

## KEY HEADLINES:

- U.S. retail sales fell for the first time in seven months in September, suggesting that manufacturing-led weakness could be spreading to the broader economy, keeping the door open for the Federal Reserve to cut interest rates again later this month. The downbeat report from the Commerce Department on Wednesday came on the heels of data this month showing a moderation in job growth and services sector activity in September. Signs of cracks in the economy's main pillar of support, ahead of the holiday season, could further stoke financial market fears of a sharper slowdown in economic growth.
- The dollar drifted lower on Thursday after lacklustre U.S. retail data and gathering doubts about a Sino-U.S. trade deal, while the volatile pound was on edge as Britain and the European Union scrambled to secure a last-minute Brexit deal. As the greenback gave ground to major currencies, the biggest gainer was the Australian dollar , which jumped 0.4% from the session's low after jobs data showed buoyant hiring, lowering chances of monetary easing in November. Sterling edged higher to \$1.2828 after swinging about a five-month high overnight, knocked around by a series of mixed headlines on the likelihood of progress at an EU leaders summit in Brussels later on Thursday has surged some 5% since last week as negotiations stepped up.
- Euro zone inflation dropped to its slowest pace in nearly three years in September, more than previously estimated, the European Union statistics agency said on Wednesday. The drop is likely to raise new concerns on the state of the euro zone economy and may reignite a debate within the European Central Bank on how to pursue its goal of keeping inflation close to but below 2% over the medium term. Eurostat said prices in the 19-country euro zone rose 0.8% on the year, down from its earlier estimate of 0.9% and lower than the market consensus of 0.9%.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Retail Sales (MoM) (Sep)	GBP	0.1%	-0.2%	HIGH
Building Permits (Sep)	USD	1.340M	1.425M	HIGH
Housing Starts (Sep)	USD	1.320M	1.364M	MEDIUM
Initial Jobless Claims	USD	212K	210K	MEDIUM
Philadelphia Fed Manufacturing Index (Oct)	USD	7.3	12.0	HIGH
Crude Oil Inventories	USD	2.878M	2.927M	HIGH

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

<b>Currency</b>	<b>LTP</b>	<b>S1</b>	<b>S2</b>	<b>R1</b>	<b>R2</b>	<b>Trend</b>
<b>USDINR FUTURE</b>	<b>71.53</b>	<b>71.38</b>	<b>71.23</b>	<b>71.73</b>	<b>71.94</b>	<b>Sideways</b>
<b>EURINR FUTURE</b>	<b>78.96</b>	<b>78.75</b>	<b>78.55</b>	<b>79.20</b>	<b>79.45</b>	<b>Sideways</b>
<b>GBPINR FUTURE</b>	<b>91.25</b>	<b>90.90</b>	<b>90.60</b>	<b>91.60</b>	<b>91.90</b>	<b>Sideways</b>
<b>JPYINR FUTURE</b>	<b>65.80</b>	<b>65.63</b>	<b>65.45</b>	<b>66.00</b>	<b>66.20</b>	<b>Sideways</b>

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