

### HighLights:

- Indian Rupee fell from 17-mnth high to 65.45 on Wednesday
- US Existing Home Sales plunged to 5.48 million in February
- Euro Zone Current Account surplus of 24.1 bn Euros in Jan
- Japan's Industries Activity grew by 0.1 percent in January

Indian Rupee retreated from 17-month high and depreciated around 17 paise to end at 65.45 against the US dollar on Wednesday. The currency depreciated on account of dollar demand from importers and banks. Further, weak domestic market sentiments and downside in Asian currencies kept pressure on the currency.

However, sharp downside in the Rupee was prevented due to inflow of foreign funds in equities and debt markets. So far this year, rupee gained 3.76%, while foreign institutional investors have bought \$4.32 billion and \$1.48 million from local equity and debt markets, respectively.

| Market Highlights  |       |          |            |              |
|--------------------|-------|----------|------------|--------------|
|                    | Last  | Prev Cl. | Price Chng | Price Chng % |
| Dollar Index       | 99.87 | 99.81    | 0.06       | 0.06         |
| USD/INR (Spot)     | 65.48 | 65.62    | (0.14)     | (0.21)       |
| USD/INR (Nse Mar.) | 65.53 | 65.30    | 0.23       | 0.35         |
| EUR/INR (Spot)     | 70.65 | 70.64    | 0.01       | 0.01         |
| EUR/INR (Nse Mar.) | 70.75 | 70.59    | 0.16       | 0.23         |
| GBP/INR (Spot)     | 81.57 | 81.89    | (0.32)     | (0.39)       |
| GBP/INR (Nse Mar.) | 81.67 | 81.44    | 0.23       | 0.28         |
| JPY/INR (Nse Mar.) | 58.92 | 58.10    | 0.82       | 1.39         |

Indian Rupee moved in the range of 65.34 to 65.57 in Wednesday's trade. The Reserve Bank of India (RBI) fixed reference rate for the dollar was seen at 65.4881 and Euro stood at 70.7206 as on 22nd Mar'17.

For the month of March 2017, FII inflows in equities totalled at Rs.20960.61 crores (\$3161.70 million) as on 22nd March 2017. Year to date basis, net capital inflows stood at Rs.29686.19 crores (\$4464.14 million) as on 22nd March 2017.

US Dollar Index plunged around 0.13 percent in Wednesday's trading session due to unfavourable economic data from the country. Further, rise in risk appetite in global market sentiments which led to decline in demand for the low yielding currency kept the currency in negative territory.

US Existing Home Sales plunged to 5.48 million in February with respect to rise of 5.69 million in January.

Euro against dollar fell around 0.2 percent on Wednesday on account of unfavourable economic data from the region. However, weakness in the dollar index coupled with upbeat global market sentiments cushioned sharp fall in the currency.

Euro Zone Current Account was at a surplus of 24.1 billion Euros in January as against a surplus of 30.8 billion Euros in December.

The Sterling Pound plunged around 0.1 percent in Wednesday's trade on account of estimates of unfavourable economic data from the country. However, weaker dollar along with upbeat global market sentiments prevented sharp fall in the currency.

The Japanese Yen against dollar appreciated around 0.31 percent in Wednesday's trading session due to rise in risk aversion in global market sentiments in early part of the trade which led to increase in demand for the low yielding currency. Japan's Industries Activity grew by 0.1 percent in January from a fall of 0.2 percent in December.

## USDINR



### Technical View:

The pair has given a breakdown of its “**Symmetrical Triangle**” pattern at 66.60 levels on a daily chart.

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

Furthermore, the price has shown a breakdown of its consolidation range from 67.40 to 66.60 levels on a daily chart.

A momentum indicator RSI has remained below 45 levels, which suggest further negative momentum can be seen in the prices.

In addition, momentum indicator MACD has shown negative crossover and moving below its signal line on a daily chart.

So for trading perspective, one can sell USDINR in the range of 65.60 with SL of 65.80 for the target of 65.20 levels.

## JPYINR



### Technical View:

On a daily chart, the pair has been trading in horizontal channel pattern from past few months and price has taken the support of its horizontal channel pattern at 57.25 levels.

Moreover, prices have been trading above its 10 HSMA which gives the sign of bullishness in the prices.

On a daily chart momentum indicator, RSI is taking support at 30 levels which indicate pullback in the prices.

In addition, momentum indicator MACD has shown positive crossover which suggests strength in the prices on a daily chart.

So for trading perspective, one can buy JPYINR in the range of 58.70 with SL of 58.40 for the target of 59.30 levels.

### Pivot levels for the Day

|               | S3    | S2    | S1    | Pivot | R1    | R2    | R3    |
|---------------|-------|-------|-------|-------|-------|-------|-------|
| <b>USDINR</b> | 65.15 | 65.34 | 65.43 | 65.53 | 65.62 | 65.72 | 65.91 |
| <b>JPYINR</b> | 57.28 | 58.00 | 58.46 | 58.72 | 59.18 | 59.44 | 60.16 |

## GBPINR



### Technical View:

The pair has been trading in “**Falling Wedge**” pattern from past few weeks and price has taken the support of its lower band of the pattern at 80 levels on a daily chart.

Moreover, prices have been trading above 10 HSMA, which suggest short term trend looks up.

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

A momentum indicator RSI has been trading near its support levels on the daily chart, which suggests the possibilities of further upside momentum in the prices.

For now, we expect prices should move higher towards 82.30 levels in the coming trading sessions.

## 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 channel pattern at 69.60 levels.

The price has taken the support of its falling trend line at 69.50 levels on daily 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 been taking support at 35 levels on a daily chart, which suggests bullishness in the prices.

A momentum indicator MACD has shown positive crossover on the hourly chart, which supports our bullish view on the prices.

For now, we can expect prices should move higher towards 71.30 levels in the coming trading session.

### Pivot levels for the Day

|               | S3    | S2    | S1    | Pivot | R1    | R2    | R3    |
|---------------|-------|-------|-------|-------|-------|-------|-------|
| <b>GBPINR</b> | 81.10 | 81.41 | 81.54 | 81.72 | 81.85 | 82.03 | 82.34 |
| <b>EURINR</b> | 70.29 | 70.52 | 70.64 | 70.75 | 70.87 | 70.98 | 71.21 |

## Economic Indicators

| Date     | Time     | Data                    | Prior | Expected | Impact   |
|----------|----------|-------------------------|-------|----------|--|
| 23.03.17 | 06:20 AM | Retail Sales m/m        | -0.3% | 0.4%     | Actual > Forecast = Good for currency; GBPINR          |
| 23.03.17 | 03:30 PM | Unemployment Claims     | 241K  | 240K     | Actual < Forecast = Good for currency; USDINR          |
| 23.03.17 | 08:30 PM | Fed Chair Yellen Speaks |       |          | More hawkish than expected = Good for currency; USDINR |
| 23.03.17 | 09:00 PM | New Home Sales          | 555K  | 566K     | Actual > Forecast = Good for currency; USDINR          |



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