

KEY HEADLINES:

- The dollar has become the world’s punching bag and it’s likely to stay that way for awhile. The world’s reserve currency benefited in a big way from a flight-to-safety, which drove it to a three-and-a-half year high in March as the coronavirus pandemic spread to the U.S. Now, as the world’s focus has shifted back to fundamentals, the dollar has rapidly slumped to a two-year low. Strategists say the dollar’s slide comes as the U.S. lags most of the world in halting the spread of the coronavirus, and some expect the U.S. economic recovery to lag others, including Europe.
- The economy is once again teetering on the edge of a so-called fiscal cliff. Investors don't seem to care. The broader stock market has roared back to life in recent months. The Nasdaq, led by big tech companies, has surged 16% this year and is not far from a record high. Yet as July 31 approaches, there are growing concerns that Congress will only pass a watered down fiscal stimulus package -- one that does not include an extension of the \$600 in unemployment benefits that many Americans have come to rely on during the Covid-19 outbreak.
- EURUSD has been creating one of the strongest bullish rollercoasters of the last couple months, recording a new 22-month high above the 1.1700 handle at 1.1723. According to the technical indicators, the MACD is strengthening its upside tendency well above its trigger and zero lines, while the RSI is hovering in the overbought territory with strong momentum, however, negative correction may be on cards in the near future. In case of steeper increases, the price could open the door for the 1.1815 – 1.1840 resistance area, taken from the highs on September and June 2018.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Spanish Unemployment Rate	EUR	16.7%	14.4%	MEDIUM
CB Consumer Confidence	USD	94.0	98.1	MEDIUM

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	74.82	74.65	74.30	75.00	75.30	Sideways
EURINR FUTURE	87.67	87.45	87.00	87.90	88.40	Sideways
GBPINR FUTURE	96.26	96.00	95.50	96.50	97.00	Sideways
JPYINR FUTURE	71.01	70.80	70.40	71.20	71.60	Sideways

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

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