

KEY HEADLINES:

- The dollar slipped lower on Thursday as expectations for further Federal Reserve rate cuts waned, while the euro gained ground after Eurozone private sector data boosted hopes that the bloc's economy could avoid a recession. The dollar was down 0.2% at 1.1104 euro by 03:47 AM ET (07:47 GMT) after French and German PMI data for August came in ahead of expectations. But the reports showed that Germany's manufacturing sector remained at recession levels and activity in the service sector slowed. Against the yen, the dollar slid 0.15% to 106.44, following a 0.36% gain on Wednesday, its biggest since Aug. 13.
- British retail sales plunged in August at the fastest pace since December 2008, according to a survey that will raise further questions about the economy's strength ahead of Brexit in October. The Confederation of British Industry's monthly gauge of retailers fell to -49 in August from -16 in July, the second weakest reading since records began in 1983 and worse than all forecasts in a Reuters poll of economists that had pointed to a rise to -11. "Sentiment is crumbling among retailers, and unexpectedly weak sales have led to a large overhang of stocks," CBI deputy chief economist Anna Leach said. "With investment intentions for the year ahead and employment down, retailers expect a chilly few months ahead."
- The Japanese yen rose on Thursday as risk appetite weakened, with investors looking to U.S. Federal Reserve Chairman Jerome Powell's speech at Jackson Hole on Friday. Minutes of the Fed's July meeting showed policymakers were divided over whether to cut interest rates but united in wanting to signal they were set on more cuts. minutes led investors to lower their expectations of big rate cuts from the Fed next month, but bond markets still expect rates to be cut by more than 60 basis points by the end of the year.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
New Home Sales (Jul)	USD	649K	646K	HIGH
U.S. Baker Hughes Oil Rig Count	USD		935	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.88	71.70	71.55	72.10	72.25	BULLISH
EURINR FUTURE	79.61	79.35	79.20	79.85	80.00	Sideways
GBPINR FUTURE	87.39	87.10	86.95	87.70	87.85	BULLISH
JPYINR FUTURE	67.52	67.30	67.15	67.70	67.85	BULLISH

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

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