

DATE: 08-06-2020

## KEY HEADLINE

- China's exports in May fell a less-than-expected 3.3% compared with a year earlier, but imports plunged 16.7%, customs data showed on Sunday. Analysts in a Reuters poll had forecast exports would tumble 7% from a year earlier after a 3.5% gain in April. Imports were estimated to have contracted 9.7%, recovering from a slide of 14.2% in April. China posted a trade surplus of \$62.93 billion last month, compared with the poll's forecast for a \$39 billion surplus and \$45.34 billion surplus in April.
- EURUSD bulls may have met their match on Friday. As you may know, I was selling EURUSD back on April 15th and again on May 1st. I announced both of those entries in the DPA member's area. However, I went in short again later in May, and that position didn't do so well and resulted in a small loss. Since that time, EURUSD has gained a mind-bending 500 pips in nine trading days. But has the euro moved too high too fast? If we look at the daily time frame, I could make a strong case for a pullback at or around that 1.1400 mark. In fact, I even shorted the EURUSD earlier today above 1.1300.
- OPEC and allied nations agreed Saturday to extend a production cut of nearly 10 million barrels of oil a day through the end of July, hoping to encourage stability in energy markets hard hit by the coronavirus-induced global economic crisis. Ministers of the cartel and outside nations led by Russia met via video conference to adopt the measure, aimed at cutting the excess production depressing prices as global aviation remains largely grounded due to the pandemic. The curbed output represents some 10% of the world's overall supply.
- GBPUSD spiked towards a three-month high of 1.2705 but it finished the session below the 1.2645 barrier on Thursday. The upside rally which started after the rebound on the 1.2075 support could take a breather in the near term as the momentum indicators are suggesting a pullback. The RSI is edging south below the 70 level, while the MACD is holding beneath its red trigger line. A declining move could find immediate support at the flat red Tenkan-sen line around 1.2590 and the 20-period simple moving average (SMA) at 1.2573.

## Currency pair

Currencies	05/06/2020	29/05/2020	Change (%)
USDINR	75.80	75.78	<b>0.03</b>
EURINR	85.88	84.34	<b>1.83</b>
GBPINR	95.72	93.42	<b>2.46</b>
JPYINR	69.35	70.66	<b>-1.85</b>

# USDINR



## Technical Outlook–

- On the Weekly Chart, USDINR indicates a Hammer 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
75.81	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, an Ascending Triangle Breakout is seen.
- Indicator RSI (14) will remain near 70 Level.
- The near term trend shows bullish signals.

## Support-Resistance

LTP	S1	S2	R1	R2
85.88	84.75	83.50	87.00	88.00

**RECOMMENDATION: BUY EURINR @ 85.50 SL 84.50 TARGET 87.50**

# GBPINR



## Technical Outlook–

- On the Weekly chart, a Morning Star candlestick pattern has been formed.
- Breakout of pattern formation is seen
- The momentum oscillator RSI (14) will move above 50.
- The near term trend shows bullish Signals.

## Support-Resistance

LTP	S1	S2	R1	R2
95.72	94.50	93.50	97.00	98.00

**RECOMMENDATION: BUY GBPINR @ 95.75 SL 94.50 TARGET 98.00**

# JPYINR



## Technical Outlook–

- On the Weekly chart, a large red candle is formed.
- The momentum oscillator RSI (14) will remain near 50
- The near term trend shows Bearish signs

## Support-Resistance

LTP	S1	S2	R1	R2
69.33	68.50	67.75	70.00	70.75

**RECOMMENDATION: BUY JPYINR @ 69.75 SL 69.25 TARGET 70.75**

**SELL JPYINR @ 68.75 SL 69.25 TARGET 67.75**



**Disclosure:**

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