

DATE: 01-06-2020

## KEY HEADLINE

- GBPUSD has been in ascending mode after the rebound on the two-month low of 1.2075, challenging the 1.2360 resistance level in the 4-hour chart. The technical indicators are currently proposing that the buying interest may continue as the 20- and 40-day simple moving averages (SMAs) are following, the price action and posted a bullish crossover in the preceding sessions. The MACD is surpassing the trigger line and is ready to strengthen its momentum, while the RSI seems to be stabilizing in the positive area. In the Ichimoku indicators the red Tenkan-sen line has also sloped upwards.
- U.S. President Donald Trump said on Saturday he would postpone a Group of Seven summit he had hoped to hold next month until September or later and expand the list of invitees to include Australia, Russia, South Korea and India. Speaking to reporters on Air Force One during his return to Washington from Cape Canaveral in Florida, Trump said the G7, which groups the world's most advanced economies, was a "very outdated group of countries" in its current format. "I'm postponing it because I don't feel that as a G7 it properly represents what's going on in the world," Trump said.
- RBA Governor Philip Lowe's testimony to the Senate Select Committee on COVID-19 praised the performance of the central bank's mid-March emergency package and its assistance in 'building the necessary bridge to the recovery'. The success of 'flattening-the-curve' of COVID-19 infections in Australia has led to 'national health outcomes better than earlier feared' and may result in an 'economic downturn not as severe as earlier thought'. Outlining that the path for recovery will be dependent on 'how quickly confidence can be restored' the Governor may be pleased by the record rebound of the Westpac Consumer Sentiment Index in May (88.1), after falling to the lowest levels recorded on the 47-year old gauge in April (75.6).
- Modern economies will change forever after the coronavirus pandemic passes if some radical thinkers get their way. Governments have already cast aside dogmas at least temporarily -- such as Germany's "black zero" balanced budgets -- to protect companies and jobs in the deepest peacetime recession in almost a century. Yet moves such as governments mailing checks to citizens and the U.K. administration borrowing direct from the Bank of England also offer a glimpse of different ways of running things in the longer-term.

## Currency pair

Currencies	29/05/2020	22/05/2020	Change (%)
USDINR	75.78	75.89	<b>-0.14</b>
EURINR	84.34	82.77	<b>1.90</b>
GBPINR	93.42	92.50	<b>0.99</b>
JPYINR	70.66	70.62	<b>0.06</b>

# USDINR



## Technical Outlook–

- On the Weekly Chart, USDINR indicates an Doji candlestick pattern
- Indicator RSI (14) will remain near 70 on Weekly Chart.
- The near term trend shows consolidation.

## Support-Resistance

LTP	S1	S2	R1	R2
75.78	75.00	74.25	76.50	77.25

**RECOMMENDATION: BUY USDINR @ 76.00 SL 75.50 TARGET 77.00**  
**SELL USDINR @ 75.25 SL 75.75 TARGET 74.25**

# EURINR



## Technical Outlook–

- On the Weekly Chart, a Triangle is in formation.
- Indicator RSI (14) will move above 50 Level.
- The near term trend shows breakout signals.

## Support-Resistance

LTP	S1	S2	R1	R2
<b>84.34</b>	<b>83.25</b>	<b>82.00</b>	<b>85.25</b>	<b>86.50</b>

**RECOMMENDATION: BUY EURINR @ 84.50 SL 83.50 TARGET 86.50**

# GBPINR



## Technical Outlook–

- On the Weekly chart, a Morning Star candlestick pattern is formed.
- The momentum oscillator RSI (14) will remain near 50.
- The near term trend shows bullish Signals.

## Support-Resistance

LTP	S1	S2	R1	R2
93.42	92.50	91.25	94.50	95.75

**RECOMMENDATION: BUY GBPINR @ 93.50 SL 92.50 TARGET 95.50**

# JPYINR



## Technical Outlook–

- On the Weekly chart, a Shooting Star candlestick pattern is formed.
- The momentum oscillator RSI (14) will remain near 50
- The near term trend shows consolidation signs

## Support-Resistance

LTP	S1	S2	R1	R2
70.66	69.90	69.00	71.25	72.00

**RECOMMENDATION: BUY JPYINR @ 71.00 SL 70.50 TARGET 72.00**

**SELL JPYINR @ 70.00 SL 70.50 TARGET 69.00**

### Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
01/06/2020	USD	ISM Manufacturing PMI	43.5	41.5
03/06/2020	GBP	Final Services PMI	27.9	27.8
03/06/2020	USD	ADP Non-Farm Employment Change	-9500K	-20236K
03/06/2020	USD	ISM Non-Manufacturing PMI	44.0	41.8
04/06/2020	EUR	Main Refinancing Rate	0.00%	0.005
04/06/2020	USD	Unemployment Claims		2123K
05/06/2020	USD	Average Hourly Earnings m/m	1.0%	4.7%
05/06/2020	USD	Non-Farm Employment Change	-8000K	-20500K
05/06/2020	USD	Unemployment Rate	19.5%	14.7%

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FOREIGN CURRENCY SEGMENT

OUTLOOK BY: Analyst Miss Priyanka Shrimankar

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