

## KEY HEADLINES:

- The haven-linked US Dollar received a break from its persistent losses to start off 2021, gaining ground against ASEAN currencies such as the Singapore Dollar, Malaysian Ringgit and Thai Baht. This is despite broad strength in developing nation equities, with the MSCI Emerging Markets Index (EEM) rallying 5.9%. That was the best performance over the course of a week in 2 months. A couple of notable standouts were the New Taiwan Dollar and Indonesian Rupiah. The former gained as Taiwan's benchmark stock index rallied almost 5% over the course of 5 days.
- The GBP/USD pair jumped 0.62% after the Bank of England Chief Andrew Bailey appeared to throw out the possibility of negative rates. Bailey said he saw "lots of issues" with the sub-zero rates, adding that the move could hurt banks. The Pound soared as a result of the statement and was also given additional propulsion from improved risk sentiment in the market, following yesterday's risk-averse market plays. Today's bounce looks to have truncated the bearish break from the rising wedge. However, the daily candle has met resistance at 1.36117.
- While we already knew that the US labor market closed 2020 with a dud after Friday's December jobs report showed the first decline in US payrolls since April, moments ago the BLS reported that in November the labor market was still relatively solid - a now meaningless indicator considering all the much more recent data - with job openings in the US declining by just 105K to 6.527MM from a downward revised 6.632MM, well above the 6.4 MM consensus estimate.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
German WPI m/m	EUR	0.1%	0.1%	MEDIUM
Industrial Production m/m	EUR	0.2%	2.1%	MEDIUM
CPI m/m	USD	0.4%	0.2%	MEDIUM
Core CPI m/m	USD	0.1%	0.2%	MEDIUM
Crude Oil Inventories	USD	-3.2M	-8.0M	MEDIUM

### Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	73.38	73.25	72.95	73.55	73.85	Sideways
EURINR FUTURE	89.15	88.95	88.50	89.35	89.80	BULLISH
GBPINR FUTURE	99.68	99.45	98.95	99.95	100.50	BULLISH
JPYINR FUTURE	70.42	70.20	69.80	70.60	71.00	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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