

DATE: 03-09-2018

## KEY HEADLINES

- Italy should cut its structural budget deficit in line with European Union rules it has committed to respect, top euro zone officials said on Friday, amid signals from Rome that it wants to spend more and tax less next year.
- The U.S. dollar was lower against other currencies on Friday, as investors waited to see if the White House would impose additional tariffs on China. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, fell 0.09% to 94.90
- U.S. job growth likely accelerated in August, with the unemployment rate expected to have fallen back to an 18-year low of 3.8 percent, which would bolster views that the economy was so far weathering the Trump administration's escalating trade war with China.
- The Reserve Bank of India intervened heavily in the foreign exchange market on Friday, mounting a formidable defence of the 72 rupee to the dollar mark in a reversal of its light-handed approach in the last few weeks, dealers said.
- The proportion of British people expecting interest rates to rise over the next 12 months increased in August, following the Bank of England's decision to raise rates at the start of the month, a BoE survey showed on Friday.

## Currency pair

Currencies	07/09/2018	31/08/2018	Change(%)
USDINR	71.89	71.25	0.89
EURINR	83.57	83.05	0.62
GBPINR	93.48	92.55	1.00
JPYINR	64.85	64.28	0.88

# USDINR



## Technical Outlook–

- On the weekly chart, a green candle is formed
- Indicator RSI (14) is in Bullish crossover
- EMA 21 and EMA 50 will be in Bearish Crossover on weekly chart

The near term trend looks towards consolidation, going forwards on the lower end price may move towards 71 or 70

## Support-Resistance

LTP	S1	S2	R1	R2
71.89	71.00	70.00	73.00	74.00

# EURINR



## Technical Outlook–

- On the weekly chart, a large green candle is formed.
- Indicator RSI (14) is in Bullish crossover
- EMA 21 and EMA 50 will be in Bearish Crossover

The short term trend looks in consolidation; on the lower end the pair may move towards 82 or 81.50

## Support-Resistance

LTP	S1	S2	R1	R2
83.57	82.50	81.50	84.50	85.50

# GBPINR



## Technical Outlook–

- On the weekly chart, a green candle is formed
- Indicator RSI (14) is in Bullish crossover
- EMA 21 and EMA 50 will be in Bullish Crossover

The short term trend looks in uptrend; on the upper end the pair may move towards 94.50 or 96

## Support-Resistance

LTP	S1	S2	R1	R2
93.48	92.50	91.00	94.50	96.00

# JPYINR



## Technical Outlook–

- On the weekly chart, a green candle is formed
- Indicator RSI (14) is in a Bullish crossover
- EMA 50 and EMA 21 will be in Bearish crossover

The short term trend looks in consolidation; on the lower end the pair may move towards 62.50

## Support-Resistance

LTP	S1	S2	R1	R2
64.85	63.50	62.50	66.00	67.00

## Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
10/09/2018	GBP	GDP (MoM)		0.1%
10/09/2018	GBP	Manufacturing Production (MoM) (Jul)	0.3%	0.4%
11/09/2018	GBP	Average Earnings Index + Bonus (Jul)	2.5%	2.4%
11/09/2018	GBP	Claimant Count Change (Aug)		6.2K
11/09/2018	EUR	German ZEW Economic Sentiment (Sep)		-13.7
11/09/2018	USD	JOLTs Job Openings (Jul)	6.646M	6.662M
12/09/2018	INR	CPI (YoY) (Aug)	4.00%	4.17%
12/09/2018	USD	PPI (MoM) (Aug)	0.2%	0.0%
12/09/2018	USD	Crude Oil Inventories		
13/09/2018	GBP	BoE Interest Rate Decision (Sep)	0.75%	0.75%
13/09/2018	EUR	Deposit Facility Rate	-0.40%	-0.40%
13/09/2018	EUR	ECB Marginal Lending Facility	0.25%	0.25%
13/09/2018	EUR	ECB Interest Rate Decision (Sep)	0.00%	0.00%
13/09/2018	USD	Core CPI (MoM) (Aug)	0.2%	0.2%
14/09/2018	INR	WPI Inflation (YoY) (Aug)	4.70%	5.09%
14/09/2018	USD	Core Retail Sales (MoM) (Aug)	0.5%	0.6%
14/09/2018	USD	Retail Sales (MoM) (Aug)	0.4%	0.5%

### RESEARCH BONANZA

### FOREIGN CURRENCY SEGMENT

**Disclaimer:**

This report, which contains information based on research carried by or on behalf of Bonanza Portfolio Limited, is neither advice nor any offer to sell or a solicitation to buy any securities, it contains information for the intended recipient only and no other person. Further the intended recipient is also advised to exercise restraint in placing any dependence on this report, as the sender, Bonanza Portfolio Limited, neither claims nor guarantees the accuracy of any information neither contained herein nor assumes any responsibility in relation to losses arising from the errors of fact, opinions contained herein or the dependence placed on the same. The information herein may change any time due to the volatile market conditions, and may not be accurate, complete or exhaustive, the recipient therefore is advised to use his own discretion and judgment, while entering into any transactions, whatsoever. Further, Banana, its directors employees and associates may or may not have trading or investment positions in the securities mentioned herein.