



WEEKLY FOREX

DATE: 16-07-2018

KEY HEADLINES

- The German economy picked up steam in May and indicators point to a stronger performance in the second quarter than the first, the Economy Ministry said in its monthly report on Friday. "Apart from the sword of Damocles of international trade policy, the outlook is positive," the ministry said. "The external risks and uncertainty in the economy remain high, however."
- The euro fell to a eight-day low on Friday as U.S. inflation numbers boosted interest rate expectations and an easing in trade tensions between the United States and China supported the dollar.
- U.S. consumer price inflation accelerated in June, according to data released on Thursday, supporting the argument for a faster pace of monetary tightening by the Federal Reserve this year.
- The Sri Lankan rupee closed weaker on Friday as importer dollar demand surpassed mild selling of the U.S. currency by exporters, traders said. The rupee LKR= closed at 159.55/70 per dollar, compared with Thursday's close of 159.40/50. It has declined 3.9 percent so far this year.

Currency pair

Currencies	13/07/2018	06/07/2018	Change(%)
USDINR	68.64	69.05	-0.59
EURINR	79.86	81.00	-1.40
GBPINR	90.14	91.45	-1.43
JPYINR	61.03	62.48	-2.32

USDINR



Technical Outlook–

- On the weekly chart, a red candle is formed which tells us that the price closed low then previous week's close
- Indicator RSI (14) is in Bullish crossover
- EMA 21 and EMA 50 are in Bullish Crossover on weekly chart

The near term trend looks strong, going forwards on the lower end price may move towards 66.50

Support-Resistance

LTP	S1	S2	R1	R2
68.64	67.50	66.50	69.80	70.80

EURINR



Technical Outlook–

- On the weekly chart, a bearish engulfing pattern is formed
- Indicator RSI (14) is in bearish crossover
- EMA 21 and EMA 50 will be in bearish Crossover

The short term trend looks in consolidation; on the upper end the pair may move towards 82

Support-Resistance

LTP	S1	S2	R1	R2
79.86	78.50	77	81	82

GBPINR



Technical Outlook–

- On the weekly chart, a Bearish engulfing pattern is formed
- Indicator RSI (14) is in a bullish crossover
- EMA 21 and EMA 50 are in bullish Crossover

The short term trend looks either in consolidation or in downtrend; on the lower end the pair may move towards 87.50

Support-Resistance

LTP	S1	S2	R1	R2
90.14	89	87.50	91.50	92.50

JPYINR



Technical Outlook–

- On the weekly chart, a large red candle is formed.
- Indicator RSI (14) is in a bullish crossover on weekly chart
- EMA 50 and EMA 21 are in bullish crossover in weekly chart

The short term trend looks downwards; on the lower end the pair may move towards 58.50

Support-Resistance

LTP	S1	S2	R1	R2
61.03	60	58.50	62	63

Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
16/07/2018	USD	Core Retail Sales (MoM) (Jun)	0.4%	0.9%
16/07/2018	USD	Retail Sales (MoM) (Jun)	0.6%	0.8%
17/07/2018	GBP	Average Earnings Index + Bonus (May)		2.5%
17/07/2018	GBP	Claimant Count Change (Jun)		-7.7K
17/07/2018	USD	Fed Chair Powell Speaks		
18/07/2018	GBP	CPI (YoY) (Jun)	2.5%	2.4%
18/07/2018	EUR	CPI (YoY) (Jun)	2.0%	2.0%
18/07/2018	USD	Building Permits (Jun)	1.328M	1.301M
18/07/2018	USD	Fed Chair Powell Speaks		
18/07/2018	USD	Crude Oil Inventories		-12.633M
19/07/2018	GBP	Retail Sales (MoM) (Jun)	2.4%	3.9%
19/07/2018	USD	Philadelphia Fed Manufacturing Index (Jul)	21.5	19.9
20/07/2018	USD	OPEC Meeting		

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FOREIGN CURRENCY SEGMENT

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