

INSTRUMENT	LAST PRICE	1 DAY	1 MONTH	1 YEAR
USD/INR	71.09	0.10%	-1.3%	-2%
EUR/INR	78.21	0.16%	-2.4%	-10%
GBP/INR	88.62	0.11%	0.5%	-8%
JPY/INR	66.25	-0.14%	-2.4%	3%
EUR/USD	1.1003	-0.15%	-0.9%	-6%
GBP/USD	1.2466	-0.17%	2.0%	-5%
USD/JPY	107.29	0.21%	1.1%	-5%
USD/CNH	7.12	0.16%	-0.7%	3%
10 YR YIELD- IN	6.76	(0.02)	0.19	(1.36)
10 YR YIELD- USA	1.64	(0.01)	0.11	(1.46)
GOLD (\$/Oz)	1,530	-0.1%	0%	27%
SILVER (\$/Oz)	18.55	-0.3%	5%	28%
BRENT CRUDE (\$/Brl)	62.70	-0.6%	6%	-23%
COPPER 3M (\$/Ton)	5780	0.0%	3%	-9%
NIFTY	11525	-0.5%	6.4%	4.1%
HANGSENG	26030	-1.0%	-0.6%	-5.3%
S&P 500	2967	-0.8%	4.2%	1.8%
INR 1M FWD	0.28	0.02	0.02	0.00
INR 3M FWD	0.73	(0.02)	(0.05)	(0.11)
INR 12M FWD	3.13	0.01	0.13	(0.12)
USDINR 1 MONTH ATM IV	6.63	0.04	(0.86)	(1.92)
USDINR 3 MONTH ATM IV	6.57	0.01	(0.62)	(1.75)
	1 DAY	MTD	QTD	CTD
FII INVESTMENT- EQ (\$ Mn)	395	(375)	(4,508)	6,831
FII INVESTMENT- DEBT (\$ Mn)	(61)	115	2,934	4,363
TOTAL (\$ Mn)	334	(260)	(1,574)	11,193

#### CURRENCY

#### ECONOMIC DATA

USD

FOMC members Evans & George speaks

#### TECHNICAL VIEW

##### Currency pair ==> USDINR spot

View = The pair could be set up for range trading between 70.80 and 71.45 on spot for the time being.

Trade = Buy between 70.95/71.05 with stop loss below 70.80 levels on a closing basis.

##### Currency pair ==> EURUSD spot

View = Intermediate trend remains bearish

Trade = Sell between 1.1000/1.1030 TP 1.0930/1.0870 SL 1.1050

#### MACRO VIEW

- Yesterday, Indian equity markets traded within a narrow range, a breather after a scorching 8% rally in the index in just two trading sessions. Banking stocks and capital goods stocks got hit the most. Sentiment got jarred after news surfaced that the Reserve Bank of India has ordered Punjab and Maharashtra Co-operative Bank not to do any business for six months and capped depositor withdrawals at Rs 1,000. Indian economy is going through a credit crises, first with the NBFC sectors, a couple of private sector banks and now co-operative banks as well. We need to keep a close watch on the credit market.
- USDINR closed 8 paise higher around 71.01 on spot. Pair reversed sharply higher from 70.76 levels as state run banks stepped into the intervene on behalf of the central bank. Some corporate outflows were noted too. Much of September, trading has been erratic in USDINR. There have been sudden reversals in trend and huge gaps in opposite direction of existing trends. Lack of any dominant factors or factors could be a reason why the pair is oscillating wildly due to immediate news and developments. Smart traders generally stay away from markets which exhibit such erratic behaviour.
- US stocks fell in volatile trade on Tuesday, giving the S&P 500 its biggest daily drop in a month as a push for the impeachment of US President Donald Trump gained momentum among Democrats in the US Congress. Over the past few weeks, there's been growing calls to impeach President Trump over reports that he asked or pressured Ukraine's resident to investigate his political rival Joe Biden. Meanwhile, US President has promised to release a transcript of his phone call with Ukraine's president at the centre of the controversy. This may a reason why post close, Dow is trading 100 points higher in the CFD market.
- Yesterday, German IFO business climate index came in better than expectation. The business climate index climbed to 94.6 from 93.3. Although German businesses grew less optimistic about the economy's outlook, they felt current conditions improved from the previous month. However, IFO failed to trigger a short squeeze in EURUSD.
- Asian equity markets are all in the red between 0.50%-1.00%. SGX Nifty is trading 40 points lower. USD is trading marginally higher against Asian currencies including the CNH. Keep an eye on USDCNH. If the pair can trade above 7.12 on a sustained basis, it can be quite bullish for the pair. Brent crude oil futures have fallen by 2% and is trading close to 62.00 handle. Gold is up at 1536 on active month futures on CME.
- Yesterday GBPUSD jumped after the UK Supreme court in a unanimous decision voided PM Johnson's right to prorogue Parliament stating in no uncertain terms that the move was unconstitutional. This makes the prospect of no-deal Brexit less of a possibility, which is ultimately positive for the pound.

\*\*\* CHART ON NEXT PAGE \*\*\*



Source: TickerPlant

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