

DATE: 03-06-2019

KEY HEADLINE

- The Japanese yen jumped against the dollar and the Mexican peso plunged after U.S. President Donald Trump's shock threat to slap new tariffs on Mexico, which risked tipping an already struggling global economy into recession. The impact of escalating trade tensions between Washington and Beijing is starting to show up in economic data, with a key measure of Chinese manufacturing activity disappointing investors.
- Trade tensions bedevilled global markets again and hurt most of Asian's emerging currencies on Friday, with Washington's shock move to slap tariffs on Mexican goods taking some of the shine off gains for Indonesia's rupiah following a sovereign ratings upgrade.
- The Mexican peso sank to three-month lows against the dollar on Friday after Washington unexpectedly said it will slap tariffs on all goods coming from its southern neighbour.
- China's consumers are fretting over soaring fruit prices as poor domestic harvests and higher tariffs on U.S. imports take a bite out of supplies. The rising cost of apples, pears and water melons has fueled consumer fears of inflation at a time when income growth is slowing in a cooling economy.
- Ratings agency S&P said on Friday it had raised Indonesia's sovereign credit rating to 'BBB', citing the country's strong economic growth prospects and supportive policy dynamics. S&P had previously rated Indonesia at 'BBB-', the lowest investable grade awarded by the agency.

Currency pair

Currencies	31/05/2019	24/05/2019	Change (%)
USDINR	69.87	69.54	0.47
EURINR	78.10	77.84	0.33
GBPINR	88.04	88.29	-0.28
JPYINR	64.28	63.42	1.35

USDINR



Technical Outlook–

- On the Weekly chart, is trading in basing range.
- Indicator RSI (14) is trading below 50 on Daily Chart.
- EMA 20 and EMA 50 are showing Bearish crossover on weekly chart.
- The near term trend looks towards consolidation, going forwards it might remain in range of 70.60-69.05

Support-Resistance

LTP	S1	S2	R1	R2
69.87	69.70	69.19	70.33	70.87

EURINR



Technical Outlook–

- On the Weekly chart, a Bearish Piercing formation is formed.
- Indicator RSI (14) is trading below 50 on the weekly chart showing weakness.
- EMA 20 and EMA 50 are showing indication of Bearishness to continue.

The short term trend looks weak; going forwards it would likely remain in Bear’s grip.

Support-Resistance

LTP	S1	S2	R1	R2
78.10	77.85	77.26	78.51	78.89

GBPINR



Technical Outlook–

- On the Weekly chart, Breakdown has been formed.
- Indicator RSI (14) is indicating oversold position as it is at 37.
- EMA 20 and EMA 50 are showing weakness to continue as Bearish crossover continues on Daily chart.

The short term trend looks Weak; going forwards it will keep taking resistance every time it tries to cross 89.

Support-Resistance

LTP	S1	S2	R1	R2
88.04	87.91	87.38	88.46	89.08

JPYINR



Technical Outlook–

- On the Weekly chart, Long green candle with Bullish Engulfing pattern is formed.
- Indicator RSI (14) is showing strength as it is above 50 on Weekly chart.
- EMA 20 and EMA 50 is in Bullish Crossover Daily on Daily Chart

The short term trend looks Bullish; going forwards it will take support in range of 62.80 - 63.80 levels.

Support-Resistance

LTP	S1	S2	R1	R2
64.28	63.99	63.58	64.65	64.88

Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
03/06/2019	EUR	German Manufacturing PMI(May)	44.3	44.3
03/06/2019	GBP	Manufacturing PMI(May)	52.4	53.1
03/06/2019	USD	ISM Manufacturing PMI(May)	53.3	52.8
04/06/2019	GBP	Construction PMI(May)	50.6	50.5
04/06/2019	EUR	CPI(YoY)(May)	1.4%	1.7%
05/06/2019	GBP	Services PMI(May)	50.6	50.4
05/06/2019	USD	ADP Nonfarm Employment Change(May)	190K	275K
05/06/2019	USD	ISM Non-Manufacturing PMI(May)	56.0	55.5
06/06/2019	INR	Interest Rate Decision	5.75%	6.00%
06/06/2019	EUR	Deposit Facility Rate	-0.40%	-0.40%
06/06/2019	EUR	ECB Marginal Lending Facility	0.25%	0.25%
06/06/2019	EUR	ECB Interest Rate Decision	0.00%	0.00%
07/06/2019	USD	Nonfarm Payrolls(May)	190K	263K
07/06/2019	USD	Unemployment Rate(May)	3.7%	3.6%

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FOREIGN CURRENCY SEGMENT

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