

**KEY HEADLINES:**

- U.S. office vacancy rate rose by 0.2% to 16.8% in the second quarter from a year earlier, according to real estate research firm Reis Inc, amid a slowing U.S. economy and ongoing trade tensions with China. Vacancy increased in 43 of 79 metros in the quarter, higher than most quarters, Reis said. "Despite a healthy job market and strong overall economy, the office market has moved - and continues to move - at a sluggish pace," the report said. New construction of office spaces declined to 7.1 million square feet from 11.2 million square feet.
- The dollar struggled on Wednesday, having been nudged off two-week highs as fading optimism over any near-term Sino-U.S. trade deal revived safe-haven demand and drove U.S. yields down. U.S. bond yields also tracked a decline in their British counterparts to 2-1/2-year lows on dovish-sounding comments from Bank of England Governor Mark Carney, which in turn weighed on the pound. The dollar index against a basket of six major currencies stood at 96.742 after pulling back from 96.875 scaled on Tuesday, it's highest since June 20. The pound was steady at \$1.2597 GBP=D4 after shedding 0.35% the previous day, when it touched a two-week trough of \$1.2584.
- Britain's Brexit crisis tipped the country's construction industry into its sharpest fall in a decade in June, a survey showed on Tuesday, in a stark sign of how quickly the world's fifth-biggest economy is slowing. The IHS Markit/CIPS construction Purchasing Managers' Index (PMI) plunged to 43.1, the lowest reading since April 2009 when the country was gripped by the global financial crisis and way below any forecast in a Reuters poll of economists. The yield on 10-year British government bonds sank to its lowest level in nearly three years as investors, already anxious about the prospect of a no-deal Brexit under the country's next prime minister, took fright at the scale of the fall.

**Economic Indicators to be released.**

Indicator	Currency	Forecast	Previous	Impact
Services PMI (Jun)	EUR	53.4	53.4	MEDIUM
Services PMI (Jun)	GBP	51.0	51.0	HIGH
ADP Nonfarm Employment Change (Jun)	USD	140K	27K	HIGH
Initial Jobless Claims	USD	220K	227K	MEDIUM
ISM Non-Manufacturing PMI (Jun)	USD	56.1	56.9	HIGH
Crude Oil Inventories	USD	-2.964M	-12.788M	HIGH

### **Support Resistance Levels – Currency Future:**

Currency	LTP	S1	S2	R1	R2	Trend
<b>USDINR FUTURE</b>	<b>69.17</b>	<b>69.02</b>	<b>68.88</b>	<b>69.32</b>	<b>69.48</b>	<b>BEARISH</b>
<b>EURINR FUTURE</b>	<b>78.36</b>	<b>78.15</b>	<b>77.95</b>	<b>78.55</b>	<b>78.75</b>	<b>BEARISH</b>
<b>GBPINR FUTURE</b>	<b>87.51</b>	<b>87.30</b>	<b>87.10</b>	<b>87.70</b>	<b>87.90</b>	<b>BEARISH</b>
<b>JPYINR FUTURE</b>	<b>64.03</b>	<b>63.88</b>	<b>63.72</b>	<b>64.18</b>	<b>64.32</b>	<b>BEARISH</b>

### **RESEARCH BONANZA FOREIGN CURRENCY SEGMENT**

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