

## 27<sup>th</sup> Sep'2017

#### **HighLights:**

The dollar was hovering near three-week highs against other major currencies on Tuesday, amid fresh geopolitical tensions between the U.S. and North Korea and despite mixed messages by Federal Reserve officials.

The yen remained supported on Tuesday amid heightened tensions on the Korean Peninsula, and as investors awaited fresh indications on the direction of U.S. monetary policy.

The New Zealand dollar moved lower against its U.S. counterpart on Tuesday, while the Australian dollar held steady after the release of downbeat New Zealand business confidence data and amid fresh geopolitical concerns.

The yen stood tall on Tuesday after tensions on the Korean peninsula flared-up anew amid an escalating war of words between North Korea and the United States, while the euro struggled near a four-week low versus the dollar.

Market Highlights						
	Close	Prev Cls.	Price Chg	Price Chg %		
Doller Index	93	92.57	0.43	0.46		
USD/INR (Spot)	65.44	65.10	0.34	0.52		
USD/INR (Nse Sep)	65.46	64.84	0.62	0.96		
EUR/INR (Spot)	77.16	77.28	-0.12	-0.16		
EUR/INR (Nse Sep)	77.17	77.15	0.02	0.03		
GBP/INR (Spot)	87.88	87.80	0.08	0.09		
GBP/INR (Nse Sep)	87.92	87.39	0.53	0.61		
JPY/INR (Nse Sep)	58.52	57.66	0.86	1.49		

The U.S. apartment vacancy rate increased marginally in the third quarter from the second, according to a report from Reis Inc. The vacancy rates increased in 50 of 79 metros as many saw high construction that exceeded demand, the real estate research firm said.

U.S. companies' borrowing to spend on capital investment rose 1.3 percent in August from a year earlier, the Equipment Leasing and Finance Association (ELFA) said.

U.S. Commerce Secretary Wilbur Ross said China needed to "guarantee fair and reciprocal treatment for U.S. firms" as he tried to strike an upbeat tone on a visit to Beijing amid trade tensions between the two countries.

When the global financial crisis erupted in 2008, some expat French bankers who lost their jobs in London returned home to collect unemployment benefits of more than 7,000 euros (\$8,000) a month.

Developing Asia is on track to grow faster this year and next, the Asian Development Bank said on Tuesday, buoyed by a pick-up in world trade and China's expansion, but it flagged risks from tightening U.S. monetary policy. Developing Asia is expected to grow by 5.9 and 5.8 percent in 2017 and 2018, respectively, the Manila-based lender said.

Japanese Finance Minister Taro Aso said on Tuesday that the government would need to craft a new time frame for achieving its budget-balancing goal, currently set at fiscal 2020/21.

The Asian Development Bank raised its outlook for China's economic growth this year on the back of strong domestic consumption, an export recovery and solid growth in services.



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## **USDINR**

## **JPYINR**





#### **Technical View:**

In a daily chart, USDINR has given a breakout of the falling channel and moved up strongly. So, the trend is expected to remain upward.

Moreover, price has moved above 50 SMA as well as 100 SMA; however, proximity to 200 SMA is expected to produce resistance.

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 to-towards 56.50 levels in the coming trading sessions.

#### **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

	<b>S3</b>	<b>S2</b>	<b>S1</b>	Pivot	R1	R2	R3
USDINR	64.73	65.04	65.23	65.35	65.54	65.66	65.97
JPYINR	58.04	58.27	58.40	58.50	58.63	58.73	58.96



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## **GBPINR**







#### **Technical View:**

In a daily chart, the price has given a wedge breakout which suggests, strong upward move over the short to medium term. However, price may find resistance around the earlier trading range high (pegged around 89.20).

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.

#### **Technical View:**

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

### Pivot levels for the Day

	<b>S3</b>	<b>S2</b>	<b>S1</b>	Pivot	R1	R2	R3
EURINR	76.33	76.78	76.94	77.23	77.39	77.68	78.13
GBPINR	86.79	87.38	87.61	87.97	88.20	88.56	89.15



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Economic Indicators						
Date	Time	Data	Prior	Expected	Impact	
27.09.2017	01:30 PM	M3 Money Supply y/y	0.0%	0.2%	'Actual' greater than 'Forecast' is good for currency; EURINR	
27.09.2017	6:00 PM	Core Durable Goods Orders m/m	0.6%	0.2%	Actual' greater than 'Forecast' is good for currency; USDINR	
27.09.2017	6:00 PM	Durable Goods Orders m/m	-6.8%	1.1%	'Actual' greater than 'Forecast' is good for currency; USDINR	
27.09.2017	7:30 PM	Pending Home Sales m/m	-0.8%	-0.5%	'Actual' greater than 'Forecast' is good for currency;	
27.09.2017	11:30 PM	FOMC Member Brainard Speaks			More hawkish than expected is good for currency; USDINR	



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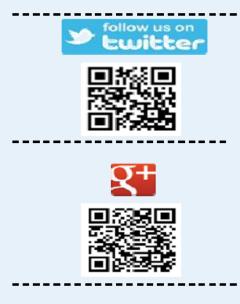
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