Currency Highlights

30th March'2017

HighLights:

- Indian Rupee closed past 65-mark in Tuesday's trade

- US Pending Home Sales increased by 5.5 percent in February

- German Import Prices fell to 0.7 percent in previous month

- UK's Net Lending to Individuals rose to 4.9 bn Pounds in Feb

Indian Rupee continued to gain for third consecutive day and appreciated around 14 paise to end at 64.91 against the US dollar on Wednesday. The currency appreciated on account of selling of dollars from exporters and banks. Moreover, inflow of foreign funds in equities and debt markets along with upbeat global market sentiments kept the currency in positive territory.

So far this year, rupee has gained 4.43%, while foreign institutional investors have bought $4.86 billion and $3.09 billion from local equity and debt markets, respectively. Indian Rupee moved in the range of 64.86 to 65.10 in Wednesday's trade.

Market Highlights				
	Last	Prev Cl.	Price Chng	Price Chng %
Dollar Index	100.11	100	0.11	0.11
USD/INR (Spot)	64.88	64.78	0.10	0.15
USD/INR (Nse Mar.)	65.12	65.30	(0.18)	(0.28)
EUR/INR (Spot)	69.70	69.84	(0.14)	(0.20)
EUR/INR (Nse Mar.)	70.42	71.07	(0.65)	(0.92)
GBP/INR (Spot)	80.68	80.55	0.13	0.16
GBP/INR (Nse Mar.)	81.91	81.72	0.19	0.23
JPY/INR (Nse Mar.)	58.90	59.23	(0.33)	(0.56)

The Reserve Bank of India (RBI) fixed reference rate for the dollar was seen at 64.9552 and Euro stood at 70.1061 as on 29th Mar'17.

For the month of March 2017, FII inflows in equities totalled at Rs.23435.32 crores ($3539.84 million) as on 29th March 2017. Year to date basis, net capital inflows stood at Rs.32160.90 crores ($4842.28 million) as on 29th March 2017.

US Dollar Index rose around 0.3 percent in Wednesday'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 Pending Home Sales increased by 5.5 percent in February as against a decline of 2.8 percent in January.

Euro against dollar fell around 0.43 percent on Wednesday on account of strength in the dollar index. However, upbeat global market sentiments cushioned sharp fall in the currency.

German Import Prices fell to 0.7 percent in February as against a rise of 0.9 percent in January.

The Sterling Pound fell around 0.13 percent in Wednesday's trade on account of strength in the dollar index. However, upbeat global market sentiments along with mixed economic data from the country restricted sharp fall in the currency.

UK's Net Lending to Individuals gained to 4.9 billion Pounds in February as against a rise of 4.8 billion Pounds in January. Money Supply plunged by 0.3 percent in previous month from an increase of 0.9 percent in January. Mortgage Approvals dropped to 68,000 in February with respect to 69,000 in January.

The Japanese Yen against dollar appreciated around 0.1 percent in Wednesday's trading session due to rise in risk aversion in global market sentiments in early part of the trade which led to increase in demand for the low yielding currency.

USDINR

JPYINR

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.

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	64.66	64.92	65.02	65.18	65.28	65.44	65.70
JPYINR	57.94	58.37	58.64	58.80	59.07	59.23	59.66

Choice
Nurturing Financial Excellence

GBPINR

EURINR

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 levels in the coming trading sessions.

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 o 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 71.10 levels in the coming trading session.

Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
GBPINR	79.93	80.56	80.89	81.19	81.52	81.82	82.45
EURINR	69.23	69.92	70.17	70.61	70.86	71.30	71.99

Currency Highlights

30th March'2017

Economic Indicators					
Date	Time	Data	Prior	Expected	Impact
30.03.17	06:00 PM	Final GDP q/q	1.9%	2.0%	Actual > Forecast = Good for currency; USDINR
30.03.17	06:00 PM	Unemployment Claims	261K	244K	Actual < Forecast = Good for currency; USDINR

Contact Us

Kkunal Parar
Sr. Research Associate
Kkunal.parar@choiceindia.com

Amit Pathania
Research Associate
amit.pathania@choiceindia.com

Anish Vyas
Sr. Research Associate
anish.vyas@choiceindia.com

Vikas Chaudhari
Research Associate
vikas.chaudhari@choiceindia.com

customercare@choiceindia.com

www.choicebroking.in

follow us on twitter

Linked in

G+

f

You Tube

Disclaimer

SEBI Certified – Research Analyst   Equities I Commodities I Currencies I Mutual Funds