

DATE: 23-12-2019

## KEY HEADLINE

- Chinese leader Xi Jinping said on Friday the “phase one” trade deal is beneficial to both China and the U.S., according to state-run media agency Xinhua. “The first-phase economic and trade agreement reached between the U.S. and China is a good thing for the U.S., China, and the entire world,” Xi said. “Both the U.S. and Chinese markets and the world have responded very positively to this. The U.S. is willing to maintain close communication with China and strive to sign and implement it as soon as possible.”
- Personal income increased \$101.7 billion (0.5 percent) in November according to estimates released today by the Bureau of Economic Analysis. Disposable personal income (DPI) increased \$87.7 billion (0.5 percent) and personal consumption expenditures (PCE) increased \$64.9 billion (0.4 percent). Real DPI increased 0.4 percent in November, and real PCE increased 0.3 percent. The PCE price index increased 0.2 percent. Excluding food and energy, the PCE price index increased 0.1 percent.
- Less-than-stellar US macroeconomic data kept the US dollar index in check Thursday, wrapping up the session unchanged. The Federal Reserve Bank of Philadelphia’s monthly report revealed the diffusion index for current general activity fell 10 points this month to 0.3, its lowest reading in six months. In addition to this, according to the Department of Labour, the advance figure for seasonally adjusted initial claims was 234,000, a decrease of 18,000 from the previous week’s unrevised level of 252,000, though came in higher than consensus at 225k.
- Retail sales decreased 1.2% to \$50.9 billion in October. The decline was primarily attributable to lower sales at motor vehicle and parts dealers and at building material and garden equipment and supplies dealers. Lower sales were reported in 8 of 11 subsectors, representing 81% of retail trade. After removing the effects of price changes, retail sales in volume terms decreased 1.4%. The largest contribution to the monthly decline came from the motor vehicle and parts dealers subsector (-3.2%).
- New housing prices were down 0.1% in November, following three consecutive monthly increases. In November, the largest decreases were in Regina (-1.7%) and Edmonton (-1.0%). Builders in both census metropolitan areas (CMAs) offered cash rebates as incentives to buyers and also reported lower negotiated selling prices. In October, the price of new homes declined the most in Oshawa (-0.6%) and Hamilton (-0.5%), with builders citing market conditions as the reason for the decrease. Out of the 27 CMAs surveyed, new house prices increased the most in the CMA of Montréal (+1.1%) in November.

## Currency pair

| Currencies | 20/12/2019 | 13/12/2019 | Change (%) |
|------------|------------|------------|------------|
| USDINR     | 71.17      | 70.92      | 0.35       |
| EURINR     | 79.01      | 79.34      | -0.42      |
| GBPINR     | 92.85      | 94.91      | -2.17      |
| JPYINR     | 65.12      | 64.77      | 0.54       |

# USDINR



## Technical Outlook–

- On the Weekly Chart, a green candle is formed
- Indicator RSI (14) will move above 50 on Weekly Chart.
- 50EMA and 100EMA will be in bullish crossover.
- The near term trend shows consolidation, going forwards it might remain in the range of 70.50-72.00

## Support-Resistance

| LTP   | S1    | S2    | R1    | R2    |
|-------|-------|-------|-------|-------|
| 71.17 | 70.50 | 69.75 | 72.00 | 72.75 |

# EURINR



## Technical Outlook–

- On the Weekly Chart, a flag pattern breakout is possible
- 50EMA and 100 EMA will be in Bullish Crossover
- The momentum oscillator RSI (14) will remain near 50 on weekly chart.
- The near term trend shows breakout ; going forwards it might move towards 79.50 and above.

## Support-Resistance

| LTP          | S1           | S2           | R1           | R2           |
|--------------|--------------|--------------|--------------|--------------|
| <b>79.02</b> | <b>78.25</b> | <b>77.50</b> | <b>79.75</b> | <b>80.50</b> |

# GBPINR



## Technical Outlook–

- On the Weekly chart, a long red candle is formed.
- 50EMA and 100EMA are showing bullish crossover on the weekly charts.
- The momentum oscillator RSI (14) will remain below 70.
- The short term trend looks towards consolidation ; going forwards it might remain in the range of 92.00-94.00

## Support-Resistance

| LTP   | S1    | S2    | R1    | R2    |
|-------|-------|-------|-------|-------|
| 92.85 | 92.00 | 91.00 | 94.00 | 95.00 |

# JPYINR



## Technical Outlook–

- On the Weekly chart, a Bullish Harami pattern is formed
- 50EMA and 100EMA will be in Bullish crossover.
- The momentum oscillator RSI (14) will remain near 50
- The near term trend shows Bullish signal; going forwards it would remain in the range of 64.50-65.80

## Support-Resistance

| LTP          | S1           | S2           | R1           | R2           |
|--------------|--------------|--------------|--------------|--------------|
| <b>65.12</b> | <b>64.50</b> | <b>63.75</b> | <b>65.80</b> | <b>66.50</b> |

## Most Important Event in the This Week:

| Date       | Currency | Event                                  | Forecast | Previous |
|------------|----------|--|----------|----------|
| 23/12/2019 | USD      | Core Durables Goods Orders (MoM) (Nov) | 0.1%     | 0.5%     |
| 23/12/2019 | USD      | New Home Sales (Nov)                   | 735K     | 733K     |
| 24/12/2019 | USD      | Core Durables Goods Orders (MoM) (Nov) | 0.1%     | 0.6%     |
| 26/12/2019 | EUR      | France Jobseekers Total                |          | 3330.7K  |
| 26/12/2019 | USD      | Initial Jobless Claims                 | 220K     | 234K     |
| 27/12/2019 | GBP      | Gross Mortgage Approvals               |          | 41.2K    |
| 27/12/2019 | USD      | Crude Oil Inventories                  |          | -1.085M  |
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RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

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