

HighLights:

The dollar held onto gains against other major currencies on Monday, as markets were still recovering from the weekend's elections in Germany and New Zealand and as concerns over tensions between the U.S. and North Korea seemed to subside.

The euro moved lower against the U.S. dollar on Monday, after the release of somewhat disappointing German data and as investors were still digesting the weekend's elections in Germany.

The dollar edged higher against other majors currencies on Monday, as markets were recovering from the weekend's elections in Germany and New Zealand, while concerns over tensions between the U.S. and North Korea seemed to subside.

The euro dropped in early Asia on Monday as German Chancellor Angela Merkel faces a tough job of forging a new coalition that could see her lead a minority government as the far-right AfD party won a surprise gain in votes and enters parliament for the first time.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	92.14	92.2	-0.06	-0.07
USD/INR (Spot)	64.91	64.90	0.01	0.02
USD/INR (Nse Sep)	64.84	64.87	-0.03	-0.05
EUR/INR (Spot)	77.41	77.25	0.16	0.21
EUR/INR (Nse Sep)	77.15	77.13	0.02	0.03
GBP/INR (Spot)	87.42	87.61	-0.19	-0.22
GBP/INR (Nse Sep)	87.39	87.45	-0.06	-0.07
JPY/INR (Nse Sep)	57.66	57.69	-0.03	-0.05

German business confidence deteriorated unexpectedly in the weeks before Sunday's federal election, a survey showed on Monday, suggesting that a consumption-led upswing in Europe's largest economy could lose momentum in coming months. The Munich-based Ifo economic institute said its business climate index, based on a monthly survey of some 7,000 firms, edged down to 115.2 from 115.9 in August. The reading compared with a Reuters consensus forecast for a value of 116.0.

German business confidence edged a tad lower in September, but remained close to the highest level on record, suggesting momentum in the euro zone's biggest economy remains strong. The Ifo German research institute said its Business Climate Index dipped to a seasonally adjusted 115.2 this month from a reading of 115.7 in August, missing forecasts for 116.0.

Hopes for higher wage growth across Britain are receding, apart from in a few sectors of the labor market that suffer from acute skill shortages, according to a report published on Monday by recruitment company Hays.

The People's Bank of China set the yuan mid-point at 6.5945 against the dollar on Monday, compared to the previous close of 6.5890, a three-week low. The China Foreign Exchange Trade System sets the weighted average of prices given by market makers. The highest and lowest offers are excluded from the calculation. The central bank allows the dollar/yuan rate to move no more than 2% above or below the central parity rate.

European Union states decided on Monday to close disciplinary procedures against Greece over its excessive deficit after improvements in Greece's fiscal position, confirming the country's recovery is on the right track. The move, although largely symbolic, sends a new signal that Greece's public finances are again under control, facilitating the country's plans to tap markets after a successful issue of bonds in July which ended a three-year exile.

USDINR



Technical View:

In 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, price has moved above 50 SMA as well as 100 SMA and may move towards 200 SMA over the short term.

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 65.60 levels in the coming trading sessions.

JPYINR



Technical View:

In a daily chart, JPYINR has failed to capitalize the upside breakout which attracted the selling pressure in the pair.

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 56.50 levels in the coming trading sessions.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	64.14	64.59	64.87	65.04	65.32	65.49	65.94
JPYINR	57.05	57.52	57.83	57.99	58.30	58.46	58.93

GBPINR



Technical View:

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

In addition, a breakaway gap in the daily chart confirms the continuation of the upward trend going forward.

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 89 levels in the coming trading sessions.

EURINR



Technical View:

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

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 can expect prices should move higher towards the 79 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	76.90	77.13	77.26	77.36	77.50	77.59	77.82
GBPINR	86.93	87.39	87.63	87.85	88.09	88.31	88.77

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
26.09.2017	07:30 PM	ECB President Draghi Speaks	122.90	119.60	'Actual' greater than 'Forecast' is good for currency; USDINR
26.09.2017	07:30 PM	New Home Sales	571K	591K	'Actual' greater than 'Forecast' is good for currency; USDINR
26.09.2017	08:00 PM	FOMC Member Brainard Speaks			More hawkish than expected is good for currency; USDINR
26.09.2017	10:15 PM	Fed Chair Yellen Speaks			More hawkish than expected is good for currency; USDINR

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