

KEY HEADLINES:

- The amount of U.S. commercial paper outstanding posted the biggest weekly decline since May in a sign of how turbulence in the repurchase agreement market this week spilled over to other areas of the money market, Federal Reserve data released on Thursday showed. The short-term corporate debt, which companies use to finance inventories and payrolls, fell by \$18.5 billion to \$1.092 trillion in the week ended Sept. 18, its steepest one-week drop since the May 1 week. Adjusted for seasonal factors, total commercial paper dropped \$22.2 billion to \$1.094 trillion, the biggest decline since the week of Feb. 6, according to the CP figures from the New York Fed.
- The dollar nursed losses against most major currencies on Friday, as central banks in Switzerland and the UK refrained from following the Federal Reserve in cutting rates, while risk appetite ebbed on caution about U.S-China trade talks. Sterling hit a two-month high of \$1.2560 against the greenback overnight after European Commission President Jean-Claude Juncker said he thought Brussels could reach a deal with Britain to leave the European Union. Swiss National Bank, the Bank of England and the Bank of Japan all kept their policies on hold on Thursday. Their currencies rose and mostly held gains in Asian trade.
- The number of Americans filing applications for unemployment benefits increased less than expected last week, pointing to strong labor market conditions that should continue to support an economy growing at a moderate pace. The steady economic growth pace was also underscored by other data on Thursday showing home resales rising in August to a 17-month high. While factory activity in the mid-Atlantic region slowed in September, orders remained solid, leading manufacturers in the region to increase employment and boost hours for workers.

Economic Indicators to be released.

| Indicator | Currency | Forecast | Previous | Impact |
|---------------------------------|----------|----------|----------|--------|
| German PPI (MoM) (Aug) | EUR | -0.2% | 0.1% | MEDIUM |
| U.S. Baker Hughes Oil Rig Count | USD | | 733 | MEDIUM |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Support Resistance Levels – Currency Future:

| Currency | LTP | S1 | S2 | R1 | R2 | Trend |
|----------------------|--------------|--------------|--------------|--------------|--------------|-----------------|
| USDINR FUTURE | 71.38 | 71.20 | 71.00 | 71.60 | 71.75 | BEARISH |
| EURINR FUTURE | 79.03 | 78.75 | 78.55 | 79.30 | 79.50 | Sideways |
| GBPINR FUTURE | 88.86 | 88.55 | 88.30 | 89.15 | 89.40 | Sideways |
| JPYINR FUTURE | 66.16 | 65.95 | 65.80 | 66.30 | 66.45 | BEARISH |

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.