

## KEY HEADLINES:

- Even before Covid-19 crushed the economy, the Fed was worried about low inflation and was working on ways to let it run slightly hotter temporarily in order avoid the trap of long-term sluggish growth and weak pricing power. Chairman Jerome Powell, in a much-anticipated speech Thursday, is expected to discuss the Fed's policy framework and specifically how it will alter its posture on inflation. The Fed has had a 2% inflation target, but in the decade since the financial crisis it has more often than not seen inflation fall below its target.
- There have been some significant swings in bond and forex markets in the past 24 hours as traders prepare themselves for what could be a ground-breaking speech from the chairman of the Federal Reserve, Jerome Powell today. However,. Given the importance of the speech, we see a calm and cautious look to forex majors, whilst equities are also flat. Markets have been anticipating a dovish shift from chair Powell, and it was interesting to see the dollar weakening once more into the close yesterday, whilst the huge rally on Wall Street continued.
- Trading on New Zealand's stock exchange was halted on Thursday for a third day in a row following an offshore cyber attack, bourse operator NZX Ltd said. The cyber attacks on Tuesday and Wednesday targeted the exchange's network provider through a distributed denial of service (DDoS) attack, which is a common way to disrupt a server by overwhelming it with a flood of internet traffic. Trading on cash markets were halted at 11:10 AM local time (2310 GMT), the bourse said, citing a systems connectivity issue.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Core PCE Price Index m/m	USD	0.5%	0.2%	MEDIUM
Personal Spending m/m	USD	1.5%	5.6%	MEDIUM
Chicago PMI	USD	51.0	51.9	MEDIUM
Revised UoM Consumer Sentiment	USD	72.8	72.8	MEDIUM

### Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	74.14	74.00	73.70	74.30	74.60	Sideways
EURINR FUTURE	87.57	87.40	87.00	87.80	88.20	Sideways
GBPINR FUTURE	97.75	97.50	97.00	98.00	98.50	Sideways
JPYINR FUTURE	69.93	69.80	69.50	70.10	70.40	Sideways

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

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