

DATE: 31-08-2020

## KEY HEADLINE

- Traders bullish on the US Dollar could not have hoped for a better end to the week as the fuel for further uptrend on the USDCHF has been provided by Swiss National Bank Chairman Thomas Jordan on Friday. The SNB Chair made comments about the bank's interventionist policy on the Swiss Franc, stating that "stronger currency market interventions relieve over-valuation pressure on the Swiss franc and protect the Swiss economy," Swiss National Bank Chairman Thomas Jordan said on Friday.
- Job creation in August represents continued improvement in the U.S. economy but a full recovery won't happen until the coronavirus pandemic is under control, Boston Federal Reserve President Eric Rosengren said Friday. Unemployment fell to 8.4% as nonfarm payrolls rose by 13.7 million last month, the Labor Department reported, in numbers that were significantly better than Wall Street expectations. The jobless rate decline was particularly pronounced, sliding 1.8 percentage points from its July level as the labor market continues to heal.
- China may gradually cut its holdings of U.S. Treasury bonds and notes, in light of rising tensions between Beijing and Washington, state-backed newspaper Global Times cited experts as saying. With Sino-U.S. relations deteriorating over various issues including coronavirus, trade and technology, global financial markets are increasingly worried if China would sell the U.S. government debt it holds as a weapon to counter rising U.S. pressure.
- The Federal Reserve's adoption of an average inflation target pushed on a door in the foreign exchange market that was already open. The dollar had been trending lower since the end of March and, as of the end of August, was down against all the major currencies this year, save the New Zealand and Canadian dollars. The real broad trade-weighted dollar is arguably the best measure of metric to gauge the economic impact. At the end of August, it stood at 108.09 after finishing 2019 at 107.05. It had peaked in April near 113.40, an 18-year high incidentally.

## Currency pair

Currencies	04/09/2020	28/08/2020	Change (%)
USDINR	73.30	73.50	<b>-0.27</b>
EURINR	86.88	87.54	<b>-0.75</b>
GBPINR	97.34	97.78	<b>-0.45</b>
JPYINR	69.07	69.78	<b>-1.02</b>

# USDINR



## Technical Outlook–

- On the Weekly Chart, USDINR indicates a Doji candlestick.
- Indicator RSI (14) will move to 30 on Weekly Chart.
- The near term trend shows bearish signals.

## Support-Resistance

LTP	S1	S2	R1	R2
73.30	72.50	71.75	74.00	74.75

**RECOMMENDATION: BUY USDINR @ 73.75 SL 73.25 TARGET 74.75**  
**SELL USDINR @ 72.75 SL 73.25 TARGET 71.75**

# EURINR



## Technical Outlook–

- On the Weekly Chart, a Shooting Star candlestick pattern is seen.
- Indicator RSI (14) will move to 50 Level.
- The near term trend shows consolidation signals.

## Support-Resistance

LTP	S1	S2	R1	R2
86.88	86.00	84.75	88.00	89.25

**RECOMMENDATION: BUY EURINR @ 87.75 SL 87.00 TARGET 89.25**  
**SELL EURINR @ 86.25 SL 87.00 TARGET 84.75**

# GBPINR



## Technical Outlook–

- On the Weekly chart, a small red candle is seen.
- The momentum oscillator RSI (14) will move near 50.
- The near term trend shows consolidation Signals.

## Support-Resistance

LTP	S1	S2	R1	R2
97.34	96.25	95.00	98.50	99.75

**RECOMMENDATION: BUY GBPINR @ 97.75 SL 96.75 TARGET 99.75**  
**SELL GBPINR @ 97.00 SL 98.00 TARGET 95.00**

# JPYINR



## Technical Outlook–

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

## Support-Resistance

LTP	S1	S2	R1	R2
69.07	68.30	67.50	69.80	70.50

**RECOMMENDATION: BUY JPYINR @ 69.50 SL 69.00 TARGET 70.50**  
**SELL JPYINR @ 68.50. SL 69.00 TARGET 67.50**

## Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
10/09/2020	USD	Core PPI m/m	0.2%	0.5%
10/09/2020	USD	PPI m/m	0.2%	0.6%
10/09/2020	USD	Unemployment Claims	838K	881K
10/09/2020	USD	Crude Oil Inventories		-9.4M
11/09/2020	USD	CPI m/m		0.6%
11/09/2020	USD	Core CPI m/m		0.6%

**RESEARCH BONANZA**

**FOREIGN CURRENCY SEGMENT**

**OUTLOOK BY: Analyst Miss Priyanka Shrimankar**

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