

DATE: 28-09-2020

KEY HEADLINE

- The Euro has little going for it at present amid fears of a second wave of the Covid-19 pandemic sweeping across Europe and concerns that the nascent economic recovery in the Eurozone will be washed away. Adding to the downward pressure on the EUR/USD pair, the US Dollar continues to benefit from buying by risk-averse investors looking for a safe haven. That said, no trend lasts forever and a bounce will likely come soon even if a fully-fledged recovery remains far away.
- President Donald Trump on Saturday nominated Amy Coney Barrett to the Supreme Court, and she pledged to become a justice in the mold of the late staunch conservative Antonin Scalia - another milestone in Trump's rightward shift of the top U.S. judicial body. Abortion rights advocates have voiced concern that Barrett could cast a vote for overturning the landmark 1973 Roe v. Wade ruling legalizing abortion nationwide.
- The Federal Reserve Banks of Atlanta and New York have released their US Q3 2020 GDP outlooks, and there is a significant difference in expectations. The Federal Reserve Bank of Atlanta expects the real gross domestic product (GDP) in the United States to rise by 32% in Q3 2020, according to its GDP now report. On the other hand, the Federal Reserve Bank of New York is expecting only a 14.3% expansion of the US economy in the 3rd quarter of 2020, and a rise of just 5% in Q4 2020.
- A post-Brexit trade deal "can and must be made", the organisation representing British businesses has said ahead of further UK-EU trade talks on Monday. Dame Carolyn Fairbairn, the boss of the Confederation of British Industry, said it was the time for "the spirit of compromise to shine through". The Brexit transition period, in which the UK has kept to EU trading rules, ends on 31 December. The UK and EU are yet to agree a deal that will govern their future trade. Prime Minister Boris Johnson has said a trade agreement with the EU must be done by 15 October if it is going to be ready for the start of 2021.

Currency pair

Currencies	25/09/2020	18/09/2020	Change (%)
USDINR	73.72	73.47	0.34
EURINR	85.80	87.02	-1.40
GBPINR	93.66	95.42	-1.85
JPYINR	69.92	70.39	-0.67

USDINR



Technical Outlook–

- On the Weekly Chart, USDINR indicates an Inverted Hammer candlestick.
- Indicator RSI (14) will remain near 50 on Weekly Chart.
- The near term trend shows consolidation signals.

Support-Resistance

LTP	S1	S2	R1	R2
73.72	73.00	72.25	74.50	75.25

RECOMMENDATION: BUY USDINR @ 74.25 SL 73.75 TARGET 75.25
SELL USDINR @ 73.25 SL 73.75 TARGET 72.25

EURINR



Technical Outlook–

- On the Weekly Chart, a large red candle is seen.
- Indicator RSI (14) will move below 50 Level.
- The near term trend shows bearish signals.

Support-Resistance

LTP	S1	S2	R1	R2
85.80	84.75	83.50	86.75	88.00

RECOMMENDATION: SELL EURINR @ 85.50 SL 86.50 TARGET 83.50

GBPINR



Technical Outlook–

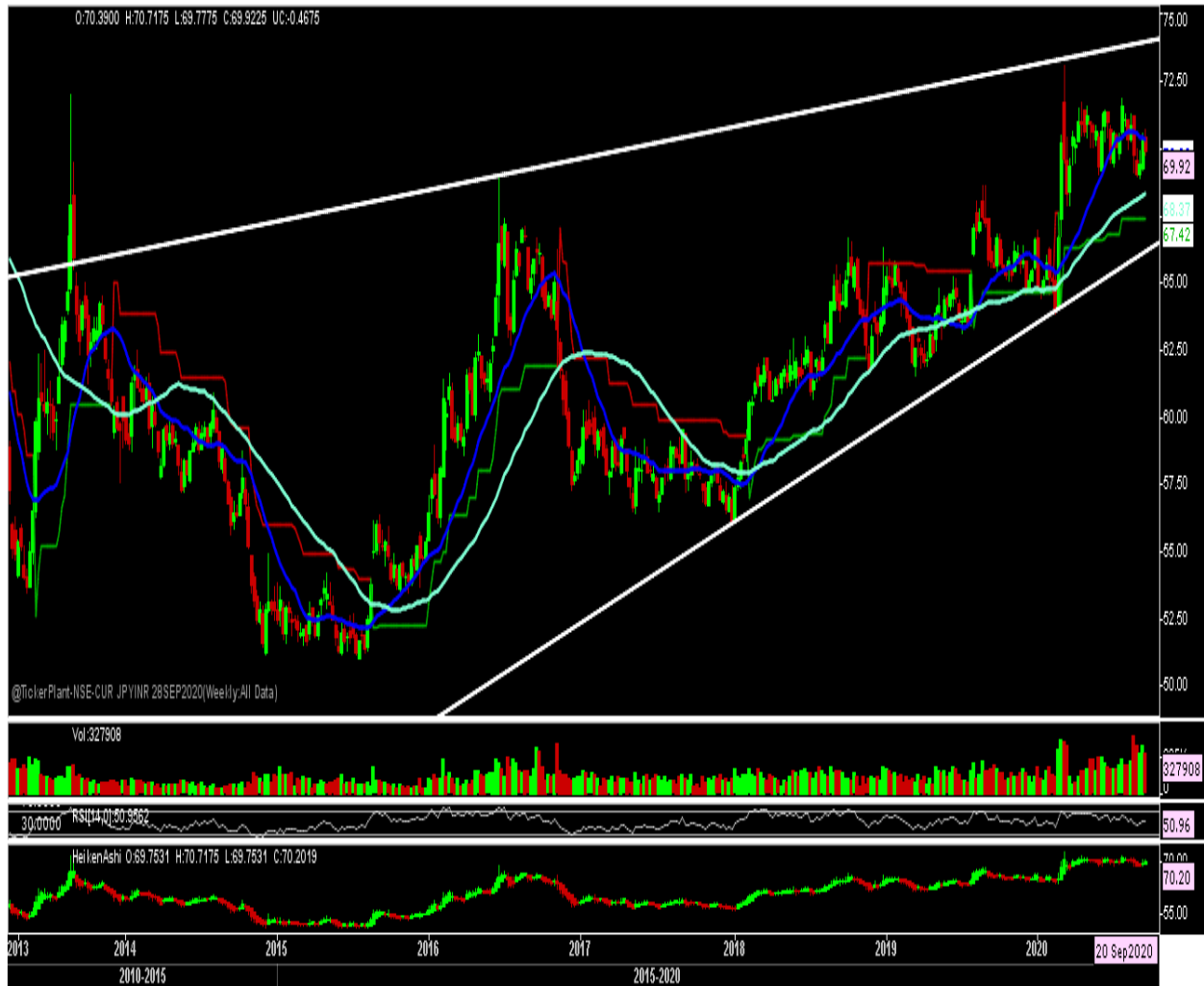
- On the Weekly chart, a large red candle is seen.
- The momentum oscillator RSI (14) will move below 50 level.
- The near term trend shows bearish Signals.

Support-Resistance

LTP	S1	S2	R1	R2
93.66	92.50	91.25	94.75	96.00

RECOMMENDATION: SELL GBPINR @ 94.00 SL 95.25 TARGET 91.50

JPYINR



Technical Outlook–

- On the Weekly chart, a shooting star candlestick pattern is seen.
- The momentum oscillator RSI (14) will remain near 50 levels.
- The near term trend shows consolidation signs

Support-Resistance

LTP	S1	S2	R1	R2
69.92	69.20	68.50	70.70	71.50

RECOMMENDATION: BUY JPYINR @ 70.50 SL 70.00 TARGET 71.50

SELL JPYINR @ 69.50 SL 70.00 TARGET 68.50

Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
29/09/2020	USD	CB Consumer Confidence	90.0	84.8
30/09/2020	USD	ADP Non-Farm Employment Change	650K	428K
30/09/2020	USD	Final GDP q/q	-31.7%	-31.7%
30/09/2020	USD	Chicago PMI	52.0	51.2
30/09/2020	USD	Pending Home Sales m/m	3.1%	5.9%
01/09/2020	GBP	Final Manufacturing PMI	54.3	54.3
01/09/2020	USD	Core PCE Price Index m/m	0.3%	0.3%
01/09/2020	USD	Personal Spending m/m	0.7%	1.9%
01/09/2020	USD	Unemployment Claims	850K	870K
01/09/2020	USD	ISM Manufacturing PMI	56.0	56.0
02/09/2020	EUR	Spanish Unemployment Change		29.8K
02/09/2020	USD	Average Hourly Earnings m/m	0.5%	0.4%
02/09/2020	USD	Non-Farm Employment Change	900K	1371K
02/09/2020	USD	Unemployment Rate	8.2%	8.4%
02/09/2020	USD	Revised UoM Consumer Sentiment	78.9	78.9

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FOREIGN CURRENCY SEGMENT

OUTLOOK BY: Analyst Miss Priyanka Shrimankar

Disclosure:

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SEBI Regn. No.: INZ000212137

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