

KEY HEADLINES:

- Euro zone wages rose in the first quarter of the year at the highest pace ever recorded since data is collected, data from the European Union's statistics office showed on Monday. The increase is a positive signal for the European Central Bank's plans to drive inflation up but has so far not translated into higher prices in the 19-country euro zone. Eurostat said wages and salaries rose 2.5% in the first three months of the year compared to the same quarter of the previous year, posting the highest increase since 2010, when it started gathering data.
- The U.S. dollar rose to a two-week high on Monday as strong economic data led investors to think again about how dovish the Federal Reserve is likely to sound at this week's meeting. Broader currency markets were quiet, as traders hesitated to put on large positions before the Fed's two-day meeting, a meeting of European Central Bank policymakers in Portugal and the Bank of England's interest rate decision on Thursday. Strong U.S. retail sales on Friday reduced the already-low chances of a rate cut this week and lifted the dollar, although Fed Chairman Jerome Powell may lay the groundwork for a rate cut later this year.
- U.S. retail sales increased in May and sales for the prior month were revised higher, suggesting a pick-up in consumer spending that eased fears the economy was slowing down sharply in the second quarter.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
German PPI (MoM) (May)	EUR	0.1%	0.5%	MEDIUM
German ZEW Economic Sentiment (Jun)	EUR	-5.9	-2.1	HIGH
CPI (YoY) (May)	EUR	1.2%	1.2%	HIGH
Trade Balance (Apr)	EUR	8.8B	22.5B	MEDIUM
Building Permits (May)	USD	1.296M	1.290M	HIGH
Housing Starts (May)	USD	1.239M	1.235M	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	69.99	69.83	69.65	70.15	70.32	BULLISH
EURINR FUTURE	78.62	78.45	78.29	78.78	79.00	Sideways
GBPINR FUTURE	88.16	87.96	87.78	88.35	88.50	Sideways
JPYINR FUTURE	64.43	64.29	64.11	64.59	64.72	Sideways

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

Disclaimer:

This report, which contains information based on research carried by or on behalf of Bonanza Portfolio Limited, is neither advice nor any offer to sell or a solicitation to buy any securities, it contains information for the intended recipient only and no other person. Further the intended recipient is also advised to exercise restraint in placing any dependence on this report, as the sender, Bonanza Portfolio Limited, neither claims nor guarantees the accuracy of any information neither contained herein nor assumes any responsibility in relation to losses arising from the errors of fact, opinions contained herein or the dependence placed on the same. The information herein may change any time due to the volatile market conditions, and may not be accurate, complete or exhaustive, the recipient therefore is advised to use his own discretion and judgment, while entering into any transactions, whatsoever. Further, Bonanza, its directors employees and associates may or may not have trading or investment positions in the securities mentioned herein.