

HighLights:

- Indian rupee hit a more than one & half year high on Friday
- US Non-Farm Employment Change dropped to 98,000 in March
- German Industrial Production at 2.2 percent in February
- UK's Manufacturing Production fell by 0.1 percent in Feb'17

Indian Rupee rose to fresh 20-month high and appreciated around 26 paise to end at 64.28 against the US dollar on Friday. The currency appreciated after central bank dashed hopes for rate cuts in its monetary policy report and flagged risks to inflation in the medium term. Further, constant inflow of foreign funds in equities and debt markets led to positive movement in the currency. So far this year, the rupee has gained 5.7%, while foreign institutional investors have bought \$6.86 billion and \$5.35 billion from local equity and debt markets, respectively. Indian Rupee moved in the range of 64.16 to 64.70 in Friday's trade. The Reserve Bank of India (RBI) fixed reference rate for the dollar was seen at 64.3928 and Euro stood at 68.5590 as on 7th Apr'17. For the month of April 2017, FII inflows in equities totalled at Rs.4995.46 crores (\$769.96 million) as on 7th April 2017. Year to date basis, net capital inflows stood at Rs.44627.04 crores (\$6767.54 million) as on 7th April 2017.

Market Highlights				
	Last	Prev Cl.	Price Chng	Price Chng %
Dollar Index	101.13	100.67	0.46	0.45
USD/INR (Spot)	64.27	64.61	(0.34)	(0.53)
USD/INR (Nse Apr.)	64.43	64.73	(0.30)	(0.47)
EUR/INR (Spot)	68.06	68.77	(0.71)	(1.04)
EUR/INR (Nse Apr.)	69.58	69.14	0.44	0.63
GBP/INR (Spot)	79.48	80.55	(1.07)	(1.35)
GBP/INR (Nse Apr.)	80.59	80.73	(0.14)	(0.17)
JPY/INR (Nse Apr.)	58.26	58.41	(0.15)	(0.26)

US Dollar Index grew by 0.55 percent in Friday's trading session due to rise in risk aversion in global market sentiments which led to increase in demand for the low yielding currency. However, sharp gains in the currency were capped as a result of mixed economic data from the country.

US Average Hourly Earnings fell to 0.2 percent in March as against a rise of 0.3 percent in February. Non-Farm Employment Change dropped by 121,000 to 98,000 in March from 219,000 in February. Unemployment Rate plunged to 4.5 percent in previous month with respect to 4.7 percent in February. Final Wholesale Inventories grew by 0.4 percent in February when compared to negative 0.1 percent a month ago.

Euro against dollar fell around 0.5 percent on Friday on account of strength in the dollar index. Further, weak global market sentiments along with unfavourable economic data from the region kept pressure on the currency.

German Industrial Production unchanged at 2.2 percent in February. German Trade Balance was at a surplus of 21 billion Euros in February as against a surplus of 18.9 billion Euros in January. French Industrial Production declined by 1.6 percent in February from a drop of 0.2 percent a month ago. Italian Retail Sales fell by 0.3 percent in January with respect to rise of 1.4 percent in earlier month.

The Sterling Pound declined around 0.8 percent in Friday's trade on account of stronger dollar. Moreover, weak global market sentiments coupled with unfavourable economic data from the country kept the currency in negative territory.

UK's Manufacturing Production plunged by 0.1 percent in February as against a decline of 1 percent in January. Goods Trade Balance was at a deficit of 12.5 billion Pounds in February from a deficit of 12 billion Pounds a month ago. Industrial Production dropped by 0.7 percent in February with respect to fall of 0.3 percent in January.

The Japanese Yen against dollar appreciated around 0.23 percent in Friday's trading session due to rise in risk aversion in global market sentiments which led to increase in demand for the low yielding currency.

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.

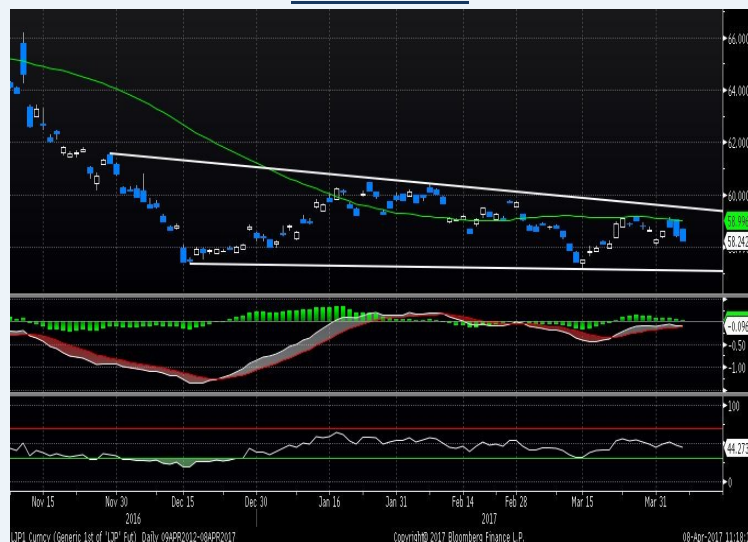
Moreover, prices have been trading below its 50 DSMA which gives the sign of bearishness in the prices.

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 wedge pattern and price has faced the resistance of its upper band of the pattern at 59 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 59.25 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 is trading below 50 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 58.40 with SL of 58.70 for the target of 57.90 levels.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	63.45	63.99	64.21	64.53	64.75	65.07	65.61
JPYINR	57.24	57.82	58.04	58.40	58.62	58.98	59.56

GBPINR



Technical View:

On a daily chart, the price has given the breakdown of its falling wedge pattern 80.20 levels.

The pair has been trading in “**Falling Channel**” pattern from past few weeks and price has faced the resistance of its upper band of the pattern at 82 levels on a daily chart.

Moreover, prices have been trading below 50 HSMA, which suggest short term trend looks down.

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 been trading near its resistance levels on the daily chart.

For now, we expect prices should move lower towards 79.40 levels in the coming trading sessions.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
GBPINR	79.81	80.24	80.42	80.67	80.85	81.10	81.53
EURINR	67.51	68.12	68.35	68.73	68.96	69.34	69.95

EURINR



Technical View:

On a daily chart, prices have been trading in falling channel pattern from past few weeks and price has faced the resistance of its upper band of channel pattern at 71.20 levels.

The pair has taken the resistance of its horizontal trend line at 70.10 levels o daily chart.

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

On a daily chart momentum oscillator, RSI has remained below 40 levels on a daily chart, which suggests bearishness in the prices.

A momentum indicator MACD has shown negative crossover on a daily chart, which supports our bearish view on the prices.

For now, we can expect prices should move lower towards 68 levels in the coming trading session.

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
10.04.17	05:20 AM	Current Account	1.26T	1.79T	Actual > Forecast = Good for currency; JPYINR
10.04.17	01:30 PM	Italian Industrial Production m/m	-2.3%	0.4%	Actual > Forecast = Good for currency; EURINR

Contact Us

Kkunal Parar

Sr. Research Associate

Kkunal.parar@choiceindia.com

Amit Pathania

Research Associate

amit.pathania@choiceindia.com

Anish Vyas

Sr. Research Associate

anish.vyas@choiceindia.com

Vikas Chaudhari

Research Associate

vikas.chaudhari@choiceindia.com



customercare@choiceindia.com



www.choicebroking.in



Disclaimer

This is solely for information of clients of Choice Broking and does not construe to be an investment advice. It is also not intended as an offer or solicitation for the purchase and sale of any financial instruments. Any action taken by you on the basis of the information contained herein is your responsibility alone and Choice Broking its subsidiaries or its employees or associates will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of the information contained in this recommendation, but Choice Broking or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this recommendation or any action taken on basis of this information. Technical analysis studies market psychology, price patterns and volume levels. It is used to forecast future price and market movements. Technical analysis is complementary to fundamental analysis and news sources. The recommendations issued herewith might be contrary to recommendations issued by Choice Broking in the company research undertaken as the recommendations stated in this report is derived purely from technical analysis. Choice Broking has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; Choice Broking makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. The opinions contained within the report are based upon publicly available information at the time of publication and are subject to change without notice. The information and any disclosures provided herein are in summary form and have been prepared for informational purposes. The recommendations and suggested price levels are intended purely for trading purposes. The recommendations are valid for the day of the report however trading trends and volumes might vary substantially on an intraday basis and the recommendations may be subject to change. The information and any disclosures provided herein may be considered confidential. Any use, distribution, modification, copying, forwarding or disclosure by any person is strictly prohibited. The information and any disclosures provided herein do not constitute a solicitation or offer to purchase or sell any security or other financial product or instrument. The current performance may be unaudited. Past performance does not guarantee future returns. There can be no assurance that investments will achieve any targeted rates of return, and there is no guarantee against the loss of your entire investment.

POTENTIAL CONFLICT OF INTEREST DISCLOSURE (as on date of report) Disclosure of interest statement – • Analyst interest of the stock /Instrument(s): - No. • Firm interest of the stock / Instrument (s): - No.