

Currency Highlights

19th Mar-2019



The euro hit a two-week high against the dollar in early trading in Europe Monday, as the greenback continues to suffer from weak economic data out of the U.S. on Friday that strengthened expectations for a Federal Reserve interest rate cut later this year.

Futures contracts on dollar interest rates are now indicating a 40 percent chance of a cut by the Fed later in 2019, despite assurances from many of its officials that the economy is still robust. However, a mixed labor market report, a lack of visible progress in ending the U.S.-China trade war and a sharp drop in manufacturing activity in February have all suggested that the slowdown seen at the end of 2018 may extend well into the current year.

The Fed's policy-making Federal Open Markets Committee meets on Tuesday and Wednesday, and chairman Jerome Powell will be asked afterwards whether 'patience' – a byword for holding off from further rate hikes – is enough to support the economy any more.

Central banks across the world will be chiming in on the outlook for their economies this week: the Bank of England and Swiss National Bank will both meet on Thursday, while Russia's will follow on Friday.

SPOT	Close	Prv. Close	Change	% Change
USDINR	68.58	69.09	-0.51	-0.74
EURINR	77.830	78.180	-0.35	-0.45
GBPINR	90.860	91.510	-0.65	-0.71
JPYINR	61.490	61.840	-0.35	-0.57
DXY	95.850	96.660	-0.81	-0.84

Cross Currency	Close	Prv. Close	Change	% Change
EURUSD	1.1357	1.1316	0.004	0.36
GBPUSD	1.3257	1.3251	0.001	0.05
USDJPY	111.48	111.72	-0.240	-0.21
EURGBP	0.8563	0.8536	0.003	0.32
AUDUSD	0.7109	0.7077	0.003	0.45

Global Indices	Home Currency	Close	Previous Close	Change	% Change
Nifty	INR	11462.20	11426.00	36.20	0.32
Dow Jones	USD	25914.10	25709.00	205.10	0.80
DAX	EUR	11657.06	11702.00	-44.94	-0.38
FTSE 100	GBP	7299.19	7227.00	72.19	1.00
NIKKEI	JPY	21528.10	21450.00	78.10	0.36

RBI Reference Rate	18/03/2019	15/03/2019
USD	68.60	69.66
GBP	91.11	92.28
EUR	77.78	78.84
JPY	61.50	62.43

Interest Rate Future (Underlying)	Price	Yield
768GS2023	102.7500	6.9843
679GS2027	95.7000	7.5022
717GS2028	98.0275	7.4774
726GS2029	99.5900	7.3171

USDINR



Technical View:

USDINR has pulled down almost 0.90% on Monday and settled below 69 levels.

On the daily chart, pair has given Symmetrical Tringle” break-down, which indicates bearish movement in the counter.

Moreover, pair has been trading below “Parabolic SAR” , which suggests downtrend for near term.

Furthermore, a momentum indicator RSI (14) and MACD has traded on bearish mode with negative crossover on the daily chart.

So based on the above analysis, we expect bearish movement in USDINR (Mar) towards 68.40 level.

JPYINR



Technical View:

JPYINR has pulled down almost 0.65% on Monday and settled below 62 levels.

On the daily chart, pair has given Raising trend line break-down, which indicates bearish movement in the counter.

Moreover, pair has trading below 200 day SMA , which indicates bearish movement in the counter.

Furthermore, a momentum indicator RSI (14) and MACD has traded on bearish mode with negative crossover on the daily chart.

So based on the above technical aspects, we expect to bullish movement in JPYINR (Mar) towards 61.30 level.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	69.32	69.14	68.88	68.96	68.70	68.78	68.60
JPYINR	60.78	61.25	61.45	61.72	61.92	62.19	62.66

GBPINR



Technical View:

GBPINR has closed down on Monday session.

On the daily chart, pair has trading near lower “Bollinger Band”, which indicates bearish movement in the counter.

Moreover, pair has trading below 21 day SMA , which indicates bearish movement in the counter.

Furthermore, a momentum indicator RSI (14) and MACD has traded on bearish mode with negative crossover on the daily chart.

Hence, we expect bearish movement in GBPINR (Mar) towards 90.80 level.

EURINR



Technical View:

EURINR has pulled down almost 0.55 % on Monday and settled below 78.50 levels.

On the daily chart, pair has given Raising trend line break-down, which indicates bearish movement in the counter.

Moreover, pair has been trading below “Parabolic SAR” , which suggests downtrend for near term.

In addition, a momentum indicator RSI (14) has shown negative crossover on the daily chart.

So based on the above studies, we expect bearish movement in EURINR (Mar) future towards 77.80 level.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	77.01	77.55	77.79	78.09	78.33	78.63	79.17
GBPINR	88.72	89.85	89.96	90.98	91.09	92.11	97.88

Currency Highlights

19th Mar-2019



Economic Indicators

Time	Currency	Data	Prior	Expected	Impact
6:00am	AUD	Monetary Policy Meeting Minutes	-	-	
3:00pm	JPY	Average Earnings Index 3m/y	3.4%	3.2%	'Actual' greater than 'Forecast' is good for currency;
7:30pm	USD	Factory Orders m/m	0.1%	0.3%	'Actual' greater than 'Forecast' is good for currency;

Currency Highlights

19th Mar-2019



Kkunal Parar
Sr. Research Associate
Kkunal.parar@choiceindia.com

Sachin Gupta
Research Analyst
sachin.gupta@choiceindia.com

Sunil Rokade
Research Associate
Sunil.rokade@choiceindia.com

Neeraj Dubey
Research Advisor
neeraj.dubey@choiceindia.com



customercare@choiceindia.com



www.choicebroking.in



Disclaimer

This is solely for information of clients of Choice Broking and does not construe to be an investment advice. It is also not intended as an offer or solicitation for the purchase and sale of any financial instruments. Any action taken by you on the basis of the information contained herein is your responsibility alone and Choice Broking its subsidiaries or its employees or associates will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of the information contained in this recommendation, but Choice Broking or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this recommendation or any action taken on basis of this information. Technical analysis studies market psychology, price patterns and volume levels. It is used to forecast future price and market movements. Technical analysis is complementary to fundamental analysis and news sources. The recommendations issued herewith might be contrary to recommendations issued by Choice Broking in the company research undertaken as the recommendations stated in this report is derived purely from technical analysis. Choice Broking has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; Choice Broking makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. The opinions contained within the report are based upon publicly available information at the time of publication and are subject to change without notice. The information and any disclosures provided herein are in summary form and have been prepared for informational purposes. The recommendations and suggested price levels are intended purely for trading purposes. The recommendations are valid for the day of the report however trading trends and volumes might vary substantially on an intraday basis and the recommendations may be subject to change. The information and any disclosures provided herein may be considered confidential. Any use, distribution, modification, copying, forwarding or disclosure by any person is strictly prohibited. The information and any disclosures provided herein do not constitute a solicitation or offer to purchase or sell any security or other financial product or instrument. The current performance may be unaudited. Past performance does not guarantee future returns. There can be no assurance that investments will achieve any targeted rates of return, and there is no guarantee against the loss of your entire investment.

POTENTIAL CONFLICT OF INTEREST DISCLOSURE (as on date of report) Disclosure of interest statement – • Analyst interest of the stock /Instrument(s): - No. • Firm interest of the stock / Instrument (s): - No.