

Highlights:

The dollar traded near a three-month high against the yen on Wednesday, underpinned by reports that Republican senators were favouring John Taylor to become the next head of the U.S. Federal Reserve.

The dollar was steady near three-month highs against the yen on Wednesday, boosted by speculation over the course of U.S. monetary and fiscal policy, while weak domestic inflation data sent the Australian dollar sharply lower.

The euro was steady against the dollar, with EUR/USD at 1.1767 ahead of Thursday's European Central Bank meeting, where President Mario Draghi was expected to update markets about the future of the bank's stimulus program.

The dollar traded within sight of a three-month high against the yen on Wednesday, underpinned by reports of Republican senators' support for John Taylor to become the next Federal Reserve chief.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	93.68	93.79	-0.11	-0.12
USD/INR (Spot)	64.88	65.13	-0.25	-0.38
USD/INR (Nse Oct)	64.91	65.11	-0.2	-0.31
EUR/INR (Spot)	76.44	76.53	-0.09	-0.12
EUR/INR (Nse Oct)	76.46	76.62	-0.16	-0.21
GBP/INR (Spot)	85.98	85.70	0.28	0.33
GBP/INR (Nse Oct)	86.06	85.84	0.22	0.26
JPY/INR (Nse Oct)	56.91	57.28	-0.37	-0.65

Most emerging Asian currencies weakened on Wednesday, with the Philippine peso skidding to its lowest in more than 11 years, as the dollar held firm on reports of Republican senators leaning towards John Taylor to be the next Federal Reserve chief.

Britain's economy unexpectedly picked up speed in the three months to September, putting the Bank of England firmly on track to raise interest rates next week for the first time a decade.

China will make changes to the methodology for calculating its housing price index as the current system has encountered "new challenges", the Statistics Bureau said on Wednesday.

China's new home prices registered a second straight month of weak growth in September, with prices in the biggest markets slipping and gains in smaller cities slowing as government measures to cool a long property boom took hold.

Australian consumer prices were surprisingly tame last quarter while core inflation stayed below target for almost a second full year, leading investors to pare back the already slim chance of a rate hike for months to come.

Brazil's central bank is set to slow the pace of interest rate cuts on Wednesday, taking its benchmark rate just above an all-time low as the economy finally starts to emerge from recession.

U.S. lenders are expected to issue a smaller amount of mortgages in 2018 on a sharp drop in refinancing demand, but loan originations will pick up in 2019, the Mortgage Bankers Association said on Tuesday.

USDINR



Technical View:

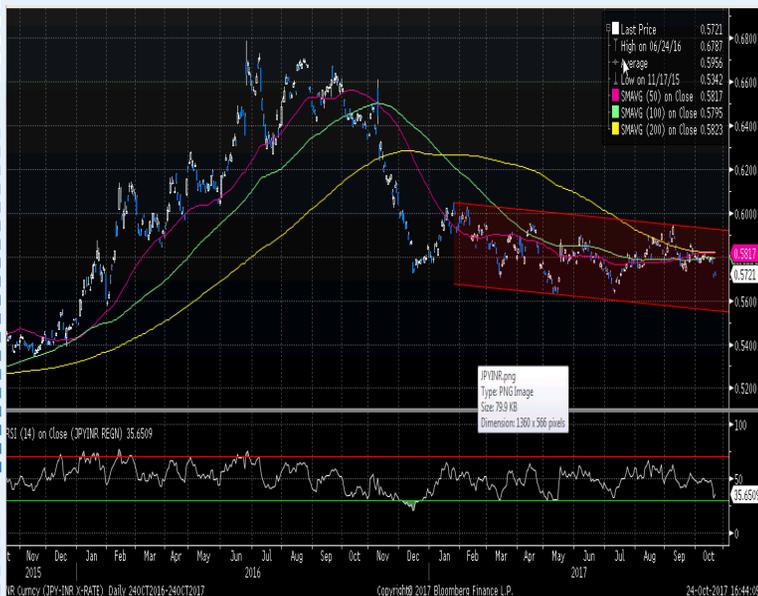
In a daily chart, USDINR has given a breakout of the falling channel and moved up strongly but on the upper side it has faced a resistance of the daily trend line & pullback from the upper range, which indicate short term correction in the pair.

Moreover, price has moved below 200 SMA, which suggest near term down movement in the prices.

In addition, momentum indicator RSI has shown negative baseness in the price as it has traded near its overbought zone, which suggest prices have been exhausted & ready to take a correction for short term.

On the basis of above technical structure, we expect prices should move lower towards 64.50 levels in the coming trading sessions.

JPYINR



Technical View:

In a daily chart, JPYINR has been hovering within a falling channel and expected to continue its downwards move in the days to come.

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	64.35	64.68	64.87	65.01	65.13	65.34	65.67
JPYINR	56.11	56.58	56.74	57.05	57.21	57.52	57.99

GBPINR



Technical View:

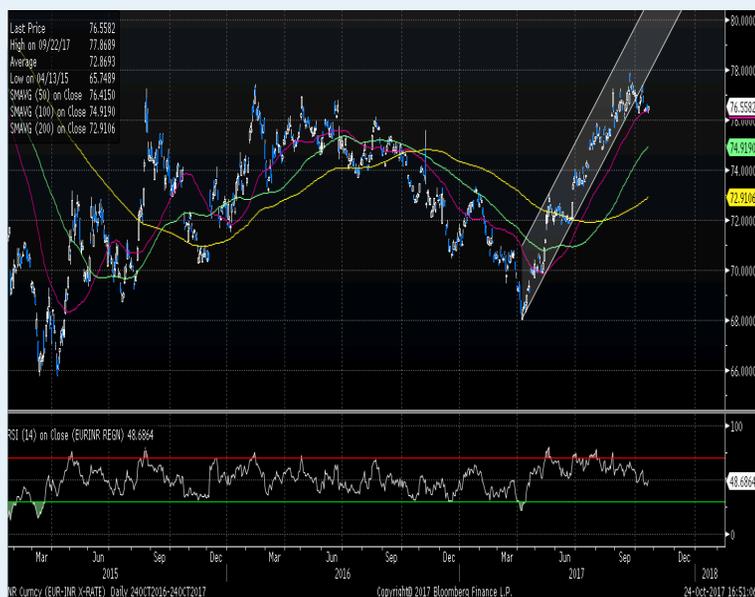
In a daily chart, the price has formed a rounding top and fallen towards its symmetrical triangle breakout point.

Moreover, price has fallen below its 21 EMA, indicating bullish movement in the price.

In addition, momentum indicator RSI has shown a negative crossover on the daily charts and is falling.

For now, we expect prices should move lower towards 84.80 levels in the coming trading sessions.

EURINR



Technical View:

In a daily chart, the price has given a breakdown of its rising channel pattern, so the pattern suggests a reversal of the upwards movement in the days to come.

Moreover, price has fallen below its 21 EMA, indicating bullish movement in the price.

In addition, momentum indicator RSI has shown a negative crossover on the daily charts and is falling.

For now, we can expect prices should move lower towards the 75.10 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
EURINR	75.99	76.27	76.37	76.55	76.65	76.83	77.11
GBPINR	84.38	85.11	85.50	85.84	85.92	86.18	86.56

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
26/10/2017	05:15 PM	Minimum Bid Rate	0.00%	0.00%	'Actual' greater than 'Forecast' is good for currency; USDINR
26/10/2017	06:00 PM	ECB Press Conference			"More hawkish than expected is good for currency; EURINR
26/10/2017	06:00 PM	Unemployment Claims	222K	235K	'Actual' less than 'Forecast' is good for currency; USDINR
26/10/2017	07:30 PM	Pending Home Sales m/m	-2.6%	0.2%	'Actual' greater than 'Forecast' is good for currency; USDINR

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