

KEY HEADLINES:

- The System Open Market Account (SOMA) manager first reviewed developments in domestic and global financial markets. Financial markets remained exceptionally volatile amid the global spread of the coronavirus and uncertainty regarding its effects. Since the meeting of the FOMC in late January, the S&P 500 index declined 18 percent, nominal U.S. Treasury yields moved 60 to 100 basis points lower, and market-based measures of inflation compensation fell 75 to 100 basis points. Investment-grade and high-yield credit spreads widened about 120 basis points and 360 basis points, respectively.
- One month after turmoil was unleashed on capital markets, when the combination of the Saudi oil price war and the sweeping impact of the coronavirus pandemic finally hit developed nations, what was until now mostly a liquidity crisis is starting to become a solvency crisis as more companies realize they will lack the cash flow to sustain operations and fund debt obligations.
- The euro currency remains on the back foot against the British pound as the recent rally towards the 0.9500 level continues to unravel. EUR/GBP technical analysis shows that a series of lower highs on the daily time frame has created a bearish triple-top pattern formation. The EUR/GBP pair has fallen below the 0.9000 level as the euro currency remains pressured on the foreign exchange market, while the British pound has staged a solid recovery against a broad basket of currencies. EUR/GBP analysis shows that three failed upside attempts have helped to form a bearish triple-top pattern on the daily time frame.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
OPEC Meetings				HIGH
OPEC-JMMC Meetings				HIGH
Unemployment claims	USD	5000K	6648K	HIGH
GDP m/m	GBP	0.1%	0.0%	HIGH

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	76.68	76.50	76.25	76.82	77.00	Sideways
EURINR FUTURE	83.22	83.00	82.50	83.45	84.00	BULLISH
GBPINR FUTURE	94.35	94.15	93.80	94.55	94.90	BULLISH
JPYINR FUTURE	70.21	70.00	69.65	70.40	70.75	Sideways

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

ANALYST: MISS PRIYANKA SHRIMANKAR

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

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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

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