

## KEY HEADLINES:

- Monday's price action and the current price at 98.725 likely means the direction of the index on Tuesday will be determined by trader reaction to yesterday's high at 98.770. The upside momentum is strong so we'd like to see the trend confirmed by a new higher-high. The U.S. Dollar futures contract surged against a basket of major currencies on Monday, inching over its October 1, 2019 top at 98.735 in the process. In the cash market, the index moved closer to its October 1 top at 98.890. Most of its gains were attributed to a weaker Euro, which fell 0.30%.
- There is more of a positive feel to markets forming once more. The question is whether this can be sustainable. Initial signs of the Coronavirus being contained have been seen. Although the death toll has now surpassed the 1000 mark, the number of new cases of the virus is starting to fall. This is allowing some of the markets which are closely aligned to Chinese growth to benefit. The Chinese yuan trading below 7.00 against the dollar is seen as a barometer, whilst the Australian dollar is also ticking higher for a second successive day.
- The ongoing coronavirus outbreak is speeding up the so-called "decoupling" between the U.S. and China more than their trade war did, according to an analyst from the Milken Institute. "We talked about China and the U.S. decoupling. The coronavirus more than the trade war has sped some of that decoupling as countries, as businesses think about their supply chain for the long run," said Curtis Chin, an Asia fellow at the Milken Institute, calling it an "increased disengagement" of both economies.
- Wishful thinking doesn't cut it for the euro any more, especially not as it languishes near the lowest level in almost three years. The common currency is heading for its sixth week of losses in seven, defying analysts' expectations for a weaker dollar this year. It fell earlier as much as 0.2% to \$1.0892 before steadying around \$1.0914. It's a classic reality check for euro bulls: there is no hard data to spur gains, and the advance last year now looks driven by unfulfilled optimism.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Industrial Production m/m	EUR	-1.8%	0.2%	MEDIUM
CB Leading Index m/m	GBP		-0.2%	MEDIUM
Crude Oil Inventories	USD	3.1M	3.4M	MEDIUM

**Support Resistance Levels – Currency Future:**

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.38	71.25	71.15	71.50	71.60	Sideways
EURINR FUTURE	78.04	77.90	77.80	78.20	78.30	BULLISH
GBPINR FUTURE	92.30	92.15	92.00	92.50	92.70	BULLISH
JPYINR FUTURE	65.06	64.95	64.85	65.20	65.30	Sideways

RESEARCH BONANZA  
FOREIGN CURRENCY SEGMENT  
ANALYST: MISS PRIYANKA SHRIMANKAR

**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)*