

HighLights:

The dollar fell to two-week lows against other major currencies on Thursday, amid fresh uncertainty over a potential U.S. rate hike before the end of the year and as investors eyed a batch of U.S. economic reports due later in the day.

The minutes of the Federal Reserve's September policy meeting released on Wednesday showed that several policymakers believe additional tightening will depend on upcoming inflation data.

The dollar fell in Asia on Thursday as minutes from the Fed showed some uncertainty still about a December rate hike among some FOMC members, though the overall view was still intact for the increase.

Federal Reserve policymakers had a prolonged debate about the prospects of a pickup in inflation and slowing the path of future interest rate rises if it did not, according to the minutes of the U.S. central bank's last policy meeting on Sept. 19-20 released on Wednesday.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	92.91	93	-0.09	-0.10
USD/INR (Spot)	65.05	65.15	-0.1	-0.15
USD/INR (Nse Oct)	65.2	65.29	-0.09	-0.14
EUR/INR (Spot)	77.13	77.07	0.06	0.08
EUR/INR (Nse Oct)	77.39	77.26	0.13	0.17
GBP/INR (Spot)	85.42	85.93	-0.506	-0.59
GBP/INR (Nse Oct)	85.70	86.12	-0.42	-0.49
JPY/INR (Nse Oct)	58.14	58.19	-0.05	-0.09

Euro zone industrial output rose by far more than expected and at its highest rate in nine months in August as production of capital goods, such as machinery, rose sharply, boding well for economic growth in the second half of the year.

Nearly three quarters of small businesses have not changed their plans because of last year's Brexit vote, though most expect it to weaken sales over the coming year, a survey showed on Thursday.

Finance minister Philip Hammond told lawmakers on Wednesday that uncertainty about the shape of Britain's future deal with the EU was harming investment and consumer confidence.

Japanese wholesale prices rose in September at the fastest annual pace in almost nine years due to rising prices for gasoline, metals, and agricultural products, but the gains won't necessarily boost the country's notoriously weak inflation.

Most Federal Reserve policymakers supported the notion that a gradual approach to increasing interest rates will be warranted, according to the minutes of the Fed's last policy meeting on September 19-20 released on Wednesday.

The dollar and treasury yields dipped lower as market participants interpreted the Fed minutes as somewhat dovish amid signs that Fed members are growing increasingly concerned over the slowdown inflation.

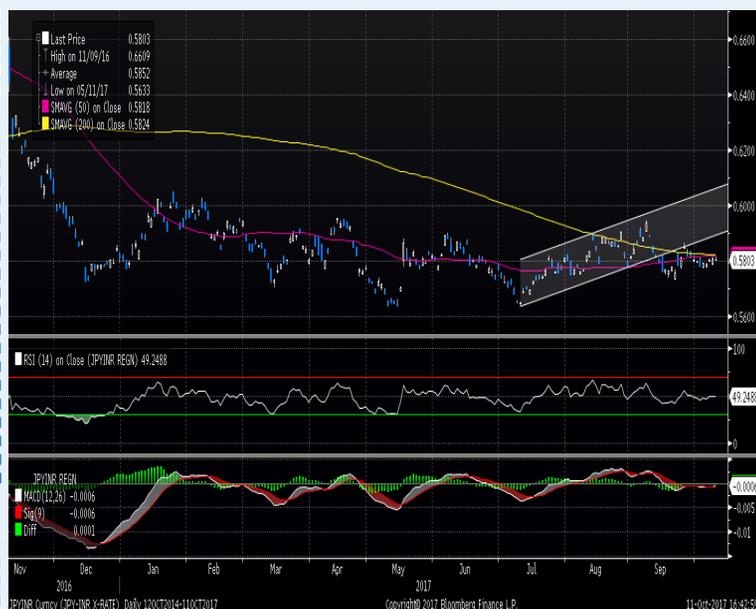
Britain's Brexit-bound economy remains stuck in a low gear but is probably not weak enough to dissuade the Bank of England from raising interest rates next month, economic data showed.

German trade activity picked up in August as exports outpaced imports, widening the surplus and adding to evidence that Europe's biggest economy performed strongly in the third quarter.

USDINR



JPYINR



Technical View:

On the daily chart, USDINR has given rising trend line breakout and traded below the DOJI candle, which has formed in the previous trading sessions, which suggest further weakness in the pair for the upcoming day.

Moreover, MACD has shown negative cross over in the prices. Furthermore, price has moved below 200 SMA, which suggest near term down movement in the prices.

In addition, momentum indicator RSI has shown negative baseness in the price as it has traded near its overbought zone, which suggest prices have been exhausted & ready to take a correction for short term.

On the basis of above technical structure, we expect prices should move lower towards 64.90 levels in the coming trading sessions.

Technical View:

In a daily chart, JPYINR is trading below the rising channel from last couple of the week, which indicate further weakness in the prices for few days.

Moreover, price has failed to sustain above the 200 SMA which indicates the near term momentum to remain weak for the pair.

In addition, momentum indicator MACD has shown negative crossover which suggests further downside momentum in the price.

For now, we expect prices should move down towards 57.95 levels in the coming trading sessions.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	64.87	65.05	65.13	65.23	65.31	65.41	65.59
JPYINR	57.79	57.95	58.04	58.11	58.20	58.27	58.43

GBPINR



Technical View:

In a daily chart, the price has given a channel breakout which suggests, strong upward move over the short to medium term.

Moreover, price has been trading above its major SMAs indicates bullish movement in the price.

In addition, momentum indicator MACD has shown positive crossover on the daily charts which suggests near term upside momentum in the prices.

For now, we expect prices should move higher towards 86.30 levels in the coming trading sessions.

EURINR



Technical View:

In a daily chart, the price has formed channel pattern in daily chart & given breakout of the above pattern, so the pattern suggests, continuation of its upwards movement in the upcoming day .

Moreover, price has been trading above its major SMAs indicates bullish movement in the price.

In addition, momentum indicator MACD has shown positive crossover on the daily charts and prices traded above “zero” line, which suggests near term upside momentum in the prices

For now, we can expect prices should move higher towards the 77.80 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	76.86	77.14	76.99	77.42	77.55	77.70	77.98
GBPINR	84.20	85.10	85.40	86	86.30	86.90	87.80

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
13.10.2017	06:00PM	CPI m/m	0.4%	0.6%	'Actual' greater than 'Forecast' is good for currency; USDINR
13.10.2017	06:00PM	Core CPI m/m	0.2%	0.2%	'Actual' greater than 'Forecast' is good for currency; USDINR
13.10.2017	06:00PM	Core Retail Sales m/m	0.2%	0.9%	'Actual' greater than 'Forecast' is good for currency; USDINR
13.10.2017	06:00PM	Retail Sales m/m	-0.2%	1.7%	'Actual' greater than 'Forecast' is good for currency; USDINR
13.10.2017	07:30PM	Prelim UoM Consumer Sentiment	95.1	95.1	'Actual' greater than 'Forecast' is good for currency; USDINR

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