

HighLights:

U.S. GDP growth is expected to have slowed in the first quarter on sluggish consumer spending.

GDP growth is forecast to have slowed to an annual 1.2% in the first three months of the year from 2.1% in Q4 2016.

The U.S. economy is close to full employment but wage growth remains relatively subdued.

Real consumer spending growth is expected to slow to 0.9% in Q1 from 3.5% in Q4 2016.

The dollar trimmed losses but remained within close distance of a five-month trough against other major currencies on Friday, after the release of disappointing U.S. economic growth data and as concerns over U.S. politics continued to weigh.

Market Highlights				
	Last	Prev Cl.	Price Chng	Price Chng %
Dollar Index	98.99	99.08	(0.09)	(0.09)
USD/INR (Spot)	64.30	64.12	0.18	0.28
USD/INR (Nse May)	64.49	64.39	0.10	0.16
EUR/INR (Spot)	70.06	69.71	0.35	0.50
EUR/INR (Nse May)	70.59	70.28	0.31	0.44
GBP/INR (Spot)	83.13	82.74	0.39	0.47
GBP/INR (Nse May)	83.54	83.12	0.42	0.50
JPY/INR (Nse May)	58.00	57.91	0.09	0.16

The U.S. Bureau of Economic Analysis said gross domestic product rose 0.7% in the first quarter, down from the 2.1% growth rate registered in the fourth quarter of 2016. Analysts had expected the U.S. GDP to rise 1.2% in the last quarter.

Meanwhile, sentiment on the greenback remained fragile after U.S. President Donald Trump said he will either renegotiate or terminate a "horrible" trade deal with South Korea.

Year-over-year, the U.K. economy expanded by a 2.1% rate in the first quarter, also below forecasts for an expansion of 2.2%.

Data earlier showed that Japan's household spending declined 2.0% in March, compared to expectations for a 0.8% fall.

A separate report showed that Japan's consumer price index rose by an annualized rate of 0.2% last month, below expectations for a 0.3% gain.

Meanwhile, industrial production dropped 2.1% in March, according to preliminary data, compared to forecasts for a 0.8% slide.

Immediately after the report, EUR/USD was trading at 1.0908 from around 1.0925 ahead of the publication; GBP/USD was at 1.2921 from 1.2937 earlier; while USD/JPY was at 111.67 from 111.45 earlier.

The US dollar index, which tracks the greenback against a basket of six major rivals, was at 98.86, compared to 98.72 ahead of the report.

USDINR



Technical View:

On a weekly chart, the pair has given the breakdown of its horizontal channel pattern at 66 levels and price has faced the resistance of its horizontal trend line at 65.30 levels on a daily chart.

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

A momentum indicator RSI has remained below 40 levels, which suggest the possibilities of further downside in the prices.

In addition, momentum indicator MACD has shown negative crossover which suggests further downside momentum can be seen in the prices.

So for trading perspective, one can sell USDINR in the range of 64.60 with SL of 64.80 for the target of 64.20 levels.

JPYINR



Technical View:

On a daily chart, the price has been trading in falling channel pattern and price has faced the resistance of its upper band of the pattern at 59.60 levels.

On a daily chart, the pair has been trading in horizontal channel pattern from past few months and price has faced the resistance of its horizontal channel pattern at 59.50 levels.

Moreover, prices have been trading below its 200 DSMA which gives the sign of bearishness in the prices.

On a daily chart momentum indicator, RSI is trading below 60 levels which indicate downside in the prices.

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

So for trading perspective, one can sell JPYINR in the range of 58.10 with SL of 58.35 for the target of 57.60 levels.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	63.90	64.19	64.34	64.48	64.63	64.77	65.06
JPYINR	57.58	57.79	57.89	58.00	58.10	58.21	58.42

GBPINR



Technical View:

On a daily chart, the price has been trading at falling wedge pattern from past few months and price has faced the resistance of its upper band of the pattern at 83.60 levels.

The pair has been trading in “**Falling Channel**” pattern and price has faced the resistance of its upper band of the pattern at 83.60 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 the 4 hourly chart, which gives the sign of bearishness in the prices.

A momentum indicator RSI has faced the resistance at 60 levels on a daily chart.

For now, we expect prices should move lower towards 82.80 levels in the coming trading sessions.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
GBPINR	82.23	82.85	83.19	83.47	83.81	84.09	84.71
EURINR	68.98	69.73	70.16	70.48	70.91	71.23	71.98

EURINR



Technical View:

On a daily chart, prices have been trading in falling channel pattern from past few weeks and price has taken the support of its lower band of the channel pattern at 68 levels.

The pair has taken the support of its horizontal trend line at 68.30 levels on the hourly chart.

The pair has been trading above its 10 HSMA on the hourly chart, which suggests further positive momentum can be seen in the prices.

On a daily chart momentum oscillator, RSI has remained in the oversold zone at 27 levels on a daily chart, which suggests the possibilities of bounce back in the prices.

A momentum indicator MACD has shown positive crossover on the hourly chart.

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

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
01.05.17	05:15 pm	Treasury Sec Mnuchin Speaks			
01.05.17	06:00 PM	Personal Spending m/m	0.1%	0.2%	Actual > Forecast = Good for currency; USDINR
01.05.17	06:00 PM	Personal Income m/m	0.4%	0.4%	Actual > Forecast = Good for currency; USDINR
01.05.17	07:30 PM	ISM Manufacturing PMI	57.2	56.6	Actual > Forecast = Good for currency; USDINR

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