

## KEY HEADLINES:

- The euro pulled back from 2-1/2 month highs on Monday as a U.S.-Mexico deal over migration boosted the dollar and after sources said European Central Bank policymakers were open to cutting the ECB's policy rate should economic growth worsen. The single currency rocketed last week after the ECB did not - as some had anticipated - hint at interest rate cuts, instead saying rates would stay "at their present levels" until mid-2020.
- The Mexican peso surged more than 2% on Monday after the United States and Mexico struck a deal on migration to avert a trade tariff war, supporting a rebound in investor risk appetite that boosted the dollar and knocked the safe-haven yen lower. Foreign exchange investors had rushed for the safety of the Japanese yen in recent weeks after U.S. President Donald Trump's threat to slap tariffs on Mexico shook investor confidence.
- Japan's economy grew slightly faster than initially estimated in the first quarter, thanks to stronger capital spending, but analysts say global trade tensions remain a drag on growth and raise risks to the outlook for the export-reliant nation. The world's third-largest economy is facing growing downward pressure as the U.S.-China trade war intensifies and global demand wanes, while at home consumers are reluctant to spend.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Average Earnings Index + Bonus(Apr)	GBP	2.9%	3.2%	HIGH
Claimant Count Change(May)	GBP	22.9K	24.7K	HIGH
PPI (MoM)(May)	USD	0.1%	0.2%	HIGH
Employment Change 3M/3M(MoM)	GBP	-1.0K	99.0K	Medium
Unemployment Rate(Apr)	GBP	3.8%	3.8%	Medium
Core PPI(MoM)(May)	USD	0.2%	0.1%	Medium

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

Currency	LTP	S1	S2	R1	R2	Trend
<b>USDINR FUTURE</b>	<b>69.78</b>	<b>69.68</b>	<b>69.54</b>	<b>69.86</b>	<b>69.98</b>	<b>Bullish</b>
<b>EURINR FUTURE</b>	<b>78.95</b>	<b>78.82</b>	<b>78.66</b>	<b>79.09</b>	<b>79.24</b>	<b>Bullish</b>
<b>GBPINR FUTURE</b>	<b>88.49</b>	<b>88.45</b>	<b>88.27</b>	<b>88.68</b>	<b>88.88</b>	<b>Sideways</b>
<b>JPYINR FUTURE</b>	<b>64.27</b>	<b>64.17</b>	<b>64.02</b>	<b>64.38</b>	<b>64.52</b>	<b>Bullish</b>

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

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