

## KEY HEADLINES:

- Germany's service sector continued its recovery from the historic downturn caused by the coronavirus disease 2019 (COVID-19) pandemic during August, helped by a steady improvement in demand from domestic clients. However, following strong growth in July, the rate of increase in business activity eased, and firms reported only a fractional rise in employment.
- EUR/USD appears to be climbing along a newly-sprouted, modest uptrend since late July after jumping above the older slope of appreciation dating back to mid-May. The intersection of the two – labelled as “Key Juncture 2” may be critical. Breaking below that could result in a short-term pullback, followed by a brief congestive period before the broader uptrend resumes. AUD/USD was firmly rejected at the December 2018 swing-high at 0.7393, and was met with aggressive follow-through. Worse-than-expected Australia GDP data compounded AUD losses.
- UK service providers reported another rise in business activity during August, with the rate of expansion accelerating to its fastest for over five years. Higher levels of output were primarily attributed to the reopening of the UK economy after the lockdown period in the second quarter of 2020. Survey respondents often commented on a strong recovery in domestic consumer spending. Despite the improvement in business conditions since the start of the coronavirus disease 2019 (COVID-19) pandemic, latest data indicated a setback for employment numbers.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
German Factory Orders m/m	EUR	5.1%	27.9%	MEDIUM
Construction PMI	GBP	58.9	58.1	MEDIUM
Average Hourly Earnings m/m	USD	0.0%	0.2%	HIGH
Non-Farm Employment Change	USD	1385K:	1763K;	HIGH
Unemployment Rate	USD	9.8%	10.2%	HIGH

### Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	73.66	73.50	73.20	73.80	74.10	Sideways
EURINR FUTURE	87.00	86.75	86.25	87.25	87.75	BEARISH
GBPINR FUTURE	97.64	97.35	96.75	98.00	98.60	BEARISH
JPYINR FUTURE	69.22	69.00	68.60	69.40	69.80	Sideways

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

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