

DATE: 27-04-2020

## KEY HEADLINE

- Global deaths linked to the coronavirus passed 200,000 on Saturday, while confirmed cases of the virus are expected to hit 3 million in coming days, according to a Reuters tally. More than half of the fatalities have been reported by the United States, Spain and Italy. The first death linked to the disease was reported on Jan. 10 in Wuhan, China. It took 91 days for the death toll to pass 100,000 and a further 16 days to reach 200,000, according to the Reuters tally of official reports from governments.
- From an initial \$75 billion per day when the Fed announced the launch of Unlimited QE, the US central bank first reduced its daily buying to \$60 billion per day, then three weeks ago announced another 'taper' in its bond-buying program to \$50 billion per day, which was followed by a reduction to 30 billion per day, and then last week, this amount was again cut in half to \$15 billion per day. Now, the Fed has slashed its daily POMO by another 33%, to "only" \$10BN per day. Here is the full schedule for the week ahead.
- On the former our team expect European policymakers to do enough to contain debt sustainability fears this year. We are therefore not expecting an EMU break-up premium to be built into the EUR in 2020. Combined with massive dollar liquidity provision from the Fed, EUR/USD should slowly move towards 1.15. As a 'Risk on, Dollar Off' paradigm emerges, investors will slowly start to look for value amongst good quality/rated names. Something like the SEK may start to perform a little better – potentially even the GBP as well, when London chooses to extend the EU transition deal by the end of June.
- Iranian President Hassan Rouhani said on Saturday that Tehran was closely following U.S. activities, but would never initiate a conflict in the region. Rouhani's comments, which come at a time of rising tension between Washington and Tehran, were made during a telephone call to Qatar's Emir Sheikh Tamim bin Hamad al-Thani, Iranian state media reported.

## Currency pair

Currencies	24/04/2020	17/04/2020	Change (%)
USDINR	76.28	76.55	<b>-0.35</b>
EURINR	82.27	82.94	<b>-0.81</b>
GBPINR	94.29	95.32	<b>-1.08</b>
JPYINR	70.89	70.97	<b>-0.11</b>

# USDINR



## Technical Outlook–

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

## Support-Resistance

LTP	S1	S2	R1	R2
76.68	76.00	75.25	77.50	78.25

**RECOMMENDATION: SELL USDINR @ 76.75 SL 77.25 TARGET 76.00**

# 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
<b>82.66</b>	<b>81.50</b>	<b>80.50</b>	<b>83.50</b>	<b>84.50</b>

**RECOMMENDATION: BUY EURINR @ 83.25 SL 82.75 TARGET 84.50**  
**SELL EURINR @ 81.75 SL 82.25 TARGET 80.50**

# GBPINR



## Technical Outlook–

- On the Weekly chart, an Inverted hammer candlestick pattern is seen.
- The momentum oscillator RSI (14) will remain near 50.
- The short term trend looks towards consolidation; with 93 acting as near term support and 97.50 acting as near term resistance.

## Support-Resistance

LTP	S1	S2	R1	R2
94.69	93.75	92.50	95.75	97.00

**RECOMMENDATION: BUY GBPINR @ 95.50 SL 94.75 TARGET 97.00**  
**SELL GBPINR @ 94.00 SL 94.75 TARGET 92.50**

# JPYINR



## Technical Outlook–

- On the Weekly chart, an shooting star candlestick is formed.
- The momentum oscillator RSI (14) will remain above 50
- The near term trend shows bullish signals.

## Support-Resistance

LTP	S1	S2	R1	R2
<b>71.14</b>	<b>70.40</b>	<b>69.65</b>	<b>72.00</b>	<b>72.75</b>

**RECOMMENDATION: BUY JPYINR @ 71.00 SL 70.50 TARGET 72.00**

## Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
28/04/2020	EUR	Spanish Unemployment Rate	15.6%	13.8%
28/04/2020	USD	CB Consumer Confidence	90.1	120.0
29/04/2020	USD	Advance GDP q/q	-3.9%	2.1%
29/04/2020	USD	Advance GDP Price Index q/q	1.0%	1.3%
29/04/2020	USD	Pending Home Sales m/m	-11.0%	2.4%
29/04/2020	USD	Federal Funds Rate	<0.25%	<0.25%
30/04/2020	EUR	French Flash GDP q/q	-4.0%	-0.1%
30/04/2020	EUR	Spanish Flash GDP q/q	-4.2%	0.4%
30/04/2020	EUR	Prelim Flash GDP q/q	-3.7%	0.1%
30/04/2020	EUR	Main Refinancing Rate	0.00%	0.00%
30/04/2020	USD	Unemployment Claims	3500K	4427K
30/04/2020	USD	Personal Spending m/m	-4.2%	0.2%
30/04/2020	USD	Chicago PMI	38.0	47.8
01/05/2020	USD	ISM Manufacturing PMI	36.7	49.1

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FOREIGN CURRENCY SEGMENT

OUTLOOK BY: Analyst Miss Priyanka Shrimankar

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