

KEY HEADLINES:

- U.S. crude oil refinery inputs averaged 16.0 million barrels per day during the week ending January 31, 2020, which was 48,000 barrels per day more than the previous week's average. Refineries operated at 87.4% of their operable capacity last week. Gasoline production increased last week, averaging 9.9 million barrels per day. Distillate fuel production decreased last week, averaging 5.0 million barrels per day. U.S. crude oil imports averaged 6.6 million barrels per day last week, down by 46,000 barrels per day from the previous week.
- Two days ago, I wrote about a scenario that would turn GBPUSD bearish. The 1.2960 region is the location of ascending channel support that extends from the 2019 low. Although the GBPUSD hasn't closed below that level yet, the pair did take out another critical level just two days ago. Monday's 30 pip gap down was the first sign of weakness. On Saturday, I mentioned how a gap down this week would indicate weakness. That Monday selloff led to a close below trend line support that extends from the November 2019 low. I've pointed out this trend line several times in recent weeks.
- The ongoing coronavirus outbreak will dampen economic growth in China this year, but the scale of the impact remains uncertain and will depend on the duration and intensity of the health crisis, says Fitch Ratings. If the government were to launch a large-scale stimulus to offset the effects of the epidemic, it could have an adverse effect on other policy goals such as reducing financial risk. However, we believe that the government is only likely to do so if the economic impact of the virus proves to be substantially larger than the SARS outbreak in 2003.
- Another very strong performance by risk assets, almost analogous to the price action script seen in the prior 24h, with equities flying higher and fixed-income (bonds) dumped. The in-sync reinvigoration in these two asset classes wreaked havoc the Yen or Swissy, even if as I distill in the study of the G8 FX indices, gain further exposure to safe-haven currencies' short inventory carries a heightened level of risk given the NCoV context we are in. By the same token, it should be troublesome that the market has bought up risk in dubious headlines about a breakthrough in the treatment of the virus, while shrugging off the factual and worsening details of a steady increase in the number of cases and death toll.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
German Factory Orders m/m	EUR	0.6%	-1.3%	MEDIUM
Prelim Nonfarm Productivity q/q	USD	1.6%	-0.2%	MEDIUM
Prelim Unit Labor Costs q/q	USD	1.3%	2.5%	MEDIUM
Unemployment Claims	USD	215K	216K	MEDIUM
Natural Gas Storage	USD	-123B	-201B	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.37	71.25	71.15	71.50	71.60	Sideways
EURINR FUTURE	78.74	78.50	78.30	79.00	79.20	BEARISH
GBPINR FUTURE	93.17	92.90	92.60	93.40	93.60	BEARISH
JPYINR FUTURE	65.14	65.00	64.85	65.25	65.35	Sideways

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

Disclosure:

Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. Bonanza Portfolio Ltd is responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No.INM000012306

Disclaimer:

This research report has been published by Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be

relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of Bonanza portfolio Ltd shall be liable. Research report may differ between Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the subject company or third party in connection with the research report

Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>

SEBI Regn. No.: INZ000212137

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

| CDSL: a) 120 33500 |

NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186

2018 © [Bonanza Portfolio Ltd.](https://www.bonanzaonline.com)