

KEY HEADLINES:

- The dollar stood tall over the languishing euro and heavily sold exporter currencies on Wednesday, as investors reckoned with a deepening economic fallout from the coronavirus. The new coronavirus has caused 2,004 deaths in China and infected more than 74,000 people, while measures to contain it have paralysed the economy and the supply chains it feeds. Apple Inc has warned it will probably miss its March quarter sales guidance amid disrupted production and shopping habits. Car makers are idling plants for lack of parts.
- The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 1.8% in January 2020, increasing from 1.4% in December 2019. The largest contribution to the CPIH 12-month inflation rate in January 2020 came from housing, water, electricity, gas and other fuels (+0.55 percentage points), which increased by 0.19 percentage points since December 2019. The largest upward contributions to the change in the CPIH 12-month inflation rate between December 2019 and January 2020 came from gas and electricity prices; fuels and lubricants; clothing; and airfares.
- The Japanese Yen remains clearly on the back foot against the US Dollar, but USD/JPY's rise has stalled somewhat in the last two weeks. The pair is currently stuck around the top of a broad trading band which the market has been reluctant to abandon for very long in either direction since mid-October 2019. Market action around that level has been maddeningly inconclusive and characterized by quite narrow daily ranges since February 9. Clearly there's no great profit-taking impulse on the part of Dollar buyers.
- The headline rate of output inflation for goods leaving the factory gate was 1.1% on the year to January 2020, up from 0.9% in December 2019. • The growth rate of prices for materials and fuels used in the manufacturing process was 2.1% on the year to January 2020, up from 0.9% in December 2019. • Petroleum products made the largest upward contribution to the change in the annual rate of output inflation. • Imported metals provided the largest upward contribution to the change in the annual rate of input inflation.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Retail Sales m/m	GBP	0.7%	-0.6%	HIGH
Philly Fed Manufacturing Index	USD	10.1	17.0	HIGH
Consumer Confidence	EUR	-8	-8	MEDIUM
Natural Gas Storage	USD	-143B	-115B	MEDIUM
Crude Oil Inventories	USD	3.3M	7.5M	HIGH

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.55	71.40	71.25	71.70	71.85	BULLISH
EURINR FUTURE	77.57	77.40	77.25	77.70	77.90	BULLISH
GBPINR FUTURE	93.28	93.10	92.95	93.55	93.80	BULLISH
JPYINR FUTURE	65.24	65.10	65.00	65.40	65.50	BULLISH

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

ANALYST: MISS PRIYANKA SHRIMANKAR

Disclosure:

Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. Bonanza Portfolio Ltd is responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No.INM000012306

Disclaimer:

This research report has been published by Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of Bonanza portfolio Ltd shall be liable. Research report may differ between Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the subject company or third party in connection with the research report

Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>

SEBI Regn. No.: INZ000212137

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

2018 © [Bonanza Portfolio Ltd.](#)