Currency Highlights

23rd June'2017

HighLights:

The dollar held steady against the other major currencies in light trade on Thursday, after the release of disappointing U.S. jobless claims data.

The greenback showed no reaction to a report by the U.S. Department of Labor saying that initial jobless claims in the week ending June 17 increased by 3,000 to 241,000 from the previous week's total of 238,000.

The Reserve Bank of New Zealand earlier held the benchmark interest rate at 1.75%, in a widely expected move, and indicated that it has no plans to hike rates anytime soon.

Wheeler added that "a lower New Zealand dollar would help rebalance the growth outlook towards the tradables sector," but also noted the currency's recent gains were partly driven by higher export prices.

Market Highlights	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	97.54	97.56	-0.02	-0.02
USD/INR (Spot)	64.55	64.57	-0.02	-0.03
USD/INR (Nse June)	64.6	64.57	0.03	0.05
EUR/INR (Spot)	72.05	72.06	-0.01	-0.01
EUR/INR (Nse June)	72.16	72.02	0.14	0.19
GBP/INR (Spot)	81.78	81.82	-0.04	-0.05
GBP/INR (Nse June)	81.86	81.92	-0.06	-0.07
JPY/INR (Nse June)	58.06	58.03	0.03	0.05

The U.S. dollar index, which measures the greenback's strength against a trade-weighted basket of six major currencies, was steady at 97.21.

The number of people who filed for unemployment assistance in the U.S. last week rose more than expected, but remained in territory consistent with a strengthening labor market, official data showed on Thursday.

The number of individuals filing for initial jobless benefits in the week ending June 17 increased by 3,000 to a seasonally adjusted 241,000 from the previous week's total of 238,000, the U.S. Department of Labor said.

The dollar was little changed against the other major currencies on Thursday, as markets showed no reaction to the previous session's upbeat U.S. housing sector data and turned their attention to the upcoming report on weekly jobless claims.

The greenback showed no reaction to Wednesday's report by the U.S. National Association of Realtors saying that existing home sales increased by 1.1% in May to 5.62 million units, confounding expectations for a 0.5% drop.

USD/JPY was at 111.20 from around 111.23 ahead of the release of the data, EUR/USD was trading at 1.1170 from around 1.1168 earlier, while GBP/USD was at 1.2667 from 1.2665.

The US dollar index, which tracks the greenback against a basket of six major rivals, was at 97.19, compared to 97.22 ahead of the report.

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USDINR

JPYINR

Technical View:

On a weekly chart, the pair has been trading in its horizontal channel pattern formation from past few weeks and taken the support of its lower band of the channel at 64 levels.

On a weekly chart, the pair has formed hammer candle stick pattern, which is bullish reversal candle stick pattern.

Moreover, prices have been trading above its 21 DSMA which gives the sign of bullishness in the prices.

A momentum indicator RSI has taken of its horizontal trend line at 30 levels, which suggest the possibilities of upside momentum in the prices.

So for trading perspective, one can buy USDINR in the range of 64.50 with SL of 64.20 for the target of 65.10 levels.

Technical View:

On a daily chart, the price has been trading in its falling channel pattern formation and price has faced the resistance of its upper band of channel at 58.20 levels.

Moreover, prices have been trading below its 50 DSMA which gives the sign of bearishness in the prices.

On a daily chart momentum indicator, RSI has remained below 60 levels which indicates downside movement in the prices.

In addition, momentum indicator MACD has shown negative crossover which suggests further downside momentum in the prices on a daily chart.

So for trading perspective, one can sell JPYINR in the range of 58.20 with SL of 58.40 for the target of 57.60 levels.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	64.30	64.43	64.52	64.56	64.65	64.69	64.82
JPYINR	57.73	57.92	57.98	58.11	58.17	58.30	58.49

Currency Highlights

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GBPINR

EURINR

Technical View:

On a daily chart, the price has been trading in falling wedge formation and price has faced resistance of its upper band of wedge pattern at 84.60 levels.

The pair has faced resistance of its horizontal trend line at 84.50 levels on a daily chart.

Moreover, prices have been trading below its 50 DSMA, which suggest short term trend looks weak.

Moreover, momentum indicator MACD has given negative crossover on a daily chart, which gives the sign of bearishness in the prices.

A momentum indicator RSI has remained below 60 levels on a daily chart, which support our bearish view on the pair.

For now, we expect prices should move lower towards 81 levels in the coming trading sessions.

Technical View:

On a daily chart, prices have been trading in falling channel pattern from past few weeks and price has faced the resistance near its upper band of the channel pattern at 73.50 levels.

The pair has given breakout of its horizontal trend line at 74 levels on the daily chart.

The pair has been trading below its 50 DSMA on a daily chart, which suggests further downside momentum can be seen in the prices.

On a daily chart momentum oscillator, RSI has remained below 60 levels, which suggests the possibilities of further downside momentum in the prices.

A momentum indicator MACD has shown negative crossover on a daily chart.

For now, we can expect prices should move lower towards 71.30 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	71.83	71.98	72.06	72.13	72.21	72.28	72.43
GBPINR	81.51	81.67	81.76	81.83	81.92	81.99	82.15

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Economic Indicators					
Date	**Time**	**Data**	**Prior**	**Expected**	**Impact**
23.06.17	**12:30 PM**	**French Flash Manufacturing PMI**	**53.8**	**54.1**	**Actual > Forecast = Good for currency; EURINR**
23.06.17	**12:30 PM**	**French Flash Services PMI**	**57.2**	**57.1**	**Actual > Forecast = Good for currency; EURINR**
23.06.17	**1:00 PM**	**German Flash Manufacturing PMI**	**59.5**	**59.1**	**Actual > Forecast = Good for currency; EURINR**
23.06.17	**1:00 PM**	**German Flash Services PMI**	**55.4**	**55.4**	**Actual > Forecast = Good for currency; EURINR**
23.06.17	**1:30 PM**	**Flash Manufacturing PMI**	**57**	**56.9**	**Actual > Forecast = Good for currency; EURINR**
23.06.17	**1:30 PM**	**Flash Services PMI**	**56.3**	**56.2**	**Actual > Forecast = Good for currency; EURINR**
23.06.17	**07:15 PM**	**Flash Manufacturing PMI**	**52.7**	**53.1**	**Actual > Forecast = Good for currency; USDINR**
23.06.17	**07:15 PM**	**Flash Services PMI**	**53.9**	**53.6**	**Actual > Forecast = Good for currency; USDINR**
23.06.17	**07:30 PM**	**New Home Sales**	**569K**	**599K**	**Actual > Forecast = Good for currency; USDINR**

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