

HighLights:

- Indian Rupee rose to one and half year to 65.05 on Monday
- US CB Consumer Confidence surged to 125.6-level in March
- Euro against dollar fell around 0.48 percent on Tuesday
- Japan's Retail Sales fell to 0.1 percent in previous month

Indian Rupee continued to gain for second consecutive day and appreciated around 37 paise to end at 65.05 against the US dollar on Monday. The currency appreciated on account of selling of dollars from exporters and banks. Further, hopes of more reforms by the Narendra Modi-led government led to positive movement in the currency. Moreover, inflow of foreign funds in equities and debt markets kept the currency in positive territory.

The National Democratic Alliance (NDA) government introduced the last batch of legislations in the Lok Sabha for rolling out the Goods and Services Tax, or GST. On Friday, Union finance minister Arun Jaitley had stated that the government is working on a radical proposal to

resolve the issue of bad debts in the Indian banking systems. These reforms will help to attract more foreign investments in the country.

So far this year, rupee has gained 4.3%, while foreign institutional investors have bought \$4.77 billion and \$2.95 billion from local equity and debt markets, respectively. Indian Rupee moved in the range of 65.03 to 65.28 in Monday's trade. The Reserve Bank of India (RBI) fixed reference rate for the dollar was seen at 65.0892 and Euro stood at 70.6739 as on 27th Mar'17. For the month of March 2017, FII inflows in equities totalled at Rs.22851.67 crores (\$3450.68 million) as on 27th March 2017. Year to date basis, net capital inflows stood at Rs.31577.25 crores (\$4753.12 million) as on 27th March 2017.

US Dollar Index rose around 0.6 percent in Tuesday's trading session due to favourable economic data from the country. However, sharp upside in the currency was capped as a result of rise in risk appetite in global market sentiments which led to decline in demand for the low yielding currency. US Goods Trade Balance was at a deficit of \$64.8 billion in February as against a deficit of \$68.8 billion in January. Prelim Wholesale Inventories grew by 0.4 percent in last month from a fall of 0.2 percent in January. Standard & Poor's (S&P) / Case-Shiller (CS) Composite-20 House Price Index (HPI) expanded by 5.7 percent in January with respect to 5.5 percent a month ago. Richmond Manufacturing Index rose by 5 points to 22-mark in March when compared to 17-level in February. The Conference Board (CB) Consumer Confidence surged sharply by 9.5 points to 125.6-level in March from 116.1-mark in prior month.

Euro against dollar fell around 0.48 percent on Tuesday on account of strength in the dollar index. However, upbeat global market sentiments cushioned sharp fall in the currency. The Sterling Pound fell around 0.84 percent in Tuesday's trade on account of strength in the dollar index. However, upbeat global market sentiments along with estimates of favourable economic data from the country restricted sharp fall in the currency. The Japanese Yen against dollar depreciated around 0.45 percent in Tuesday's trading session due to rise in risk appetite in global market sentiments which led to decline in demand for the low yielding currency. Japan's Retail Sales fell to 0.1 percent in February from a gain of 1 percent in January.

Market Highlights				
	Last	Prev Cl.	Price Chng	Price Chng %
Dollar Index	99.06	99.03	0.03	0.03
USD/INR (Spot)	65.39	65.41	(0.02)	(0.03)
USD/INR (Nse Mar.)	65.08	65.07	0.01	0.02
EUR/INR (Spot)	70.63	70.61	0.02	0.03
EUR/INR (Nse Mar.)	70.70	70.68	0.02	0.03
GBP/INR (Spot)	81.77	81.70	0.07	0.09
GBP/INR (Nse Mar.)	81.91	81.72	0.19	0.23
JPY/INR (Nse Mar.)	58.97	58.89	0.08	0.14

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 65.20 with SL of 65.40 for the target of 64.80 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	64.52	64.83	64.94	65.14	65.25	65.45	65.76
JPYINR	58.60	58.82	58.90	59.04	59.12	59.26	59.48

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	81.55	81.73	81.82	81.91	82.00	82.09	82.27
EURINR	70.27	70.49	70.60	70.71	70.82	70.93	71.15

Economic Indicators

Date	Time	Data	Prior	Expected	Impact
29.03.17	05:20 PM	Retail Sales y/y	1.0%	0.7%	Actual > Forecast = Good for currency; JPYINR
29.03.17	07:30 PM	Pending Home Sales m/m	-2.8%	2.3%	Actual > Forecast = Good for currency; USDINR
29.03.17	08:00 PM	Crude Oil Inventories	5.0M		

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