

HighLights:

World equity markets fell with oil prices on Monday amid concerns a diplomatic rift among some key Middle Eastern energy producers may weaken a pact on output cuts, and the U.S. dollar rebounded from a near seven-month low against the euro.

Sterling firmed as investors focused on the impending British election, while Friday's disappointing U.S. employment report initially lifted gold prices to a six-week high and boosted Treasury yields as investors booked profit. had a pretty significant reaction to payrolls, which was a little overdone," said Bruno Braizinha, interest rates strategist at Societe Generale in New York.

The dollar held firm early on Tuesday after crawling away from an 18-day low against the yen thanks to a bounce in U.S. yields, while the Australian dollar was steady ahead of a policy decision by the country's central bank later in the day.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	96.81	96.72	0.09	0.09
USD/INR (Spot)	64.27	64.26	0.01	0.02
USD/INR (Nse June)	64.63	64.7	-0.07	-0.11
EUR/INR (Spot)	72.3	72.67	-0.37	-0.51
EUR/INR (Nse June)	72.57	72.7	-0.13	-0.18
GBP/INR (Spot)	82.68	82.8	-0.12	-0.14
GBP/INR (Nse June)	83.15	83.23	-0.08	-0.10
JPY/INR (Nse June)	58.06	58.29	-0.23	-0.39

The dollar had come under pressure as Friday's weaker-than-expected U.S. non-farm jobs report prompted investors to pare back expectations of future interest rate increases by the Federal Reserve.

U.S. Treasury yields fell sharply in response to the employment data but pulled higher a little on Monday to give the dollar some breathing space.

The RBA is widely expected to keep interest rates unchanged at a record low of 1.5 percent and focus was on its stance on the domestic economy in the wake the recent drop in iron ore prices, a relatively high unemployment rate and sluggish wage growth.

Wall Street stocks dipped on Monday, weighed down by Apple, as world equity markets fell with oil prices, while the U.S. dollar recovered from a near seven-month low against the euro.

The dollar index .DXY rose 0.08 percent, having hit its lowest since Nov. 9 after Friday's U.S. jobs report, and rebounded against the euro as traders doubted any European Central Bank shift in policy stance could strengthen the euro further. Central Bank policymakers meet this week. They are expected to take a more benign view of the euro zone economy and discuss dropping pledges to ramp up economic stimulus if needed, sources with direct knowledge of the discussions told Reuters last week. euro EUR= was down 0.22 percent to \$1.1255 and the Japanese yen weakened 0.07 percent versus the greenback at 110.50 per dollar. Reuters Live Markets blog on European and UK stock markets.

Qatar's crude output ranks as one of the smallest among the Organization of the Petroleum Exporting Countries, but tension within the cartel could weaken the supply deal aimed at supporting prices. we would not want to read too much into this in terms of looming trouble for OPEC, the fact that Qatar's stance toward Iran is a key element in this issue does make for a potentially more complicated setup at future meetings should the issue not have been resolved in due time," JBC Energy analysts said in a note.

USDINR



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 64.44 with SL of 64.20 for the target of 65 levels.

JPYINR



Technical View:

On a daily chart, the price has been trading in its falling channel pattern formation and price has taken the support of its lower band of channel at 56.40 levels.

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

On a daily chart momentum indicator, RSI has remained above 40 levels which indicates upside movement in the prices.

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

So for trading perspective, one can buy JPYINR in the range of 58.20 with SL of 57.90 for the target of 58.80 levels.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	64.32	64.47	64.55	64.62	64.70	64.77	64.92
JPYINR	57.56	57.79	57.92	58.02	58.15	58.25	58.48

GBPINR



Technical View:

On a weekly 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 21 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 82.50 levels in the coming trading sessions.

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 69 levels.

The pair has given breakout of its horizontal trend line at 70.60 levels on the daily chart.

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

On a daily chart momentum oscillator, RSI has remained above 60 levels, which suggests the possibilities of further upside momentum 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 73.20 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	72.14	72.36	72.47	72.58	72.69	72.8	73.02
GBPINR	82.76	82.98	83.07	83.20	83.29	83.42	83.64

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
06.06.17	1:40 PM	Retail Sales m/m	0.3%	0.2%	Actual > Forecast = Good for currency; EURINR
06.06.17	07:30 PM	JOLTS Job Openings	5.74M	5.65M	Actual > Forecast = Good for currency; USDINR

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