

DATE: 23-03-2020

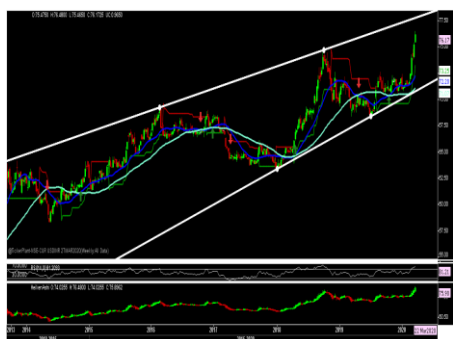
KEY HEADLINE

- New York City accounts for roughly a third of all the coronavirus cases in the nation with 5,151 confirmed infections as of 10 a.m. Friday, Mayor Bill de Blasio said. "We are now the epicenter of this crisis," he said at a press conference, adding that 29 residents have died. Some 52 New York City police are among those infected, city officials said. He said he's been warning people that the city will run out of protective gear for medical workers in two or three weeks if cases keep rising at this rate. "If you feel afraid you are not alone, if you're anxious you are not alone," de Blasio said.
- Earlier this week, The Reserve Bank of Australia (RBA) had an emergency monetary policy meeting, in which they cut interest rates a record low of 25bps. In addition, the RBA announced the start of their own quantitative easing program. The government also put together a fiscal stimulus plan of nearly \$10 billion dollars. However, that may not be enough as the Australian government is in the process of putting together an additional fiscal package which could be larger than the first fiscal package! Australia has also closed its borders to permanent residents and citizens.
- After already saying the coronavirus outbreak will push the US into a recession, Goldman Sachs on Friday updated its estimates and now thinks the fallout could be even worse than it expected. Goldman Sachs dramatically cut its US economic forecast and is now expecting gross domestic product to decline by 24% in the second quarter of 2020 because of the coronavirus pandemic. A drop of that size would be a record, nearly 2 1/2 times the 10% drop seen in 1958. "The sudden stop in US economic activity in response to the virus is unprecedented, and the early data points over the last week strengthen our confidence that a dramatic slowdown is indeed already underway," the Goldman Sachs economist Jan Hatzius wrote in a Friday note.
- In accordance with the most recent FOMC directive, the Open Market Trading Desk (the Desk) at the Federal Reserve Bank of New York has updated the current bi-weekly schedule of agency MBS purchase operations. Specifically, today, March 20, 2020, the Desk will conduct an additional \$15 billion in purchases across 2 operations for regular TBA settlement. Additionally, the Desk will target purchases of at least \$100 billion for the week spanning March 23, 2020 to March 27, 2020 and will release a schedule each day for the next day's operations.

Currency pair

Currencies	20/03/2020	13/03/2020	Change (%)
USDINR	75.20	74.13	1.44
EURINR	80.62	82.70	-2.52
GBPINR	88.55	93.16	-4.95
JPYINR	68.34	69.63	-1.85

USDINR



Technical Outlook–

- On the Weekly Chart, USD has reach its All time High of Rs. 75.39 on Real Time basis
- On Monday after opening, USDINR has reached new high of Rs. 76.16
- Indicator RSI (14) will remain above 70 on Weekly Chart.
- A SMA 20 and 50 and super trend (3,10) are trading below Current price.

Support-Resistance

LTP	S1	S2	R1	R2
75.20	74.50	73.75	76.00	76.75

RECOMMENDATION: BUY USDINR @ 75 SL 74.50 TARGET 76

EURINR



Technical Outlook–

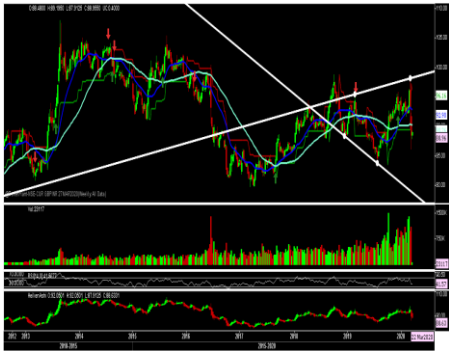
- On the Weekly Chart, a triangle pattern formation could be seen.
- A SMA 20 and 50 and super trend (3,10) are trading below Current price.
- Indicator RSI (14) will remain above 50 Level.
- The near term trend shows reversal Signals.

Support-Resistance

LTP	S1	S2	R1	R2
80.62	79.75	79.00	81.75	83.00

RECOMMENDATION: BUY EURINR @ 80.75 SL 79.75 TARGET 83

GBPINR



Technical Outlook–

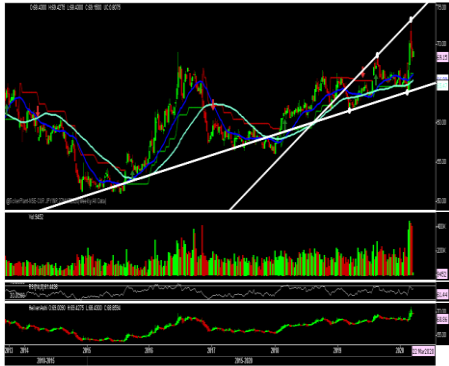
- On the Weekly chart, a large red candle could be seen.
- The momentum oscillator RSI (14) will remain near 50.
- The short term trend looks towards consolidation; with 86 acting as near term support and 91 acting as near term resistance.

Support-Resistance

LTP	S1	S2	R1	R2
88.55	87.50	86.25	89.50	90.75

RECOMMENDATION: BUY GBPINR @ 89 SL 88.25 TARGET 90.50
SELL GBPINR @ 87.75 SL 88.50 TARGET 86.25

JPYINR



Technical Outlook–

- On the Weekly chart, a Shooting star candle is formed.
- The momentum oscillator RSI (14) will remain above 50
- A shooting star candlestick also adds to Bearish signals.
- The near term trend shows reversal signals; going forwards any move below 69 levels could see further drop till 67 levels.

Support-Resistance

LTP	S1	S2	R1	R2
68.34	67.50	66.75	69.00	70.00

RECOMMENDATION: BUY JPYINR @ 68 SL 67 TARGET 70

Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
24/03/2020	EUR	Flash Manufacturing PMI	40.1	49.2
24/03/2020	EUR	Flash Services PMI	40.0	52.6
24/03/2020	GBP	Flash Manufacturing PMI	45.1	51.7
24/03/2020	GBP	Flash Services PMI	45.0	53.2
24/03/2020	USD	Flash Manufacturing PMI	45.1	50.7
24/03/2020	USD	Richmond Manufacturing Index	-10	-2
25/03/2020	EUR	German Final ifo Business Climate	87.9	87.7
25/03/2020	GBP	CPI y/y	1.6%	1.8%
25/03/2020	GBP	PPI Input m/m	-2.0%	0.9%
25/03/2020	USD	Core Durables Goods Orders m/m	-0.4%	0.8%
25/03/2020	USD	Durables Goods Orders m/m	-1.0%	-0.2%
26/03/2020	GBP	Retail Sales m/m	0.2%	0.9%
26/03/2020	GBP	Official Bank rate	0.10%	0.10%
26/03/2020	USD	Unemployment Claims	750K	281K
26/03/2020	USD	Final GDP q/q	2.1%	2.1%
27/03/2020	USD	Core PCE Price Index m/m	0.2%	0.15
27/03/2020	USD	Personal Spending m/m	0.3%	0.2%

RESEARCH BONANZA

FOREIGN CURRENCY SEGMENT

OUTLOOK BY: Analyst Miss Priyanka Shrimankar

Disclosure:

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