

KEY HEADLINES:

- The dollar found broad support on Thursday as investors welcomed U.S. President Donald Trump's hints of progress toward a trade deal with China and discounted the prospect of an impeachment probe making much headway in the short term. The dollar index posted its sharpest daily gain in three months overnight and held steady in Asian trade. The greenback also held gains on the euro and pound, steadying near two-week highs. A euro bought \$1.0951 at 0105 GMT. The dollar hovered near a three-week high against the Australian dollar, which bought \$0.6749
- British consumer sentiment has fallen to a six-year low due to increased worries about job security and the impact trade tensions and political uncertainty will have on individuals' finances, a survey showed on Thursday. Market research company YouGov said its monthly consumer sentiment indicator, compiled with economic consultancy Cebr, dropped to 103.4 in September from 104.0 in August, its lowest level since May 2013. "It is clear now that the UK has shifted into a slower growth mode due to a combination of ongoing domestic political uncertainty and global economic headwinds," said Kay Neufeld, head of macroeconomics at Cebr.
- The pound fell to one-and-a-half week lows against the dollar on Wednesday, pressured lower by the prospect of early U.K. elections with just five weeks to go until the Brexit deadline. The British pound was down 0.8% at 1.2387 by 9:19 AM ET (1:19 GMT). The euro rose 0.6% to 0.8869. The U.K. 10-year benchmark bond yield fell to 0.51%. U.K. Attorney-General Geoffrey Cox said a motion for a general election will be brought to parliament "shortly." He made the remarks as parliament reconvened, a day after the Supreme Court's ruling that Prime Minister Boris Johnson's five week suspension of parliament in the run-up to Brexit was unlawful.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Gfk German Consumer Climate (Oct)	EUR	9.7	9.7	MEDIUM
GDP (QoQ) (Q2)	USD	2.0%	2.0%	HIGH
Initial Jobless Claims	USD	212K	208K	MEDIUM
Pending Home Sales (MoM) (Aug)	USD	0.9%	-2.5%	HIGH

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.32	71.10	70.95	71.55	71.70	Sideways
EURINR FUTURE	78.61	78.30	78.10	78.90	79.10	BEARISH
GBPINR FUTURE	88.61	88.30	88.00	88.90	89.10	BEARISH
JPYINR FUTURE	66.25	66.05	65.90	66.45	66.60	Sideways

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