

## KEY HEADLINES:

- Ed Hyman, a widely followed economist on Wall Street, said the coronavirus outbreak could end up causing a recession in the U.S. and slashed his U.S. GDP forecast to zero growth in the second and third quarters of this year "More cases are showing up in the U.S. and seem likely to be just the start," Hyman said in his note titled, "U.S. Virus 'Recession'" on Sunday. "Scope, severity, and duration are uncertain. How much it changes behavior in the U.S. is uncertain." A fall in GDP in two consecutive quarters typically defines a recession.
- The sell-off of risk assets is ramping up. With Wall Street over -4% lower last night, the Dow saw its largest points decline since 2008. The futures for today's session, show that the selling pressure has not abated quite yet either. Fear continues to spread through markets. The VIX Index of S&P 500 options volatility has spiked to its highest level since January 2018. The flood gates have also opened on US Treasury yields, which is seeing the US 10 year yield plunging to all time lows. The safety of US debt is the place to be right now. One interesting casualty right now has been the US dollar.
- Purchasing Managers' Indices (PMIs) are a tally of how executives see their own company – whether business activity at their company rose or fell compared to the prior month, whether new orders rose or fell, whether they added or shed staff, etc. Executives and their companies remain unnamed. A value above 50 means expansion; a value below 50 means contraction. PMIs are an early indication of business conditions – and by extension, of the economy. And in China, both, the PMI for the non-manufacturing sector and the PMI for the manufacturing sector, released on March 1, have collapsed to unfathomable lows, showing to what extent the measures to impede the spread of the coronavirus have shut down the economy.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Final Manufacturing PMI	EUR		49.1	MEDIUM
Final Manufacturing PMI	GBP		51.9	MEDIUM
Final Manufacturing PMI	USD		50.8	MEDIUM
ISM Manufacturing PMI	USD		50.9	MEDIUM

### Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	72.40	72.28	72.15	72.55	72.70	Sideways
EURINR FUTURE	79.94	79.75	79.55	80.20	80.50	Sideways
GBPINR FUTURE	93.34	93.10	92.90	93.50	93.70	BEARISH
JPYINR FUTURE	66.67	66.55	66.40	66.80	66.95	Sideways

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

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