

DATE: 11-05-2020

## KEY HEADLINE

- The GBP/USD chart saw its fair share of volatility yesterday, as the pair bounced between both the support and resistance levels. But as the US dollar has been losing its footing against a whole range of other currencies lately, we now see GBP USD trading in the upper end again. This latest development surrounding the GBP USD chart was largely prompted by yesterday's National Employment Report released by the ADP.
- The Swiss National Bank has no alternative to its ultra-expansive monetary policy, with the coronavirus crisis heaping "enormous" appreciation pressure on the safe-haven Swiss franc, SNB Chairman Thomas Jordan said in newspaper interviews. The SNB was not happy about the negative interest rate of minus 0.75% it charges banks who park money with it overnight, Jordan told the Sonntags Zeitung paper. It would lift the rates — the lowest in the world — as soon as circumstances allowed, he said, although this was currently impossible.
- The USD/JPY currency pair on Friday edged higher to trade at around 106.615. However, still remained within the limits of the consolidative triangle pattern. The currency pair has been trading within a slightly bearish triangle formation since the middle of March. This came following the coronavirus-driven US economic lockdown. The currency pair has now surged to trade closer to the overbought levels of the 14-hour RSI in the 60-min chart amid a short-term spike in bullish sentiment. This comes following the latest release of the US non-farm payrolls data.
- The April jobs report was one for the record books -- for all the worst reasons. Employers in the U.S. shed 20.5 million jobs, 10 times the previous record decline in 1945, when the nation demobilized as World War II ended. The unemployment rate jumped to 14.7%, the highest in government records dating back to the 1940s. Data from the National Bureau of Economic Research show it's the worst since the Great Depression era. But the records don't end there: Industry Plunges Employment in a number of industries plunged by the most ever.

## Currency pair

Currencies	08/05/2020	30/04/2020	Change (%)
USDINR	75.73	75.27	<b>0.61</b>
EURINR	82.10	81.84	<b>0.32</b>
GBPINR	93.71	94.09	<b>-0.40</b>
JPYINR	71.19	70.60	<b>0.84</b>

# USDINR



## Technical Outlook–

- On the Weekly Chart, USDINR indicates a Doji Candlestick
- A Doji pattern indicates reversal signals which can also be seen from RSI data
- Indicator RSI (14) will remain near 70 on Weekly Chart.

## Support-Resistance

LTP	S1	S2	R1	R2
75.73	75.00	74.25	76.50	77.25

**RECOMMENDATION: BUY USDINR @ 75.70 SL 75.00 TARGET 77.00**

# EURINR



## Technical Outlook–

- On the Weekly Chart, a red candle is formed.
- Indicator RSI (14) will remain near 50 Level.
- The near term trend shows bearish Signals.

## Support-Resistance

LTP	S1	S2	R1	R2
82.10	81.00	80.00	83.25	84.25

**RECOMMENDATION: BUY EURINR @ 82.70 SL 82.00 TARGET 84.00**  
**SELL EURINR @ 81.30 SL 82.00 TARGET 80.00**

# GBPINR



## Technical Outlook–

- On the Weekly chart, a Bearish Engulfing candlestick pattern is formed.
- The momentum oscillator RSI (14) will remain near 50.
- The short term trend looks towards consolidation; with 91.50 acting as near term support and 96 acting as near term resistance.

## Support-Resistance

LTP	S1	S2	R1	R2
93.71	92.75	91.50	94.75	96.00

**RECOMMENDATION: BUY GBPINR @ 94.50 SL 93.75 TARGET 96.00**  
**SELL GBPINR @ 93.00 SL 93.75 TARGET 91.50**

# JPYINR



## Technical Outlook–

- On the Weekly chart, a small green candle is formed.
- The momentum oscillator RSI (14) will remain above 50
- The near term trend shows consolidation signs

## Support-Resistance

LTP	S1	S2	R1	R2
<b>71.19</b>	<b>70.50</b>	<b>69.75</b>	<b>72.00</b>	<b>72.75</b>

**RECOMMENDATION: BUY JPYINR @ 71.15 SL 70.50 TARGET 72.50**

## Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
12/05/2020	USD	CPI m/m	-0.7%	-0.4%
12/05/2020	USD	Core CPI m/m	-0.2%	-0.1%
13/05/2020	GBP	Prelim GDP q/q	-2.5%	0.0%
13/05/2020	GBP	GDP m/m	-7.9%	-0.1%
13/05/2020	GBP	Manufacturing Production m/m	-6.0%	0.5%
13/05/2020	USD	Core PPI m/m	-0.1%	0.2%
13/05/2020	USD	PPI m/m	-0.4%	-0.2%
14/05/2020	USD	Unemployment claims		3169K
15/05/2020	EUR	German Prelim GDP q/q	-2.3%	0.0%
15/05/2020	USD	Core Retail Sales m/m	-8.0%	-4.5%
15/05/2020	USD	Retail Sales m/m	-11.0%	-8.7%
15/05/2020	USD	Prelim UoM Consumer Sentiment	67.6	71.8

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

OUTLOOK BY: Analyst Miss Priyanka Shrimankar

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*Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>*

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*BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836*

*| CDSL: a) 120 33500 |*

*NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186*

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