

## HighLights:

The dollar fell against a basket of major currencies on Friday, after retail sales data unexpectedly undershot expectations in August while sterling rose to its highest since June last year adding to downside momentum in the greenback.

The U.S. dollar index, which measures the greenback's strength against a trade-weighted basket of six major currencies, fell by 0.25% to 91.80.

The dollar came under pressure following news late Thursday that North Korea fired a missile over Japan into the Pacific Ocean. It was the peninsula's second missile launch over Japanese territory in just over two weeks.

EUR/USD climbed 0.44% to 1.1971, while GBP/USD rallied 1.41% to a 15-month peak of 1.3585, still supported by the Bank of England's indications on Thursday that interest rates could rise faster than expected amid accelerating inflation.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	91.83	91.81	0.02	0.02
USD/INR (Spot)	64.14	63.99	0.15	0.23
USD/INR (Nse Sep)	64.17	64.08	0.09	0.14
EUR/INR (Spot)	76.59	76.68	-0.09	-0.12
EUR/INR (Nse Sep)	76.73	76.83	-0.1	-0.13
GBP/INR (Spot)	87.10	84.94	2.16	2.54
GBP/INR (Nse Sep)	87.14	85.09	2.05	2.41
JPY/INR (Nse Sep)	57.74	58.28	-0.54	-0.93

U.S. retail sales unexpectedly fell in August and industrial output recorded its biggest drop since 2009 as Hurricane Harvey disrupted activity, suggesting the storm could dent economic growth in the third quarter.

The U.S. central bank is expected to raise interest rates again only in December. It has increased borrowing costs twice this year. Consumer spending, which accounts for more than two-thirds of U.S. economic activity, increased at a 3.3 per cent annualized rate in the second quarter. That boosted GDP growth to a 3.0percent rate in the April-June period.

The Bank of England said it was likely to raise interest rates in coming months if the economy and price pressures kept growing, flagging Britain's first rate hike in a decade.

The Brexit vote has put the BoE in a dilemma as it sought to balance the need to support the economy through the shock of leaving the European Union in March 2019 while also keeping a grip on fast-rising inflation.

The BoE and its Governor Mark Carney have previously signalled the probability of rate hikes ahead, only to be caught out by unexpected changes in the economy.

China posted a rare flurry of disappointing data on Thursday -- including its slowest growth in investment in nearly 18 years -- suggesting the world's second-largest economy is finally starting to lose some momentum as borrowing costs rise.

Britain's unemployment rate hit its lowest since 1975 but wages slipped further behind the cost of living, taking some of the urgency out of a Bank of England debate on when interest rates might rise.

## USDINR



### Technical View:

On a daily chart, USDINR has given a breakout of the falling channel and moved into the rising channel. Therefore, the trend is expected to change from the downwards to upward.

Moreover, prices have been trading below its 21 EMA which indicates bearish 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 65.00 levels in the coming trading sessions.

## JPYINR



### Technical View:

On a daily chart, JPYINR has given a breakout of the falling channel and moved into the rising channel. Therefore, the trend is expected to change from the downwards to upward.

Moreover, prices have moved above its 21 EMA which is a bullish momentum in the prices.

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

For now, we expect prices should move higher towards 60.00 levels in the coming trading sessions.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
<b>USDINR</b>	63.96	64.08	64.14	64.20	64.26	64.32	64.44
<b>JPYINR</b>	57.82	57.97	58.02	58.12	58.17	58.27	58.42

## GBPINR



### Technical View:

On a daily chart, the price is trading within a rising channel pattern. The pattern suggests, continuation of its upwards movement in the days to come.

In addition, it has found support at the lower band of the channel pattern.

Moreover, prices have been trading below its 21 EMA which indicates bearish 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 89.00 levels in the coming trading sessions.

## EURINR



### Technical View:

On a daily chart, the price has found support of its rising channel pattern. The pattern suggests, continuation of its upwards movement in the days to come.

Moreover, prices have been trading below its 21 EMA which indicates bearish 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 can expect prices should move higher towards the 78.00 levels in the coming trading session.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
<b>EURINR</b>	75.82	76.08	76.26	76.34	76.52	76.60	76.86
<b>GBPINR</b>	82.85	84.03	84.80	85.21	85.98	86.39	87.58

## Economic Indicators

Date	Time	Data	Prior	Expected	Impact
18.09.2017	02:30 PM	Final CPI y/y	1.5%	1.5%	'Actual' greater than 'Forecast' is good for currency; EURINR
18.09.2017	6:00 PM	Foreign Securities Purchases	-0.92B	4.46B	'Actual' greater than 'Forecast' is good for currency; CADINR

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