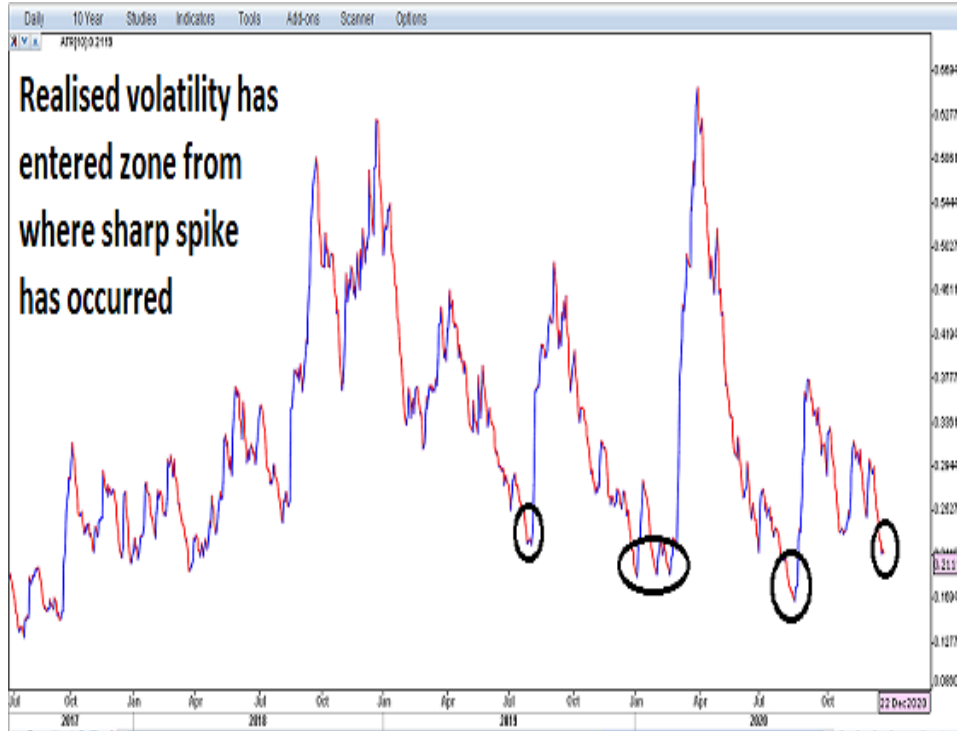




## ***FX INSIGHT- Trump's last stand...***

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# USD



1. US Dollar is trading firm against Asian currencies, probably due to the lingering fear over new COVID strain as well as on the news that **US President may not sign the new stimulus bill leading to US government shutdown post December 29<sup>th</sup> and delay in relief to US consumers.**
2. **Volatility has shrunk to cyclical lows. Watch out for breakout in volatility. When volatility breaks out from the low level, the direction prices take, proves durable. Watch for the price levels mentioned in the chart of USDINR spot.**

Euro / U.S. Dollar - 4h - OANDA ● ● ● ● O1.21772 H1.21798 L1.21665 C1.21732 -0.00040 (-0.03%)



1. Volumes are going to be low into the weekend as major markets are shut for Christmas holidays. However, due to fear of the new COVID strain, erratic moves on low volumes are quite likely. Best to avoid trading at this time.
2. For positional trade, EUR/INR remains a **buy on decline** with stop below 88.40 on a daily closing basis. Target 90.50 and then near 91.00 on Dec futures.

**EURO**

# GBP



1. Leaders and negotiators from the European Union and the United Kingdom continued their struggle Tuesday to get a trade deal past the New Year's Day finish line. GBPUSD and GBPINR can continue to make erratic moves as volume thin out due to year end holidays.
2. GBPINR bounced from our expected support zone near 97.40. **Buy on decline** remains the trade as long as GBPUSD holds above 1.31 levels which translates to 96.70 on GBPINR Dec futures. Target remains 1.36 on GBPUSD and 100.30 on GBPINR.





# KEY LEVELS

<b>Futures</b>	<b>SUPPORT 1</b>	<b>SUPPORT 2</b>	<b>RESISTANCE 1</b>	<b>RESISTANCE 2</b>
<b>USDINR</b>	73.90	73.60	74.20	74.40
<b>Futures</b>	<b>SUPPORT 1</b>	<b>SUPPORT 2</b>	<b>RESISTANCE 1</b>	<b>RESISTANCE 2</b>
<b>EURINR</b>	90.00	89.70	90.45	90.80
<b>Futures</b>	<b>SUPPORT 1</b>	<b>SUPPORT 2</b>	<b>RESISTANCE 1</b>	<b>RESISTANCE 2</b>
<b>GBPINR</b>	98.85	98.50	99.50	99.85
<b>Futures</b>	<b>SUPPORT 1</b>	<b>SUPPORT 2</b>	<b>RESISTANCE 1</b>	<b>RESISTANCE 2</b>
<b>JPYINR</b>	71.30	71.00	71.70	72.00

# Disclaimer

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