



Forex Market **Insights** Newsletter

Volume 145 → Oct 12th to Oct 18th 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%)

Navigation bar: Home, My Plans, MFE (Services), Research, Rate Alert

Key Takeaway Summaries

₹ INR

The Rupee breached the 84-mark to make a fresh all-time high at 84.08 on the last trading session of the week.

€ EUR

The pair further declined to 2-month low of 1.0899 after the release of US CPI, which came higher at 2.4%.

£ GBP

The British GDP increased 0.2% in August, as expected, indicating that the economy is on course to grow in the third quarter, but at a slower rate than earlier this year.

¥ JPY

The USDJPY traded at around 148.7, making a weekly high of 149.54 which is the lowest level since early August due to dollar strength.

Welcome

Dear Members,

I'd like to share my thoughts on the recent economic landscape. This week's inflation data showed minimal change overall. While consumer prices were slightly higher than expected, producer prices came in lower. The trend suggests a gradual decrease in inflation, but progress has slowed, and risks remain.

The US Dollar Index rose for the second consecutive week, briefly surpassing the 103.00 mark. EURUSD maintained its negative bias for the third straight week, though it rebounded from lows below 1.0900. GBPUSD faced downward pressure, testing the key 1.3000 support level. USDJPY continued its upward trend for the second week, approaching the significant 150.00 barrier. EURUSD maintained its negative bias for the third straight week, though it rebounded from lows below 1.0900. GBPUSD faced downward pressure, testing the key 1.3000 support level.

USDJPY continued its upward trend for the second week, approaching the significant 150.00 barrier. Looking ahead, we'll be closely monitoring upcoming economic indicators, including manufacturing indices, retail sales, and housing market data. The ECB's interest rate decision and President Lagarde's press conference will be crucial events to watch.

Thank You

Mahesh Sanil
Executive Director

CONTENTS

INR 2

USD 3

EUR 4

GBP 5

JPY 6

BLOG 7

Events to WATCH

Oct 14, 12:00
WPI Inflation (YoY)
(Sep)

Oct 14, 17:30
CPI (YoY) (Sep)

Oct 15, 15:30
Trade Balance
(Sep)

Oct 18, 17:00
FX Reserves, USD

Just when we expected our beloved Rupee to settle back in its old range after retracing from its 2.5month high level, it breached the 84-mark to make a fresh all-time high at 84.08 on the last trading session of the week. This decline comes as the rupee continues to face pressure from persistent foreign fund outflows from Indian equities and elevated crude oil prices, driven by global uncertainties. Foreign portfolio investors (FPIs) have been significant sellers, offloading shares worth Rs 55,000 crore in the last nine days, which translates to nearly \$1 billion per day. At the same time, Brent crude prices have surged to \$78.92 per barrel, up from around \$69 in late September, further adding to the rupee's woes. Another factor behind the rupee's depreciation is China's recent economic stimulus measures, which include a 10 basis point rate cut and a 50 basis point reduction in the cash reserve ratio. This has attracted foreign investors to the Chinese markets, offering cheaper valuations. Moreover, according to Bloomberg, China is expected to announce a fresh fiscal stimulus package worth 2 trillion yuan (approximately \$283 billion) on Saturday.



This move is aimed at boosting its economy amid ongoing challenges and could further influence global markets, including foreign investment flows and currency movements. On the domestic front, the Reserve Bank of India's Monetary Policy Committee (MPC) kept the repo rate unchanged at 6.5%. RBI Governor Shaktikanta Das signaled a shift in stance from 'withdrawal of accommodation' to 'neutral,' opening the door for possible rate cuts in future meetings. Additionally, India's foreign exchange reserves fell for the first time in eight weeks, it fell by \$3.71 billion, standing at \$701.18 billion as of October 4. However, there is some positive news for the rupee, as FTSE Russell announced that Indian sovereign bonds will be included in its Emerging Markets Government Bond Index (EMGBI), following similar moves by JP Morgan and Bloomberg Index Services.

Events to WATCH

Oct 17, 18:00
Core Retail Sales (MoM) (Sep)

Oct 17, 18:00
Philadelphia Fed Manufacturing Index (Oct)

Oct 17, 18:00
Retail Sales (MoM) (Sep)

Oct 18, 18:00
Building Permits (Sep)



On Friday, the USDINR pair reached a new high of 84.08 after recovering from its 2.5-month low of 83.435, breaking the significant 84-psychological mark. The pair surged due to a strong US dollar, foreign portfolio investor (FPI) outflows, and rising crude oil prices amid global uncertainties.

From a technical perspective, the bullish outlook for the USDINR remains intact as the pair is trading above the crucial 100-day Exponential Moving Average (EMA). Closing above the 84-mark reinforces the bullish sentiment. Additionally, the 14-day Relative Strength Index (RSI) is positioned at 66.52, indicating continued buying momentum. Resistance has now shifted to the new high of 84.08, and a breakout above this level could push the pair towards the 84.20-84.25 range. Meanwhile, support has also risen to the 83.85-83.90 zone, which aligns with the 50-day Simple Moving Average (SMA).

As the pair approaches near all-time highs, exporters are advised to begin hedging their unhedged positions with a recommended 50-60% hedge ratio. Importers, however, should hold off for the moment but consider hedging on any dips. A strategy combining forwards and vanilla options is suggested for effective hedging.

Events to WATCH

Oct 15, 14:35
German ZEW
Economic Sentiment
(Oct)

Oct 17, 14:30
Core CPI (YoY) (Sep)

Oct 17, 14:30
CPI (YoY) (Sep)

Oct 17, 14:30
Trade Balance (Aug)

Oct 17, 17:45
Deposit Facility Rate
(Oct)

Oct 17, 17:45
ECB Interest Rate
Decision (Oct)

It was a negative week for the EURUSD pair as it declined for the second consecutive week. The pair started the week positively as it tried to recover the previous week's losses, helped by the positive German Industrial production data, which surged by a stronger-than-expected 2.9% in August compared to the previous month, driven by a significant boost in the automotive sector. But the recovery was short-lived as the hawkish comments from Fed members like Jefferson, Collin and Logan indicated that the Fed is going to move forward with smaller 25 bps cut rather than a larger 50 bps cut earlier expected by the market. The pair further declined after the release of US CPI, which came higher at 2.4%, against the market expectation of 2.3%. The pair declined and made a fresh 2-month low of 1.0899 as the dollar index gained and reach above 103 mark. Markets are currently pricing in a 90% chance of a likely 25 bps cut by ECB in October meeting while Fed is now expected to cut interest rates by 25 bps in November meeting. This divergence between both the economies, along with the negative economic data continues to put pressure on Euro.



The EURUSD pair began the week at 1.0962, close to its weekly high of 1.0986, marking a second consecutive weekly decline. The pair struggled to break through the key 1.1000 level, which has now shifted from support to resistance. EURUSD found some support following the release of U.S. CPI data, as it did not alter expectations for Federal Reserve rate moves, with a smaller rate hike already priced in. In the short term, resistance lies at 1.1000, while the major resistance remains in the 1.1100-1.1200 zone. A breakout above this range could push the pair toward 1.1250-1.1300. On the downside, if EURUSD fails to hold above 1.1000, it could drop to test support at 1.0900. Moving forward, the pair's trajectory will be influenced by ongoing Middle East tensions and upcoming Eurozone economic data, which will shed light on the region's economic outlook.

Events to WATCH

Oct 15, 11:30
Average Earnings Index + Bonus (Aug)

Oct 15, 11:30
Claimant Count Change (Sep)

Oct 15, 11:30
Employment Change 3M/3M (MoM) (Aug)

Oct 15, 11:30
Unemployment Rate (Aug)

Oct 16, 11:30
CPI (YoY) (Sep)

Oct 18, 11:30
Retail Sales (YoY) (Sep)

The GBPUSD fell below 1.31, its lowest level in over a month, fueled by broad dollar gains and expectations that the Federal Reserve will cut borrowing prices at a slower-than-expected pace. In the United Kingdom, investors expect the Bank of England to take a more aggressive approach on interest rate cuts, after Governor Andrew Bailey's statement that this could happen if inflation pressures continue to diminish. The central bank kept interest rates constant at 5% in September, following a quarter-point rate decrease in August. Traders are now predicting two further cuts in 2024. The British GDP increased 0.2% in August, as expected, indicating that the economy is on course to grow in the third quarter, but at a slower rate than earlier this year. With the BOE signaling a more aggressive easing cycle and the Fed presumably taking a more cautious approach, the GBPUSD is under significant pressure. Following inconsistent comments from BoE policymakers last week, GBPUSD traders continued to assess the probability of a rate cut next month. GBPUSD remains vulnerable, with a strong USD likely to persist.



The GBPUSD pair declined for the second week in a row. On the daily chart frame of the pair, the selling pressure on the pair can be clearly seen as it declined and went below the significant 50-Days EMA that earlier served as a long-term support for the pair. The pair declined by 0.5% and made a fresh 1-month low of 1.3010 this week. The MACD line further confirm the bearishness in the pair as it marched downwards trading below the significant zero level in the negative territory. If the pair continues its downtrend, it may find support at psychological 1.3000 level and the next possible can be seen at 200-Days EMA at 1.2836, protecting the downside. However, the formation of a doji candle in the last trading session of the week suggest the indecision among the buyer and the sellers and a possible reversal in the current downtrend. The formation of the next candle will be the guiding factor for future trajectory of the pair.

¥ JPY

REPO RATE

0.25%

GDP

0.7%

INFLATION

3%

UNEMPLOYMENT

2.5%

TRADE BALANCE

¥ -695B

Events to WATCH

Oct 15, 10:00

Industrial Production (MoM) (Aug)

Oct 17, 05:20

Trade Balance (Sep)

Oct 18, 05:00

National Core CPI (YoY) (Sep)

The USDJPY traded at around 148.7, making a weekly high of 149.54 which is the lowest level since early August and under pressure from the dollar's strength on rising views that the US Federal Reserve will proceed more cautiously with interest rate decreases. These thoughts followed good US job and inflation figures, as well as a key Fed official signaling a readiness to keep interest rates constant in November. In Japan, Prime Minister Shigeru Ishiba stated earlier this month that the current economic conditions may not allow further rate increases. However, other top Japanese officials later downplayed the PM's remarks, with Chief Cabinet Secretary Yoshimasa Hayashi claiming Ishiba made no explicit request to Bank of Japan Governor Kazuo Ueda during their meeting. USDJPY's movement depends on US and Japan's interest rate policies, economic data, and global risk sentiment. US rate hikes may push USDJPY higher, while strong Japanese data or Chinese economic concerns could support the yen. While traders expect an interest rate hike, not a cut, impacting USDJPY's movement.



The USDJPY pair traded within a narrow and consistent range this week, fluctuating between 147.50 and 149.50. The pair has encountered resistance around the 149-149.50 zone, forming a double top, signaling this area as a major resistance level in the coming sessions. The pair reached a high of 149.54, marking its highest level in over two months. On the downside, 147 is expected to act as short-term support (S1). From a technical perspective, any short-term pullbacks may attract buyers, with previous resistance at 143.50 (S2) likely turning into support. In the near term, USDJPY faces strong resistance near the psychological 150 level. A breakout above 150 could propel the pair toward the next target of 152. Traders should watch these key levels closely, especially with Japan's upcoming inflation data, which could influence the pair's direction further.



BLOG

Do You Really Deserve to Be a Successful Trader

The journey to becoming a successful trader is challenging and demands much more than mere aspiration. Many are drawn to trading by the allure of financial independence and the excitement of navigating the markets. However, the reality of trading is far from a quick path to riches; it requires dedication, learning, and continuous improvement.

The Role of Education in Trading

Education is the foundation of trading success. Without the right knowledge, traders are essentially gambling, putting their funds at unnecessary risk. Online forex trading courses have become a vital resource for individuals seeking to understand the complexities of currency markets. These courses provide a structured approach, offering insights into market dynamics, technical analysis, and trading strategies, making them essential for anyone serious about trading.

Choosing the right course is crucial. High-quality forex trading courses cover a wide range of topics, including market analysis, risk management, trading psychology, and hands-on practice with demo accounts. It's important to select a course that offers practical experience and has credible instructors. Reading reviews and checking the course content helps ensure it meets the learner's needs and enhances their knowledge base effectively.

Developing the Right Mindset

While education lays the groundwork, a successful trading journey also relies heavily on the trader's mindset

Discipline, patience, emotional control, and adaptability are vital traits. Successful traders stick to their trading plans, avoid impulsive actions, wait for the right opportunities, and maintain emotional balance, especially during challenging market conditions. Many online courses emphasize trading psychology, helping participants build these essential mental skills.

The Value of Practical Experience

Knowledge without experience holds limited value in trading. Gaining practical exposure through simulated environments or demo accounts allows traders to apply learned concepts without risking actual capital. This practice helps traders refine their strategies, develop confidence, and sharpen risk management skills. Top-tier forex trading courses provide such opportunities, encouraging students to test various approaches and learn from their mistakes in a controlled setting.

Staying Updated with Market Trends

The financial markets are dynamic, influenced by evolving global events and economic indicators. For traders to succeed, staying updated with the latest developments is essential. This includes regularly analyzing markets, following economic news, and adjusting trading strategies to match changing conditions. Online forex courses often provide ongoing resources and support, keeping students informed of new trends and methodologies. Traders who commit to continuous learning and adapt to the ever-changing market landscape improve their chances of long-term success.

Mastering Risk Management

Effective risk management is a fundamental component of successful trading. Without it, even the most knowledgeable traders may struggle to maintain profitability. High-quality courses teach traders how to manage risks through techniques such as setting position sizes, using stop-loss orders, diversifying strategies, and maintaining a favorable risk-reward ratio. Understanding and applying these principles helps traders protect their capital and build a more sustainable approach to trading.

The Reality of Trading Success

While the promise of wealth can attract people to trading, the reality is that success is a product of hard work, discipline, and resilience. Even after completing a forex trading course and gaining experience, traders will face challenges like periods of losses, market uncertainties, and emotional fluctuations. Long-term success demands a commitment to ongoing learning, adaptability, and the ability to accept and learn from setbacks.



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 app. It displays a table of currency rates with columns for Currency, Bid, and Ask. Each entry includes a high/low range and a percentage change.

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