

KEY HEADLINES:

- Needs less to say, the USD had a terrible December in line with its seasonal tendency. Yet prices are undergoing a much-needed correction after such a volatile move. The question now becomes as to whether it will provide bears another entry point at a higher-prices, or can it perform a complete reversal? Given the Fed continue to inflate their balance sheet, we suspect dollar gains are merely corrective at this stage. USD/CHF: A bearish engulfing month was confirmed for the Swissy, although our forward returns analysis showed the following month has a positive expectancy.
- U.S. crude oil refinery inputs averaged 17.3 million barrels per day during the week ending December 27, 2019, which was 303,000 barrels per day more than the previous week's average. Refineries operated at 94.5% of their operable capacity last week. Gasoline production decreased last week, averaging 10.2 million barrels per day. Distillate fuel production decreased last week, averaging 5.3 million barrels per day. U.S. crude oil imports averaged 6.4 million barrels per day last week, down by 457,000 barrels per day from the previous week.
- Escalating tension between the US and Iran has seen ICE Brent rallying more than 4%, following a US airstrike which killed a key Iranian commander in Baghdad. The strength we have seen in the oil market is more a reflection of the uncertainty about what happens next between Iran and the US, rather than a change in oil fundamentals. Iran's supreme leader has vowed "severe retaliation" for the attack, and until it becomes clearer how the Iranians will respond, the oil market is likely to continue pricing in some form of risk premium.
- Markets will get back into full gear next week as traders return from their festive breaks and the economic data start rolling again. The spotlight will be on the nonfarm payrolls report in the United States, but key indicators out of the Eurozone, China, Canada and Japan should also attract attention. With the trade optimism setting the market mood at the end of 2019 and the start of 2020, there's a risk the incoming data may not support the brightening picture that many investors have embraced lately, setting the stage for a possible correction.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
German Retail Sales m/m	EUR	1.1%	-1.9%	MEDIUM
Final Services PMI	EUR	52.4	52.4	MEDIUM
Final Services PMI	GBP	49.1	49.0	MEDIUM
PPI m/m	EUR	0.1%	0.1%	MEDIUM
Final Services PMI	USD	52.2	52.2	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.96	71.85	71.75	72.10	72.20	BULLISH
EURINR FUTURE	80.19	80.00	79.80	80.40	80.60	Sideways
GBPINR FUTURE	94.12	93.90	93.70	94.30	94.50	Sideways
JPYINR FUTURE	66.62	66.40	66.20	66.80	67.00	BULLISH

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)