger Band formation and falling trendline.

On a weekly scale, pair has been moving in Symmetrical Triangle pattern.

Furthermore, a momentum indicator RSI (14) and MACD has shown negative crossover, which suggest bearishness in the counter.

So based on the above analysis, we expect moderate bearishness in USDINR (June) towards 69.05 level.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	68.84	69.16	69.28	69.48	69.60	69.80	70.12
JPYINR	64.29	64.53	64.62	64.77	64.86	65.01	65.25

## JPYINR



### Technical View:

JPYINR has traded in narrow range during the day and settled at negative note.

On the daily chart, pair has given trendline breakout and sustained above it.

Moreover, price has moved above upper band of Bollinger formation.

Furthermore, a momentum indicator RSI (14) has shown positive crossover, which suggest continue buying strength for near term.

So based on the above technical aspects, we expect further upside in JPYINR (June) towards 65 level.

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## GBPINR

## EURINR



### Technical View:

GBPINR has climbed almost half percent during the Monday session.

On a weekly timeframe, pair has still been trading below trend line and 21 weeks SMA.

On the daily scale, pair has been facing resistance at upper Bollinger band formation and 50 days DEMA.

In addition, a momentum indicator RSI (14) and MACD has shown negative crossover, which suggest further downside in the prices.

So based on the above technical structure, we expect sideways to bearish move in GBPINR (June) towards 88.10 level.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	78.32	78.71	78.90	79.10	79.29	79.49	79.88
GBPINR	87.52	88.03	88.26	88.54	88.77	89.05	97.88



### Technical View:

EURINR has shown good upside during the day and managed to sustain above the prior close with gain of 0.51%.

On the daily chart, pair has been trading between two consecutive lines, where price has retreated from upper Bollinger band and trading near to it.

In addition, pair has consolidated above 50 DEMA on the daily scale.

A momentum indicator RSI (14) and MACD has shown positive crossover on the daily timeframe, which suggest northward move in the pair.

So based on the above studies, we expect bullish movement in EURINR (June) future towards 79.95 level.

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## Economic Indicators

Time	Currency	Data	Prior	Expected	Impact
06:15PM	USD	FOMC Member Williams Speaks			
07:30PM	USD	CB Consumer Confidence	134.1	132.02	'Actual' greater than 'Forecast' is good for currency;
07:30PM	USD	Richmond Manufacturing Index	5	7	
07:30PM	USD	New Home Sales	673K	686K	'Actual' greater than 'Forecast' is good for currency;
10:30PM	USD	Fed Chair Powell Speaks			

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