

Weekly Report

USDINR: 64.25

USDINR gave an uptick towards 64.70-64.80 as equity markets saw FPI outflows in the first week of April. The pair however could not sustain above 64.75 levels and continues to fall. The pair has been supported near the lows at around 64.20 by the Reserve Bank. The pair is likely to test 63.80 in coming days.

Strategy: As discussed previously, USDINR has broken the key support of 64.70. The pair is now headed towards 63.80-64.00 level which is the next support zone. Importers are advised to hold exposure with stop loss above 64.80 whereas exporters are advised to hedge using options.

EURUSD: 1.0870

EURUSD reversed its downward path, jumping to three month high after the favorable outcome of the French election. French election will however, continue to hog the limelight as the next & final round of French election is on May 7. A win by candidate Macron will take euro even higher.

Strategy: The pair finds crucial resistance at 1.0940 above which the pair is likely to move towards 1.12 levels.

GBPUSD: 1.2810

Pound continues to head higher post the announcement of elections by British PM Theresa May. The move is likely cement May's place in the government as she has resounding support from the people. The economic data released in the past week also supported the pound.

Strategy: The Pair has support near 1.2720 and resistance near 1.2860 levels.

Dollar Index: 99.02

Dollar index fell to its lowest in three months on the back of euro strength. Markets have also become sceptical about the lack of any reform or decisions by Trump. This has led to broad based weakness in the dollar index.

Range: The immediate resistance is now close to 100.25. On the lower side, immediate support is at 98.60 followed by 98.20.

Gold: \$1274

Gold prices rose to the highest level in nearly 7 months last week but fell afterwards on the back of lower demand at higher levels as well as easing of political turmoil in the Korean peninsula.

Strategy: Gold has immediate resistance at \$1302 whereas support lies near \$1265. A break above \$1305 on closing basis can take gold prices towards \$1380.

Brent Crude: \$52.18

Crude prices continued to fall as stockpiles in US rose to record highs amid concerns that shale gas producers were returning to production on the back of firmer oil prices.

Strategy: Immediate support \$51.20 Resistance \$53.65.

 **Nifty: 9290**

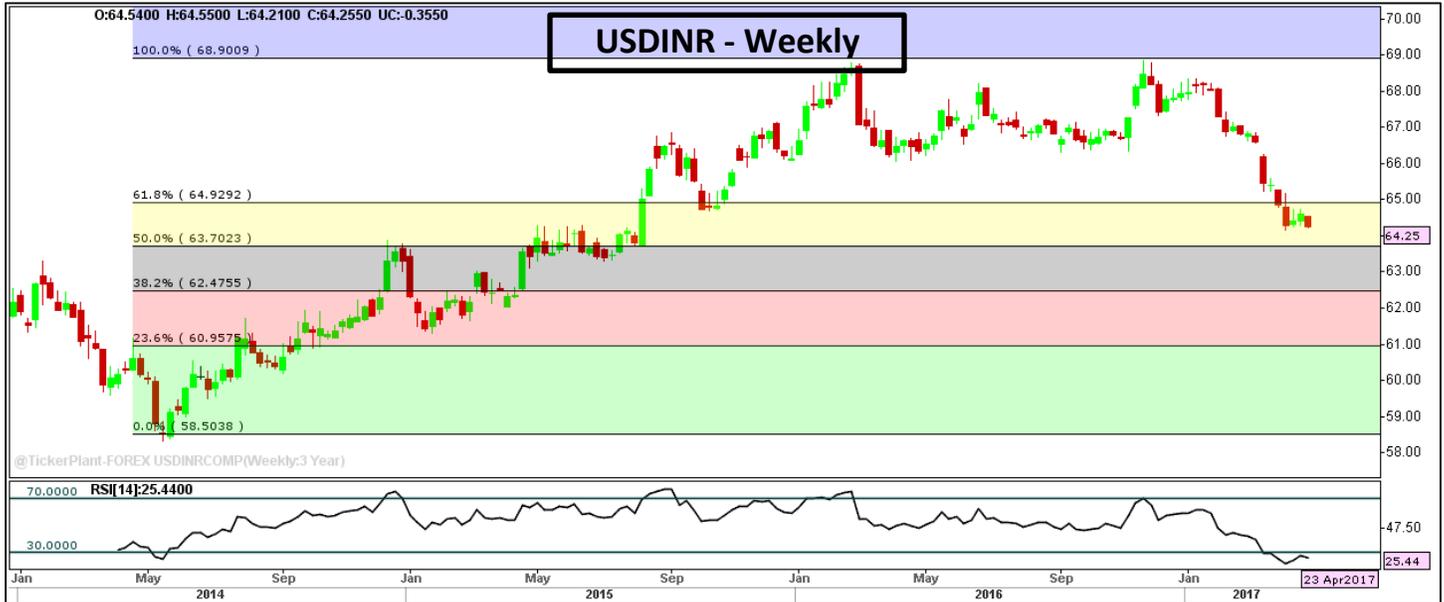
Nifty is now seeing fresh bout of FII investments, after taking support near the crucial levels of 9080-9100. Nifty is currently trading at new lifetime high, above the resistance level of 9280, supported by the positive global cues.

Strategy: The next crucial resistance for the index is now at 9340, beyond which it could test 9450-9500 levels. Downside support is at 9180.

Events Calendar:

Date	Description	Actual	Previous	Expected
17 Apr 2017	UK/AUS Easter Holiday			
17 Apr 2017	CHN GDP (Q1)	6.9%	6.8%	
17 Apr 2017	CHN Industrial Production (Feb)	7.6%	6.3%	
17 Apr 2017	JP BoJ Governor Kuroda Speech			
18 Apr 2017	AUS RBA Meeting Minutes			
18 Apr 2017	US Industrial Production (Mar)	0.5%	0%	
20 Apr 2017	US Initial Jobless Claims	244k	234k	
20 Apr 2017	EUR Consumer Confidence (Apr)	-3.6	-5.0	
21 Apr 2017	EUR Manufacturing PMI (Apr)	56.8	56.2	
21 Apr 2017	EUR Service PMI (Apr)	56.2	56.0	
21 Apr 2017	US Manufacturing PMI (Apr)	52.8	53.3	
21 Apr 2017	US Services PMI (Apr)	52.5	52.8	
Coming Week -				
27 Apr 2017	JP BoJ Interest Rate Decision		-0.1%	-0.1%
27 Apr 2017	EU ECB Interest Rate Decision		0%	0%
27 Apr 2017	US Initial Jobless Claims		244k	241k
28 Apr 2017	IND Federal Fiscal Deficit(Mar)		6056.14B	
28 Apr 2017	IND Infrastructure Output		1%	

Technical Outlook:



The next crucial support for the USDINR pair is now close to 63.80 levels. RSI is in oversold condition, indicating that the pair might reverse anytime in the coming days. However, only a move above 64.80, on closing basis, would negate the current downward trend.

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