

HighLights:

The dollar was trading at one-week highs on Thursday, after the Federal Reserve indicated the possibility of an additional rise in interest rates this year and announced the winding down of its stimulus program.

The U.S. dollar declined against its Canadian counterpart on Wednesday, as sentiment on the greenback remained fragile ahead of the Federal Reserve's monthly policy statement due later in the day, while climbing oil prices boosted demand for the commodity-related Canadian currency.

The central bank indicated that one more interest rate hike is likely this year, even though it reduced its outlook for inflation from 1.7% this year to 1.5%, and from 2% to 1.9% in 2018.

The pound re-approached recent 15-month highs against the U.S. dollar on Wednesday, boosted by strong UK retail sales data.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	92.2	91.81	0.39	0.42
USD/INR (Spot)	64.90	63.99	0.91	1.42
USD/INR (Nse Sep)	64.87	64.08	0.79	1.23
EUR/INR (Spot)	77.25	76.68	0.57	0.74
EUR/INR (Nse Sep)	77.13	76.83	0.3	0.39
GBP/INR (Spot)	87.61	84.94	2.67	3.14
GBP/INR (Nse Sep)	87.45	85.09	2.36	2.77
JPY/INR (Nse Sep)	57.69	58.28	-0.59	-1.01

The Fed said it will begin to roll off its \$4.5 trillion balance sheet in October. Most assets consist of the Treasuries and mortgage-backed securities it acquired under the bank's quantitative easing program.

The dollar come under pressure after sales of previously owned homes in the US unexpectedly fell in August, as tight supply continued to weigh on housing activity.

At the FOMC June meeting, the "dot plot," part of the FOMC's Summary of Economic Projections, indicated that the central bank saw rates rising to between 1.25% and 1.5% by the end of the 2017.

The Bank of Japan held policy steady as expected after the conclusion of its two-day meeting on Thursday, with an asset buying program focused on the yield curve at ¥80 trillion annually.

Hurricanes Harvey, Irma and Maria have devastated many communities, inflicting severe hardship," the Federal Open Market Committee said in its statement on Wednesday following a two-day meeting in Washington.

Borrowing costs rose from nine-month lows in step with higher Treasury yields as investors pared their bond holdings due to stronger-than-forecast inflation data in August and reduced anxiety about the degree of slower economic growth due to Irma and Hurricane Harvey.

The Bank of Japan is expected to keep monetary policy on hold at a meeting ending on Thursday as inflation remains confusingly low despite data pointing to solid economic growth.

USDINR



Technical View:

On a daily chart, USDINR has given a breakout of the falling channel and traded in a positive manner. So, the trend is expected to change from the downwards to upward.

Moreover, prices have been trading above its 21 EMA which 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 65.20 levels in the coming trading sessions.

JPYINR



Technical View:

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

Moreover, prices have moved below its 21 EMA which is a bearish momentum in the prices.

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 56.82 levels in the coming trading sessions.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	63.72	64.22	64.55	64.72	65.05	65.22	65.72
JPYINR	56.60	57.09	57.39	57.58	57.88	58.07	58.56

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 88.75.00 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 78.20 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	75.39	76.18	76.66	76.97	77.45	77.76	78.55
GBPINR	86.17	86.75	87.10	87.33	87.68	87.91	88.49

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
22.09.2017	06:00 PM	CPI m/m	0.0%	0.2%	'Actual' greater than 'Forecast' is good for currency; CADNR
22.09.2017	06:00 PM	Core Retail Sales m/m	0.7%	0.4%	'Actual' greater than 'Forecast' is good for currency; CADNR
22.09.2017	06:00 PM	Common CPI y/y	1.4%		'Actual' greater than 'Forecast' is good for currency; CADNR
22.09.2017	06:00 PM	Median CPI y/y	1.7%		'Actual' greater than 'Forecast' is good for currency; CADNR
22.09.2017	06:00 PM	Retail Sales m/m	0.1%	0.2%	'Actual' greater than 'Forecast' is good for currency; CADNR
22.09.2017	06:00 PM	Trimmed CPI y/y	1.3%		'Actual' greater than 'Forecast' is good for currency; CADNR

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