

KEY HEADLINES:

- British retail sales rebounded unexpectedly in June, according to official data that may raise hope the economy will sidestep a downturn in the second quarter. Monthly retail sales volumes jumped 1.0%, the Office for National Statistics said, well above all forecasts in a Reuters poll of economists that had pointed to a 0.3% drop. Compared with June 2018, sales were up by 3.8%, again stronger than all forecasts. Many economists think Britain's economy is in danger of shrinking in the second quarter, a hangover from the stockpiling boom that took place ahead of the original Brexit deadline in March.
- The dollar slipped for a second day against its rivals on Thursday on the back of softer U.S. Treasury yields after weak housing data as investors geared up for a policy meeting next week where officials are set to cut interest rates for the first time in a decade. While expectations of a 25 basis point rate cut are firmly baked into money markets, some investors are gunning for a 50 basis point cut. The Fed is widely expected to cut a total by nearly 75 basis points by the end of the year.
- Gross domestic product growth in Russia accelerated to 0.7% in June in year-on-year terms after expanding by 0.1% in May, the Russian Economy Ministry said on Thursday. In the second quarter of 2019, GDP grew 0.8% after growing by 0.5% in the first three months of the year. The ministry said in a monthly report that GDP growth in June was boosted by a pick up in industrial output. The ministry also said it lowered its initial GDP growth assessment for May to 0.1% from 0.2% reported earlier.

Economic Indicators to be released.

| Indicator | Currency | Forecast | Previous | Impact |
|--------------------------------------|----------|----------|----------|--------|
| German PPI (MoM) (Jun) | EUR | -0.2% | -0.1% | MEDIUM |
| Michigan Consumer Expectations (Jul) | USD | 89.8 | 89.3 | MEDIUM |
| Michigan Consumer Sentiment (Jul) | USD | 98.5 | 98.2 | MEDIUM |
| U.S. Baker Hughes Oil Rig Count | USD | | 784 | MEDIUM |
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Support Resistance Levels – Currency Future:

| Currency | LTP | S1 | S2 | R1 | R2 | Trend |
|---------------|-------|-------|-------|-------|-------|---------|
| USDINR FUTURE | 69.00 | 68.85 | 68.70 | 69.15 | 69.30 | BULLISH |
| EURINR FUTURE | 77.49 | 77.30 | 77.10 | 77.70 | 77.90 | BULISH |
| GBPINR FUTURE | 86.20 | 86.00 | 85.80 | 86.40 | 86.60 | BULLISH |
| JPYINR FUTURE | 64.01 | 63.85 | 63.70 | 64.15 | 64.30 | BULLISH |

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

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