

HighLights:

Industrial production in the U.S. rose in line with forecasts in March, though manufacturing production unexpectedly declined, dampening optimism over the health of the economy, official data showed on Tuesday.

In a report, the Federal Reserve said that industrial production increased 0.5% from the prior month in March, in line with the market consensus.

Meanwhile, manufacturing production decreased by a seasonally adjusted 0.4% last month, worse than forecasts for a 0.1% rise and following a gain of 0.3% in February that was revised down from an initial 0.5% increase.

The report also showed that the capacity utilization rate, a measure of how fully firms are using their resources, rose to 76.1% in March from 75.7% a month earlier. February's data was revised up from an initial reading of 75.4% .

Market Highlights				
	Last	Prev Cl.	Price Chng	Price Chng %
Dollar Index	99.84	100.29	(0.45)	(0.45)
USD/INR (Spot)	64.58	64.41	0.17	0.26
USD/INR (Nse Apr.)	64.70	64.57	0.13	0.20
EUR/INR (Spot)	69.06	68.64	0.42	0.61
EUR/INR (Nse Apr.)	69.12	68.72	0.40	0.58
GBP/INR (Spot)	82.35	80.93	1.42	1.72
GBP/INR (Nse Apr.)	81.99	81.05	0.94	1.15
JPY/INR (Nse Apr.)	59.48	59.61	(0.13)	(0.22)

The dollar was lower against a basket of the other major currencies on Tuesday, weighed down by a combination of geopolitical concerns and a rallying sterling after British Prime Minister Theresa May called for a general election in June.

The U.S. dollar index, which measures the greenback's strength against a trade-weighted basket of six major currencies, was down 0.38% to 99.82, after rising as high as 100.31 earlier in the session.

Investors remained wary as trade talks between the U.S. and Japan got underway, with markets awaiting indications of the direction U.S. trade policy could take under President Donald Trump, who campaigned on a protectionist platform.

Heightened tensions around North Korea, which has vowed to conduct more missile tests following Sunday's failed missile launch, also continued to weigh on the greenback.

The greenback had found some support against the Japanese currency overnight following remarks by U.S. Treasury Secretary Steven Mnuchin.

Mnuchin, in an interview in the Financial Times newspaper said that while he agreed with U.S. President Donald Trump's view that the dollar's strength in the short term was hurting exports, he saw a strong U.S. currency over the long term as a positive.

The number of housing starts issued in the U.S. fell more than expected in March, although building permits beat expectations after a larger-than-forecast gain, painting a mixed picture of the health of the U.S. housing sector, official data showed Tuesday.

In a report, the U.S. Commerce Department said that housing starts fell by 6.8% from the month before to hit a seasonally adjusted 1.215 million units last month from February's total of 1.303 million units, an upward revision from the initial 1.288 million.

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 64.70 with SL of 64.90 for the target of 64.30 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 59.65 with SL of 59.90 for the target of 59.10 levels.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	64.31	64.48	64.59	64.65	64.76	64.82	64.99
JPYINR	58.71	59.06	59.27	59.41	59.62	59.76	60.11

GBPINR



Technical View:

On a daily chart, the price has been trading at falling wedge pattern from past few months and price has taken the support of its lower band of the pattern at 80 levels.

The pair has been trading in “**Falling Channel**” pattern and price has taken the support of its lower band of the pattern at 80.20 levels on a daily chart.

Moreover, prices have been trading above its 21 HSMA, which suggest short term trend looks up.

Moreover, momentum indicator MACD has given positive crossover on a daily chart, which gives the sign of bullishness in the prices.

A momentum indicator RSI has been taking support at 40 levels on a daily chart.

For now, we expect prices should move higher towards 82.60 levels in the coming trading sessions.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
GBPINR	79.36	80.52	81.25	81.68	82.41	82.84	84.00
EURINR	68.23	68.61	68.87	68.99	69.25	69.37	69.75

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 69.70 levels in the coming trading session.

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
19.04.17	08:00 PM	Crude Oil Inventories	-2.2M		

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