

KEY HEADLINES:

- The yen rallied on Thursday as fading hopes of a U.S.-China trade deal at this month's G20 meeting and massive street protests in Hong Kong drove investors into safe-haven assets. The yen neared a one-week high versus the dollar, rising 0.2% to 108.295 JPY=EBS . Against the Australian dollar it soared to its highest since a January flash crash. The Aussie, seen as a barometer of global risk sentiment, was also hurt by jobs data taken as a green light for an early interest rate cut growing doubts about any improvement in what U.S. President Trump called "testy" trade relations between Washington and Beijing before the G20 summit, investors sold stocks and looked for safety.
- Most Asian currencies were weaker on Thursday, with a deteriorating outlook for the global memory chip industry hurting the South Korean won and Taiwan dollar. Regional risk appetite waned as chances of a U.S.-China trade deal being struck at the G20 leaders' meeting in Osaka in late-June grew less likely.
- The outlook for Europe's biggest economy is subdued for the second quarter due to headwinds from global trade conflicts that are weighing on the export-dependent industrial sector, Germany's Economy Ministry said on Thursday. Fears are mounting that German growth will slow or even stall in the second quarter. The economy grew 0.4 percent in the January to March period after just skirting recession in the last three months of 2018.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Core Retail Sales(MoM)(May)	USD	0.3%	0.1%	HIGH
Retail Sales(MoM)(May)	USD	0.6%	-0.2%	HIGH
French CPI(MoM)(May)	EUR	0.2%	0.3%	Medium
Industrial Production(MoM)(May)	USD	0.2%	-0.5%	Medium
Business Inventories (MoM)(Apr)	USD	0.5%	0.0%	Medium
Michigan Consumer Expectations(Jun)	USD	92.0	93.5	Medium

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	69.60	69.20	69.00	69.80	69.96	Sideways
EURINR FUTURE	78.66	78.48	78.20	79.00	79.10	Bearish
GBPINR FUTURE	88.27	88.10	87.75	88.50	88.70	Bearish
JPYINR FUTURE	64.19	64.00	63.78	64.35	64.56	Bullish

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

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