

HighLights:

- India's CAD jumped to high of 1.4% of GDP in Dec quarter
- US Core Durable Goods Orders grew by 0.4 percent in Feb'17
- Euro Zone Flash Mftng PMI rose to 56.2-mrk in March
- UK's BBA Mortgage Approvals dropped to 42,600 in Feb'17

Indian Rupee retreated from its low and appreciated around 11 paise to end at 65.42 against the US dollar on Friday. The currency appreciated on account of selling of dollars from exporters and banks. Further, inflow of foreign funds in equities and debt markets coupled with upbeat domestic market sentiments led to upside movement in the currency. So far this year, foreign institutional investors have bought \$4.60 billion and \$3.03 million from local equity and debt markets, respectively. Indian Rupee moved in the range of 65.38 to 65.53 in Friday's trade. The Reserve Bank of India (RBI) fixed reference rate for the dollar was seen at 65.4581 and Euro stood at 70.4656 as on 24th Mar'17.

Market Highlights				
	Last	Prev Cl.	Price Chng	Price Chng %
Dollar Index	99.77	99.76	0.01	0.01
USD/INR (Spot)	65.39	65.41	(0.02)	(0.03)
USD/INR (Nse Mar.)	65.40	65.51	(0.11)	(0.17)
EUR/INR (Spot)	70.66	70.58	0.08	0.11
EUR/INR (Nse Mar.)	70.71	70.77	(0.06)	(0.08)
GBP/INR (Spot)	81.65	81.88	(0.23)	(0.28)
GBP/INR (Nse Mar.)	81.71	82.05	(0.34)	(0.42)
JPY/INR (Nse Mar.)	58.92	59.07	(0.15)	(0.25)

India's current account deficit (CAD) jumped to a four-quarter high of 1.4% of the gross domestic product (GDP) in the December quarter from 0.6% of the GDP in the September quarter as trade deficit widened. In the same quarter (October-December) a year ago, India posted a CAD of \$7.1 billion, or 1.4% of the GDP. For the month of March 2017, FII inflows in equities totalled at Rs.22268.05 crores (\$3361.52 million) as on 24th March 2017. Year to date basis, net capital inflows stood at Rs.30993.63 crores (\$4663.96 million) as on 24th March 2017.

US Dollar Index grew marginally in Friday's trading session due to rise in risk aversion in global market sentiments which led to increase in demand for the low yielding currency. Further, unfavourable economic data from the country capped sharp gains in the currency. US Core Durable Goods Orders grew by 0.4 percent in the previous month. Durable Goods Orders dropped to 1.7 percent in February as against a rise of 2 percent in January. Flash Manufacturing Purchasing Managers' Index (PMI) fell by 0.8 points to 53.4-mark in March from 54.2-level in February. Flash Services PMI dropped by 0.9 points to 52.9-level in current month with respect to 53.8-mark in February.

Euro against dollar rose around 0.14 percent on Friday on account of favourable economic data from the region. However, weak global market sentiments coupled with strength in the dollar index capped sharp gains in the currency. French Flash Manufacturing PMI grew by 1.2 points to 53.4-mark in March as against a rise of 52.2-level in February. French Flash Services PMI expanded by 2.1 points to 58.5-level in current month from 56.4-mark in February. German Flash Manufacturing PMI rose by 1.5 points to 58.3-mark in March when compared to 56.8-level in prior month. German Flash Services PMI jumped by 1.2 points to 55.6-level in existing month with respect to 54.4-mark in February. Euro Zone Flash Manufacturing PMI surged by 0.8 points to 56.2-mark in March as compared to 55.4-level in previous month. Flash Services PMI increased by 1 points to 56.5-level in March from 55.5-mark in February.

The Sterling Pound fell around 0.35 percent in Friday's trade on account of strength in the dollar index. Moreover, weak global market sentiments along with unfavourable economic data from the country kept pressure on the currency. UK's British Bankers' Association (BBA) Mortgage Approvals dropped to 42,600 in February from 44,100 in January.

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 58.80 with SL of 58.50 for the target of 59.40 levels.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
USDINR	65.10	65.27	65.33	65.44	65.50	65.61	65.78
JPYINR	58.23	58.57	58.77	58.91	59.11	59.25	59.59

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 82.60 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
GBPINR	81.27	81.52	81.61	81.77	81.86	82.02	82.27
EURINR	70.11	70.38	70.55	70.65	70.82	70.92	71.19

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
27.03.17	01:30 PM	German Ifo Business Climate	111	111.20	Actual > Forecast = Good for currency; EURINR
27.03.17	01:30 PM	Private Loans y/y	2.2%	2.3%	Actual > Forecast = Good for currency; EURINR

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