

KEY HEADLINES:

- The number of Americans filing applications for unemployment benefits dropped to a three-month low last week, suggesting sustained labor market strength that could help support a slowing economy. Initial claims for state unemployment benefits declined 13,000 to a seasonally adjusted 209,000 for the week ended July 6, the lowest level since April, the Labor Department said on Thursday. Data for the prior week was revised to show 1,000 more applications received than previously reported.
- The dollar was steady on Friday, having regained some traction against its peers after stronger-than-expected U.S. inflation data tempered the prospect of an aggressive Federal Reserve interest rate cut later this month. The core U.S. consumer price index excluding food and energy components rose 0.3% in June, the largest increase since January 2018, data on Thursday showed. signs of a pick-up in underlying inflation, along with separate data on weekly jobless claims showing the labour market remained solid, curbed financial market expectations of a more aggressive 50 basis point cut at the Fed's July 30-31 meeting.
- The U.S. government posted an \$8 billion budget deficit in June, according to data released on Thursday by the Treasury Department. Analysts polled by Reuters had expected a \$6.35 billion deficit for the month. The Treasury said federal spending in June was \$342 billion, down 12% from the same month in 2018, while receipts were \$334 billion, up 6% compared with June 2018. The deficit for the fiscal year to date was \$747 billion, compared with \$607 billion in the comparable period the year earlier.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Industrial Production (MoM) (May)	EUR	0.2%	-0.5%	MEDIUM
CPI (YoY) (Jun)	INR	3.20%	3.05%	MEDIUM
PPI (MoM) (Jun)	USD	0.1%	0.1%	HIGH
U.S. Baker Hughes Oil Rig Count	USD		788	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	68.54	68.40	68.25	68.70	68.85	Sideways
EURINR FUTURE	77.40	77.20	77.00	77.60	77.80	Sideways
GBPINR FUTURE	86.22	86.02	85.85	86.40	86.60	Sideways
JPYINR FUTURE	63.48	63.35	63.20	63.65	63.80	Sideways

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

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