

INSTRUMENT	LAST PRICE	1 DAY	1 MONTH	1 YEAR
USD/INR	71.19	-0.08%	-0.4%	-2%
EUR/INR	78.58	-0.15%	-0.9%	-8%
GBP/INR	88.79	0.09%	2.6%	-7%
JPY/INR	66.03	0.51%	-1.4%	2%
EUR/USD	1.1038	0.07%	-0.4%	-5%
GBP/USD	1.2472	0.00%	2.9%	-5%
USD/JPY	107.87	-0.54%	1.1%	-4%
USD/CNH	7.10	0.27%	0.4%	4%
10 YR YIELD- IN	6.58	(0.04)	(0.01)	(1.49)
10 YR YIELD- USA	1.79	(0.01)	0.18	(1.27)
GOLD (\$/Oz)	1,494	0.0%	0%	24%
SILVER (\$/Oz)	17.69	-0.4%	5%	24%
BRENT CRUDE (\$/Brl)	63.68	0.1%	7%	-20%
COPPER 3M (\$/Ton)	5814	-0.1%	1%	-4%
NIFTY	10775	-0.6%	-2.5%	-4.1%
HANGSENG	26443	-1.2%	0.6%	-3.5%
S&P 500	3007	0.0%	2.8%	3.4%
INR 1M FWD	0.27	0.00	0.03	(0.01)
INR 3M FWD	0.75	(0.03)	0.05	(0.11)
INR 12M FWD	3.14	0.01	0.22	(0.10)
USDINR 1 MONTH ATM IV	6.61	(0.24)	(0.51)	(1.43)
USDINR 3 MONTH ATM IV	6.65	(0.02)	(0.19)	(1.40)
	1 DAY	MTD	QTD	CTD
FII INVESTMENT- EQ (\$ Mn)	(95)	(619)	(4,752)	6,587
FII INVESTMENT- DEBT (\$ Mn)	(55)	53	2,871	4,300
TOTAL (\$ Mn)	(150)	(566)	(1,880)	10,887

CURRENCY	ECONOMIC DATA
GBP	Retail Sales
GBP	UK Monetary Policy

TECHNICAL VIEW

Currency pair ==> USDINR spot

View = Range play. 70.75/85 to 71.45. If the pair sustains above 71.45, then it is 72.00 as upper cap.

Trade = Play the range. Buy either closer to 70.90 or above 71.45 on spot.

Currency pair ==> GBPSUD spot

View = Intermediate trend remains bullish.

Trade = Buy between 1.2420/40 TP 1.2550/1.2600 SL 1.2370

MACRO VIEW

- Yesterday benchmark indices Sensex and Nifty snapped a two-day losing streak and ended with a 0.25% gain. Rupee gained 54 paise against the Greenback to close at 71.24 on spot. GOIsec 10 year yield fell 11 bps to 6.62 as oil prices plunged in the global market.
- It was a FOMC night yesterday. Fed lowered rates by 25 bps, which was expected by the voting showed the future path of policy remain uncertain. Three members dissented, with two voting for no hike and one for a 50 bps cut. Boston Fed President Eric Rosengren and Kansas City Fed President Esther George voted for a second time against an interest rate cut, whereas, St. Louis Fed President James Bullard voted for a 50 basis points. This divisiveness is the main reason why Powell said the Fed is not on a pre-set course, is highly data dependent and will look at what's needed carefully on a meeting-by-meeting basis. He said if the economy weakens further, "more extensive cuts may be needed," but for the time being, more members favour steady policy for the rest of the year. Therefore the FOMC policy can be construed as hawkish and hence positive for USD against emerging market and DM currencies.
- It's been a rough week in the overnight funding market, where interest rates temporarily spiked to as high as 10% for some transactions Monday and Tuesday. The spike in rates forced the Fed to jump in with money market operations aimed at reining them in, and after the second operation Wednesday morning, it seemed to have calmed the market. The Fed announced a third operation for Thursday morning. We need to keep an eye on the USD money market rates, further spike in rates can cause USD value to rise as well.
- Asian equity markets are trading marginally in the green with SGX showing a gap up open for Nifty. Asian currencies are trading weak against USD and USDCNH is trading above 7.10.
- Brent crude oil futures continue to slip and is currently trading close to 63.00 handle. Gold is trading soft around 1500 on the active month futures on CME.
- EURUSD is holding below a key trendline resistance. Lack of triggers could be preventing any meaningful move in the pair. GBP traders will be eyeing the retail sales report and BOE. A stronger retail sales data can push GBPUSD towards 1.2550 levels.

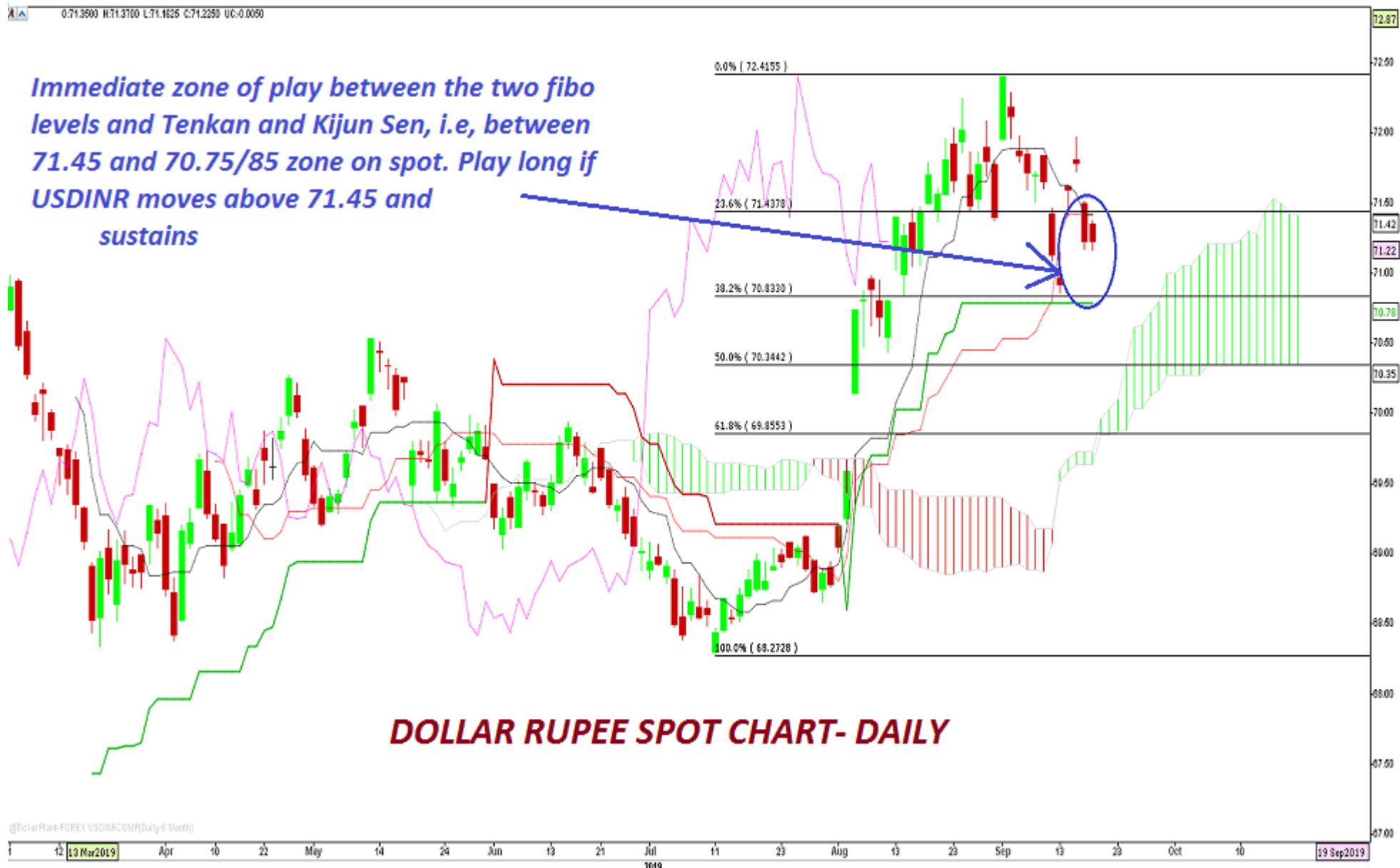
NEWSWIRE

- GOI's direct tax collections grow by 4.7% YoY as of YTD September. This comes against a steep 17.5% higher tax collection budgeted for the full year. Slower direct taxes and indirect taxes will complicate budget math

*** CHART ON NEXT PAGE ***

0.713600 H:1.3700 L:71.1625 C:71.2250 UC:0.0050

Immediate zone of play between the two fibo levels and Tenkan and Kijun Sen, i.e, between 71.45 and 70.75/85 zone on spot. Play long if USDINR moves above 71.45 and sustains



DOLLAR RUPEE SPOT CHART- DAILY

@TolierPlant-Forex USDINRCOMP(Daily 5 Month)

Source: TickerPlant

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