



# Forex Market **Insights** Newsletter

Volume 144 → Oct 05<sup>th</sup> to Oct 11<sup>th</sup> 2024

Exclusively for PDEXCIL members:

# Complimentary Myforexeye application access

\*TILL MARCH 2025



Scan this QR  
To Get the  
Myforexeye APP

Currency	Bid	Ask
USDINR	73.3575	73.4575
29 12:55:39   Event		
H- 73.3650	L- 73.2000	+0.0675 (0.09%)
EURUSD	1.1809	1.1810
29 12:55:39   Event		
H- 1.1922	L- 1.1795	-0.0002 (-0.02%)
NZDUSD	0.7027	0.7028
29 12:55:39   Event		
H- 0.7069	L- 0.7020	-0.0028 (-0.40%)
AEDINR	19.9700	19.9790
29 12:55:39		
H- 0.7069	L- 19.8960	0.0300 (0.16%)
JPYINR	0.6649	0.6652
29 12:55:39		
H- 0.6656	L- 0.6635	+0.0001 (0.03%)
CNYINR	11.2023	11.2031
29 12:55:39		
H- 11.2045	L- 11.1607	0.0416 (0.37%)
USDCNY	70.3525	71.4275
29 12:55:39		
H- 70.3636	L- 70.2636	+0.0675 (0.09%)

# Welcome

Dear Members,

I'm pleased to report on the US Dollar's outstanding performance this week. We've seen a significant turnaround, with the currency reaching new two-month highs. This strength is primarily due to increased risk aversion stemming from Middle East tensions, coupled with Chair Powell's hints at smaller rate cuts and robust US labor market data.

The Dollar Index surpassed 102.00, reflecting broad-based gains. Looking ahead, we're monitoring several key economic indicators, including the NFIB Business Optimism Index, trade balance figures, and inflation rates. EURUSD retreated to seven-week lows, while GBPUSD saw its first weekly loss after three consecutive advances. USDJPY reclaimed the 149.00 level, hitting new two-month highs. AUDUSD, despite early gains, reversed course due to the dollar's strength.

For the coming week, we'll be closely watching various economic releases across major economies. These include German factory orders, Eurozone retail sales, UK GDP figures, and Japanese household spending data. We anticipate continued dollar strength, but remain vigilant to potential market shifts and global economic developments.

Thank You

Mahesh Sanil  
Executive Director

## Key Takeaway Summaries

### ₹ INR

The World Bank's latest report highlights that, despite global challenges, India's economy is growing at a robust pace.

### € EUR

The blockbuster release of US labor data led to a decline in the EURUSD pair to a 7-week low of 1.0950 levels.

### £ GBP

The GBPUSD closed the week in the red, falling below 1.31, its lowest in three weeks, after BoE Governor Andrew Bailey hinted at further aggressive rate cuts in November.

### ¥ JPY

Newly appointed Prime Minister Shigeru Ishiba stated earlier in the week that given the current economic conditions, further rate hikes would be premature.

## CONTENTS

INR 2

USD 3

EUR 4

GBP 5

JPY 6

BLOG 7

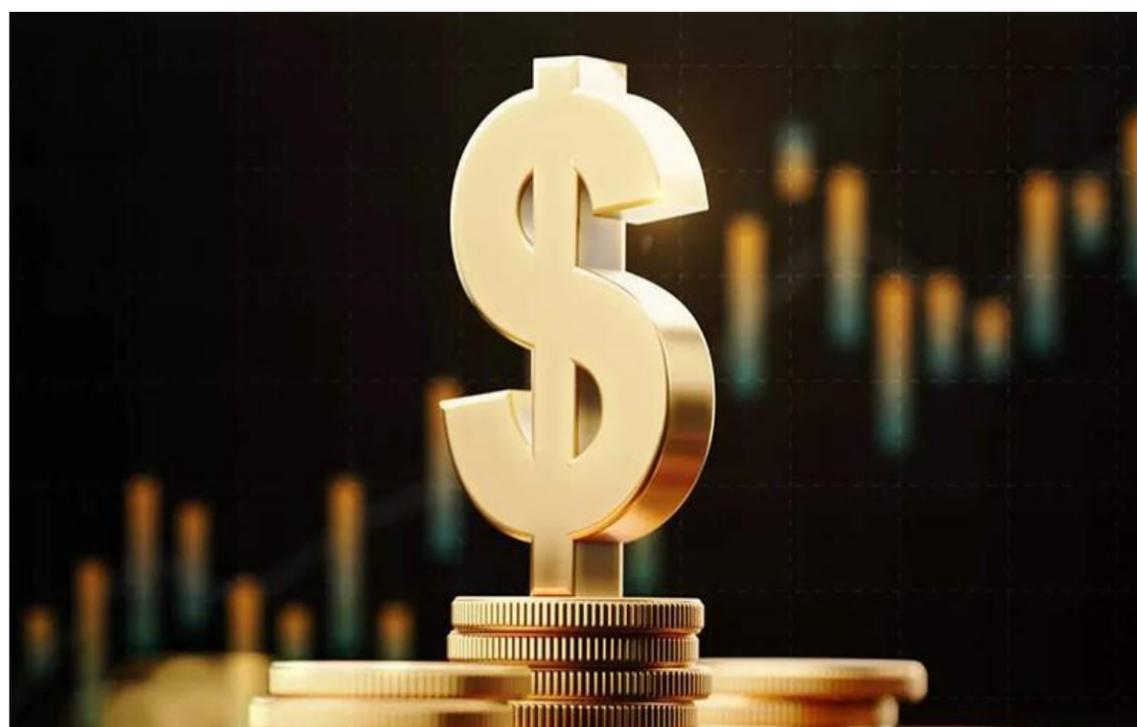
## Events to WATCH

Oct 09, 10:00  
Interest Rate Decision

Oct 11, 17:00  
FX Reserves, USD

Oct 11, 17:00  
Industrial Production (YoY) (Aug)

The Indian rupee returned to its all-time lows in a holiday-shortened, four-day trading week, with the USDINR pair climbing back above 83.90 levels, reversing the recent recovery. The US dollar gained strength after Federal Reserve Chair Jerome Powell indicated that the central bank would stick to gradual quarter-point interest rate cuts and wasn't in a rush to ease further. His comments were reinforced by strong labor market data, including JOLTS: Job Openings, ADP Non-Farm Employment, and Non-Farm Payrolls, which all exceeded expectations. This drove the dollar index up by 2.06% for the week, reaching a 1.5-month high of 102.68 on Friday. Non-farm payrolls hit a four-month high, and the unemployment rate dropped to 4.1%. Markets have priced in a 68.9% chance of a 25 bps Fed rate cut, with 31.1% odds for a 50 bps cut, according to the CME FedWatch Tool.



On the Indian front, the Reserve Bank of India (RBI) is expected to maintain its key repo rate at 6.50% in the upcoming policy meeting but could lower it by 25 bps in December. The World Bank's latest report highlights that, despite global challenges, India's economy is growing at a robust pace. However, to achieve its \$1 trillion merchandise export goal by 2030, India needs to diversify its export base and leverage global value chains. India's forex reserves surpassed \$700 billion for the first time, increasing by \$12.6 billion in the week ending September 27. This milestone places India as the fourth-largest holder of foreign reserves, alongside China, Japan, and Switzerland. These reserves provide the RBI with significant capacity to defend the rupee from further declines, especially if the dollar strengthens further.

## Events to WATCH

Oct 08, 18:00  
Trade Balance (Aug)

Oct 10, 18:00  
Core CPI (MoM)  
(Sep)

Oct 10, 18:00  
CPI (YoY) (Sep)

Oct 11, 18:00  
PPI (MoM) (Sep)



This week saw the rupee's recent gains vanish as it returned to its familiar range above 83.90, nearing its all-time low. The dollar strengthened after Federal Reserve Chair Jerome Powell indicated there was no rush for rate cuts, supported by strong US labor market data. This reduced expectations for larger Fed rate cuts.

Looking at the USDINR daily chart, the long-term support line (yellow line) connecting the lows since March 24 once again provided a solid foundation, with the pair rebounding after touching the 83.43 support level. The pair's path of least resistance remains upward, as the 14-day Relative Strength Index (RSI) is above the midline, around 64. The pair is trading near its resistance level of 83.99 (the all-time high), and a breakout could push it towards 84.15 (the August 5 high). The initial support lies at 83.82, where the 50-day Simple Moving Average (SMA) is also positioned.

As the pair returns to its range near all-time highs, exporters can start hedging unhedged positions to maintain a 50-60% hedge ratio, after waiting for some time. Importers should hold off for now. A combination of forwards and vanilla options is recommended for hedging.

## Events to WATCH

Oct 07, 11:30

German Factory Orders (MoM) (Aug)

Oct 07, 14:30

Retail Sales (MoM)

Oct 08, 11:30

German Industrial Production (MoM) (Aug)

Oct 11, 11:30

German CPI (MoM) (Sep)

The EURUSD pair declined this week after gaining for two consecutive sessions. The euro weakened because of the hawkish comment from Fed Chair saying that Fed is in no hurry to cut the interest rates, reducing the chances of a 50 bps cut in November meeting. The decline in the German and Eurozone CPI to 1.6% and 1.8% respectively, below the 2% ECB target led to an increase in the chances of a 25 bps cut by ECB in October meeting to almost 80%. ECB member Schnabel, who was earlier concerned about the higher service inflation also favored a rate-cut to support the economy. The dollar index also strengthened gradually throughout the week and made a 7-week high of 102.68. The bullish labor data release from the US showed that Nonfarm payrolls rose by 254,000 in September, surpassing the projected 140,000 increase. Meanwhile, the unemployment rate unexpectedly declined to 4.1% from 4.2% in August. The blockbuster US labor data increased the confidence of a soft landing in the US economy resulting a decline in the EURUSD pair to a 7-week low of 1.0950 levels. Overall, the chances of downside in the pair are likely if the Eurozone economy continues to disappoint.



The EURUSD pair started the week at 1.1150, facing resistance at 1.1200. Early attempts to break this upper level led to a high of 1.1208, but the pair encountered a downward trend, testing the 1.1000 support level. Stronger-than-expected US Nonfarm Payrolls (NFP) data, coupled with a declining unemployment rate, pushed the pair below the key 1.1000 support, reaching a weekly low of 1.0950. Resistance remains at the 1.1100-1.1200 zone, with a breakout potentially targeting 1.1250-1.1300. On the downside, if EURUSD fails to hold above 1.1000, it could retest the 1.0900 support. The pair's future direction will depend on market expectations regarding the Fed's rate cut in November and the European Central Bank's decision on a potential rate cut in their October meeting.

## Events to WATCH

Oct 11, 11:30  
GDP (MoM) (Aug)

Oct 11, 11:30  
Industrial Production (MoM) (Aug)

Oct 11, 11:30  
Manufacturing Production (MoM) (Aug)

Oct 11, 11:30  
Trade Balance (Aug)

The GBPUSD closed the week in the red, falling below 1.31, its lowest in three weeks, and down 2% weekly, the steepest in more than a year, after Bank of England Governor Andrew Bailey hinted at further aggressive rate cuts in November. Bailey highlighted a change toward a more "activist" and "aggressive" attitude to rate cuts, but BoE Chief Economist Huw Pill urged caution. GBPUSD failed to sustain higher levels and fell into negative territory, losing about 300 pips in the last week. The pair suffered a double whammy, with the US dollar surged to a seven-week high on Friday, on course for its best week since September 2022, following a shockingly robust September jobs data and the Pound Sterling being dragged down by the Bank of England's (BoE) dovish policy expectations and the risk-averse market environment on the other. Furthermore, the UK construction sector expanded at its strongest rate in over two years, but concerns remain about anticipated spending cuts and tax increases in the impending October 30 budget. Furthermore, a solid US jobs report dampened hopes for a significant Fed rate drop and boosted the currency.



TradingView

The GBPUSD pair snapped its upward momentum this week as it declined by 2% after gaining for three consecutive weeks. The pair declined for the 4 trading sessions in a row as it made a 3-week low of 1.3069. On the weekly chart frame of the pair, the formation of huge red candles shows the seller's interest in the pair. The pair found some support at the 50-Days EMA at 1.3112 as it bounced back after declining towards 1.3050, ending the week at the same level. The formation of the next candle will be the guiding factor for the future trajectory of the pair. However, the MACD line is marching downwards towards the significant zero level, which is a bearish signal, suggesting the continuation of a downtrend in the near future. If the pair continues to decline, the next possible support lies at the 100-Days EMA at 1.2973, preventing further declines in the pair.

# ¥ JPY

REPO RATE

0.25%

GDP

0.7%

INFLATION

3%

UNEMPLOYMENT

2.5%

TRADE BALANCE

¥ -695B

## Events to WATCH

Oct 08, 05:00

Household Spending (MoM) (Aug)

Oct 08, 05:00

Household Spending (YoY) (Aug)

Oct 10, 05:20

PPI (YoY) (Sep)

The USDJPY gained and made a 7-week high of 149 on Friday, and was on a track for a weekly drop of over 3%, as top Japanese officials tempered expectations for additional interest rate increases. Newly appointed Prime Minister Shigeru Ishiba stated earlier in the week that given the current economic conditions, further rate hikes would be premature. Economy minister, Ryosei Akazawa, also advised the central bank to be cautious before implementing more rate hikes. In addition, Ishiba's finance minister, Katsunobu Kato, has been assigned to propose measures focused on reducing prices, boosting economic growth, and providing support for low-income households. Externally, the yen was pressured by a rising dollar, as robust US economic statistics bolstered the belief that the Federal Reserve does not need to decrease interest rates significantly in the future. The Japanese Yen is expected to remain under pressure as the Bank of Japan is unlikely to raise rates further, while the upcoming U.S. election results, due before the Federal Reserve's next meeting, are likely to influence the currency pair.



The USDJPY pair began the week near 142, its weekly low, and continued an upward trajectory, facing resistance at the 146-147 level following a shift in the Bank of Japan's stance. Strong US labor market data throughout the week added upward pressure, weakening the yen, and culminating in a sharp rise after the NFP report on the last trading day. The pair reached a high of 149, driven by a strong US dollar. From a technical perspective, short-term pullbacks may attract buyers, with the previous resistance at 143.50 (S2) likely to act as support. In the near term, the pair might face strong resistance near the 150 level. A breakout above 150 could push USDJPY towards the 152 target. Traders should monitor these levels closely, especially given the influence of upcoming economic data and central bank policies.



# BLOG

## Leveraging Live forex Rates and Real Time Exchange Data to Enhance Trading Strategies

In forex trading, millions of dollars exchange hands in mere moments. Traders from around the globe engage in constant speculation over fluctuating currency values, hoping to turn volatility into profit. However, only those who can effectively use live forex rates and real-time exchange data can truly excel in this competitive landscape.

### The Significance of Live Forex Rates

Live forex rates are at the core of currency trading. These dynamic values reflect the real-time pricing of currency pairs, allowing traders to make informed decisions as market conditions evolve. By monitoring these rates closely, traders can identify trends, pinpoint optimal entry and exit points, and respond quickly to shifts in the market.

However, successful trading isn't just about observing these numbers. Skilled traders know that live forex rates are affected by a range of factors, including economic indicators and geopolitical events. Understanding how to interpret these movements in relation to the broader market is key to creating profitable strategies.

### Real-Time Exchange Rates: Timing Is Critical

In forex trading, timing is everything. Real-time exchange rates give traders a distinct advantage, enabling them to make quick decisions when market conditions change. Imagine a scenario where a major economic announcement is imminent—those with access to real-time exchange data can immediately adjust their

positions in response to market reactions, potentially capturing profit that others might miss.

Additionally, real-time exchange data is essential for managing risk. By continuously monitoring these rates, traders can set precise stop-loss and take-profit levels, protecting their investments while maximizing gains.

### Live Exchange Rates: Interpreting Market Sentiment

Live exchange rates are more than just numbers—they reflect the collective sentiment of the market. These rates encapsulate traders' expectations, fears, and reactions to global events. Savvy traders can discern patterns and anomalies within these rates, helping them predict future market movements.

In rare cases, live exchange rates might reveal arbitrage opportunities—brief windows where price discrepancies between different exchanges or currency pairs can be exploited. In today's efficient markets, these opportunities don't last long, so traders need real-time data to act quickly and capitalize on them.

### Adapting Forex Trading Strategies to Real-Time Data

The integration of live forex rates and real-time exchange data has transformed how traders develop their strategies. For example, scalping—a method involving numerous trades throughout the day to profit from small price changes—relies heavily on real-time information. Without access to live data, executing this strategy would be nearly impossible.

News trading is another strategy that benefits from real-time exchange data. Traders take positions based on real-time exchange data. Traders take positions based on economic reports and other significant events, relying on real-time data to gauge market reactions and make informed decisions. Even long-term strategies can benefit from real-time data by improving the timing of entries and exits in trend-following methods.

### The Double-Edged Sword of Live Forex Prices

While live forex prices provide valuable insights, they can also overwhelm traders, leading to impulsive decisions. The constant price fluctuations might tempt traders to deviate from their well-structured strategies, causing mistakes.

This is where discipline and a solid trading plan become essential. Experienced traders understand that live prices should guide their decisions, but not dictate impulsive actions. It's important to consider live data in the context of broader market trends and stick to the overall strategy.



# Mobile Application: Features

## Live rates

Exact time Live Rates are provided for USD, INR, EUR, JPY, GBP and CNY.

## Forward Calendar

Shows the forward rate you'll receive if you book a contract today for the respective rate to hedge, for both import and export separately.

## Rate Alert

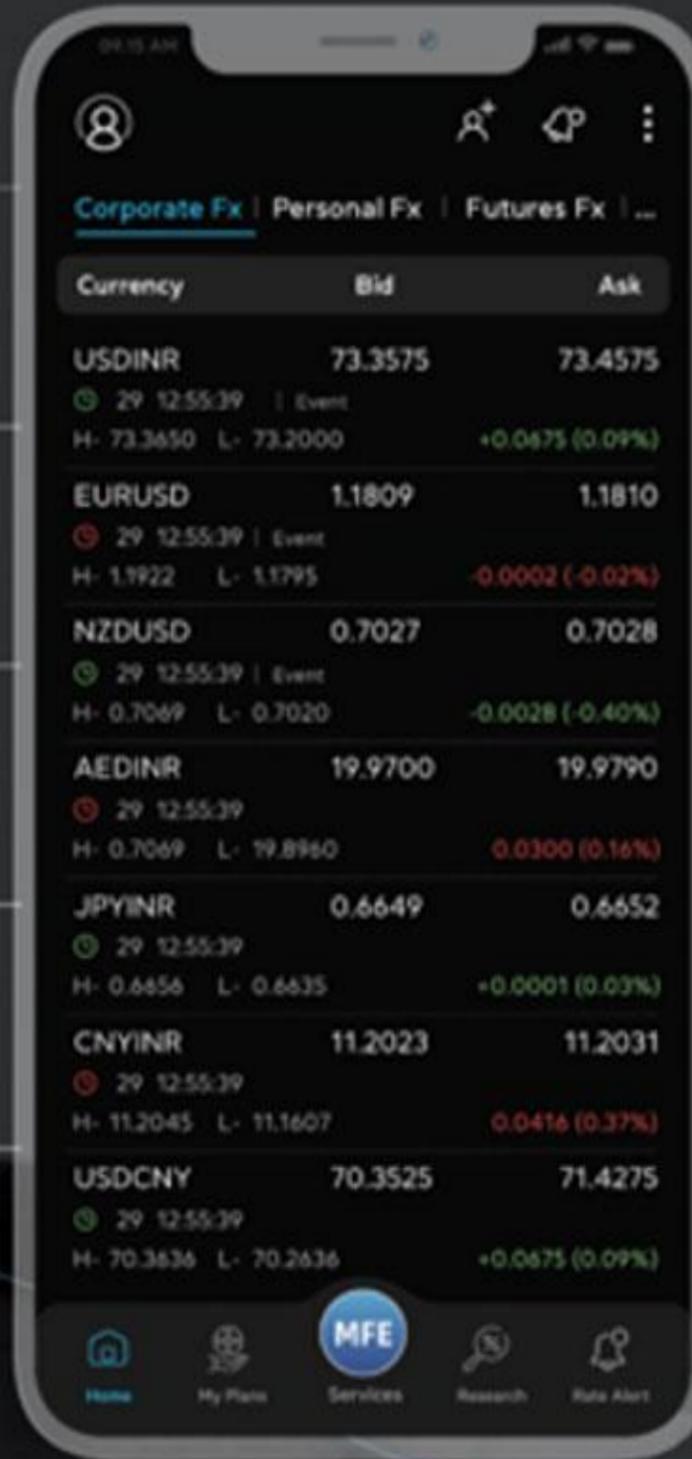
Set Rate alert for different types of transactions and know when the target rate has traded for the first time in forex market.

## Economic Calendar

Stay updated about the economic events taking place round the globe. Also their impact on the currency- high, medium or low.

## Forex Research

Publications- Daily Reports, Premium Research, Daily Trading Calls, News, Case Studies, Weekly Report, Monthly Report, Blogs.



The screenshot shows the 'Corporate Fx' section of the mobile application. It displays a table of currency rates with columns for Currency, Bid, and Ask. The table includes data for USDINR, EURUSD, NZDUSD, AEDINR, JPYINR, CNYINR, and USDCNY. Each entry shows the current bid and ask rates, along with high and low values and percentage changes. The bottom navigation bar includes icons for Home, My Plans, MFE (Services), Research, and Rate Alert.

Currency	Bid	Ask
USDINR	73.3575	73.4575
EURUSD	1.1809	1.1810
NZDUSD	0.7027	0.7028
AEDINR	19.9700	19.9790
JPYINR	0.6649	0.6652
CNYINR	11.2023	11.2031
USDCNY	70.3525	71.4275

## FX on Call

Get the best rates as the dealers of Myforexeye do live negotiation with the Bank on a conference call, which includes the client too.

## Order For Forex

This feature enables you to Buy/ Sell Forex and Transfer Money for any purpose.

## Process Forex Transactions

This feature gives you access to Transaction Process Outsourcing service for transactions including Cash, Tom, Spot, Forward, etc for both export and import.

## International Trade Finance

Get access to trade services like Buyer's Credit, Supplier's Credit, Export LC Discounting and Export Factoring.

## Forex Trading

This feature enables you to Buy/ Sell Forex and make money transfer for any purpose.

**Myforexeye**  
Simplifying Forex

Ritik Bali  
8860447723  
advisory@myforexeye.com

**PDEXCIL**

Ms. Lavany Saxena  
9692886912  
pdexcilmumbai@gmail.com