

DATE: 19-08-2019

KEY HEADLINE

- U.S. homebuilding fell for a third straight month in July amid a steep decline in the construction of multi-family housing units, but a jump in permits to a seven-month high offered hope for the struggling housing market. Declining mortgage rates have done little to stimulate the housing market as land and labor shortages constrain builders' ability to construct sought-after lower-priced homes. Housing and manufacturing are the weakest spots in the economy, which this week has seen a heightened risk of recession.
- The dollar ended roughly flat on Friday, retracing the morning's move higher, after worries tied to trade tensions and a Federal Reserve rate cut weighed on consumer sentiment and a report that Germany may run a deficit to boost growth lifted the euro. Germany's right-left coalition government would be prepared to ditch its balanced budget rule and take on new debt to counter a possible recession, Der Spiegel magazine reported on Friday. The news lifted the euro against the dollar, but the single currency nevertheless remained 0.14% lower on the day at \$1.1091. reversed from over two-week lows to highs of \$1.1106 at mid-morning.
- Japanese manufacturers turned pessimistic about business prospects for the first time in more than six years in August as the specter of a global downturn looms large amid the escalating Sino-U.S. trade war, the monthly Reuters Tankan survey showed on Monday. Concerns about weakening global demand intensified last week after a closely watched bond market indicator pointed to the growing risk of a U.S. recession, and data showed Germany's economy was in contraction and China's was worsening.
- August, normally a quiet month for Britain's property market, has seen a surge in sales, possibly due to buyers seeking to conclude transactions before the country leaves the European Union on Oct. 31, property website Rightmove said on Monday. Rightmove said sales in the August period, which cover the four weeks to Aug. 10, were 6.1% higher than a year earlier and their strongest for the month since 2015, bucking a generally sluggish trend since June 2016's referendum on leaving the European Union.

Currency pair

Currencies	16/08/2019	09/08/2019	Change (%)
USDINR	71.20	70.90	0.42
EURINR	78.96	79.50	-0.67
GBPINR	86.58	85.65	1.08
JPYINR	66.97	67.06	-0.13

USDINR



Technical Outlook–

- On the Weekly Chart, a Doji Pattern is formed.
- Indicator RSI (14) has crossed over 50 on Weekly Chart.
- 50EMA and 100EMA may be in bullish crossover.
- The near term trend looks Bullish, going forwards it might move towards 72.00 and above.

Support-Resistance

LTP	S1	S2	R1	R2
71.20	70.50	69.75	72.00	72.75

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EURINR



Technical Outlook–

- On the Weekly Chart, a rectangle consolidation pattern is formed
- 50EMA and 100 EMA may be in Bullish Crossover
- The momentum oscillator RSI (14) has entered in a bullish crossover.
- The short term trend looks towards consolidation; going forwards it would likely to move in range of 78.00-80.00

Support-Resistance

LTP	S1	S2	R1	R2
78.96	78.00	77.00	80.00	81.00

GBPINR



Technical Outlook–

- On the Weekly chart, a falling wedge pattern is in formation.
- 50EMA and 100EMA are showing bullish crossover on the weekly charts.
- The momentum oscillator RSI (14) may be in bullish crossover.
- The overall trend would move in the range of 85.50 – 88.00

Support-Resistance

LTP	S1	S2	R1	R2
86.58	85.50	84.50	87.50	88.50

JPYINR



Technical Outlook–

- On the Weekly chart, a Rising wedge breakout is formed
- 50EMA and 100EMA may be in a bullish crossover.
- The momentum oscillator RSI (14) has entered in bullish crossover.
- The short term trend looks towards consolidation ; going forwards it would remain in the range of 66.25-67.80

Support-Resistance

LTP	S1	S2	R1	R2
66.97	66.25	65.50	67.80	68.50

Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
19/08/2019	EUR	CPI (YoY) (Jul)	1.1%	1.1%
21/08/2019	USD	Existing Home Sales (Jul)	5.41M	5.27M
21/08/2019	USD	Crude Oil Inventories		1.580M
22/08/2019	EUR	German Manufacturing PMI (Aug)	43.1	43.2
22/08/2019	USD	Initial Jobless Claims	216K	220K
23/08/2019	USD	New Home Sales (Jul)	645K	646K

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FOREIGN CURRENCY SEGMENT

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