

DATE: 09-09-2019

KEY HEADLINE

- The dollar slipped on Friday against a basket of currencies, holding above a one-week low as a mixed report on the U.S. jobs market in August reinforced the view of a slowing expansion and the possibility of more interest rate cuts from the Federal Reserve. Traders now await clues on the Fed's next move after it embarked on its first rate cut since 2008 in July when Fed Chair Jerome Powell participates on a panel about the economy and monetary policy in Zurich, which begins at 12:30 p.m.
- If the U.S. economy slips into a recession, homeowners in Riverside, California, will fare much worse than those in Rochester, New York, Seattle-based real estate brokerage Redfin predicts. Redfin economists crunched a range of risk factors across 50 U.S. metro areas to estimate which markets were most vulnerable in a severe economic downturn. One key factor was how global trade affects the local economy, given the ongoing U.S. China trade war.
- Risky currencies including the Australian dollar surged on Friday after China's central bank cut the amount of cash that banks must hold as reserves, with markets also expecting the European Central Bank to unveil more stimulus next week. The People's Bank of China said it was cutting banks' reserve requirements for the third time this year, sending a ripple of optimism through currency markets though analysts questioned how much stimulus global central banks have left. "This won't be a flood of stimulus," said Neil Mellor, a senior FX strategist at BNY Mellon in London.
- Italian business leaders called on the country's new government on Friday to restore incentives for investment and to support economic growth, while keeping public finances in check. The country's economy flirted with recession under the previous ruling coalition, which collapsed last month after infighting and repeated confrontations with Brussels over increased budget spending. Business leaders gathered on the shores of Lake Como for the annual Ambrosetti forum were cautiously hopeful that conditions could improve under the new coalition between the center-left Democratic Party (PD) and anti-establishment 5-Star Movement.

Currency pair

Currencies	06/09/2019	30/08/2019	Change (%)
USDINR	71.84	71.62	0.30
EURINR	79.31	79.22	0.11
GBPINR	88.36	87.29	1.22
JPYINR	67.23	67.43	-0.29

USDINR



Technical Outlook–

- On the Weekly Chart, a Shooting Star Pattern is formed.
- Indicator RSI (14) has crossed over 50 on Weekly Chart.
- 50EMA and 100EMA may be in bearish crossover.
- The near term trend shows reversal signs, going forwards it might remain in the range of 70.40 to 72.50

Support-Resistance

LTP	S1	S2	R1	R2
71.84	71.10	70.40	72.50	73.00

EURINR



Technical Outlook–

- On the Weekly Chart, Dragonfly Doji pattern is formed
- 50EMA and 100 EMA may be in Bearish Crossover
- The momentum oscillator RSI (14) may enter in bearish crossover.
- The near term trend shows reversal signs; going forwards it would likely to move in range of 78.00-80.00

Support-Resistance

LTP	S1	S2	R1	R2
79.31	78.25	77.25	80.25	81.25

GBPINR



Technical Outlook–

- On the Weekly chart, a falling wedge pattern is in formation. Breakout is possible in the near term
- 50EMA and 100EMA are showing bullish crossover on the weekly charts.
- The momentum oscillator RSI (14) may be in bullish crossover.
- The short term trend looks towards breakout ; going forwards it would remain in the range of 87.00-89.50

Support-Resistance

LTP	S1	S2	R1	R2
88.36	87.25	86.00	89.25	90.00

JPYINR



Technical Outlook–

- On the Weekly chart, a Gravestone Doji pattern is formed
- 50EMA and 100EMA may be in a Bearish crossover.
- The momentum oscillator RSI (14) may enter in Bearish crossover.
- The near term trend shows reversal signs; going forwards it would remain in the range of 66.50-68.00

Support-Resistance

LTP	S1	S2	R1	R2
67.23	66.50	65.75	68.00	68.75

Most Important Event in the This Week:

Date	Currency	Event	Forecast	Previous
09/09/2019	GBP	GDP (QoQ)	-0.1%	-0.2%
09/09/2019	GBP	GDP (MoM)		0.0%
09/09/2019	GBP	Manufacturing Production (MoM) (Jul)	-0.1%	-0.2%
10/09/2019	GBP	Average Earnings Index + Bonus (Jul)	3.7%	3.7%
10/09/2019	GBP	Claimant Count Change (Aug)		28.0K
10/09/2019	USD	JOLTs Job Openings (Jul)	7.300M	7.348M
11/09/2019	USD	PPI (MoM) (Aug)	0.1%	0.2%
11/09/2019	USD	Crude Oil Inventories	-2.488M	-4.771M
12/09/2019	EUR	Deposit Facility Rate (Sep)	-0.50%	-0.40%
12/09/2019	EUR	ECB Interest Rate Decision (Sep)	0.00%	0.00%
12/09/2019	USD	Core CPI (MoM) (Aug)	0.2%	0.3%
13/09/2019	USD	Core Retail Sales (MoM) (Aug)	0.1%	1.0%
13/09/2019	USD	Retail Sales (MoM) (Aug)	0.2%	0.7%

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FOREIGN CURRENCY SEGMENT

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