

KEY HEADLINES:

- From a shortage of job opportunities and a stuttering economy to tense ties with old foe Pakistan, Indian Prime Minister Narendra Modi will face a host of challenges after winning a big majority on Thursday. Modi's election victory was on the plank of national security, a campaign that gained strength in February when he sent warplanes into Pakistan to hit a suspected militant camp after a bomb attack in the Kashmir region led to death of 40 Indian police officers.
- The U.S. dollar retreated after hitting its highest level in two years as weaker domestic data and the threat of economic fallout from the trade war with China increased expectations for an interest-rate cut this year. Against a basket of six rivals, the dollar erased gains made earlier in the day, last trading down 0.16% at 97.885. The dollar move pulled the euro with it, which was up 0.22% to \$1.118.
- A recovery in euro zone business activity was weaker than expected this month as a deepening contraction in the bloc's manufacturing industry is increasingly holding back services firms, a survey showed. Last month, European Central Bank President Mario Draghi raised the prospect of more support for the struggling euro zone economy if its slowdown persists and Thursday's survey is likely to add to the concerns of policymakers.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Retails Sales(MoM)(Apr)	GBP	-0.3%	1.1%	HIGH
Core Durable Goods Orders(MoM)(Apr)	USD	0.2%	0.2%	HIGH
Core Retail Sales(YoY)(Apr)	GBP	4.2%	6.2%	MEDIUM
Cap Goods Ship Non Defense Ex Air(MoM)	USD	0.4%	0.0%	MEDIUM
U.S. Baker Hughes Oil Count	USD		802	MEDIUM
U.S. Baker Hughes Total Rig Count	USD		987	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	70.03	69.80	69.60	70.25	70.45	BULLISH
EURINR FUTURE	78.04	77.75	77.45	78.35	78.65	Sideways
GBPINR FUTURE	88.61	88.30	88.00	88.90	89.20	Sideways
JPYINR FUTURE	63.62	63.40	63.20	63.85	64.05	BULLISH

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

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