

## Market Overview

Asian stocks pulled back in early trade on Tuesday, while the dollar bounced back from a five-month low after the US Treasury Secretary's comments supported a stronger currency, although escalating tensions over North Korea capped gains.

Wall Street posted its first session of gains in four, as investors turned their attention to first-quarter corporate earnings.

The dollar edged higher after US Treasury Secretary said he saw the currency's strength over the long term as a positive, although he agreed with Trump's view that it hurts exports in the short term.

US housing starts and building permits for March, as well as industrial production, are also due later in the session.

Rupee against the Dollar is expected to open at 64.50 and markets might see a continued Dollar buying today. Major private banks were said to have built long positions on USD in the last leg of trade yesterday.

Following North Korea's failed missile launch on Sunday, tensions have escalated amid concerns that the isolated state may soon test another nuclear bomb or missile.

US Veep Mike Pence warned North Korea yesterday that recent American military strikes in Syria and Afghanistan showed President Donald Trump's resolve should not be questioned, but Pyongyang vowed to continue its tests.

While praising China for stepping up efforts to rein its neighbour and ally, Pence and South Korea's acting president, Hwang Kyo-ahn, said they would proceed with the early deployment to South Korea of the US THAAD missile-defence system, in spite of China's objections.

The focus is now firmly on future missile tests from North Korea and whether any future tests will actually be successful.

Indices	Last Close	Previous Close	% CHANGE
NASDAQ	5856.79	5805.15	0.89
DOW JONES	20636.92	20453.25	0.90
NIKKEI	18475.50	18335.63	0.76
HANGSENG	24242.00	24297.00	-0.23

  

Currencies	Today Morning	Yesterday at 05:00 PM	% CHANGE
DXY	100.19	100.20	-0.01
EURUSD	1.0650	1.0636	0.13
GBPUSD	1.2560	1.2542	0.14
USDJPY	108.95	108.35	0.55

  

	Today Morning	Yesterday at 05:00 PM	% CHANGE
USDINR Spot	64.49	64.51	-0.03
IRF	103.98	103.99	-0.01

## USDINR Intraday Outlook

The rupee after an open around 64.50 a dollar is expected to trade in the range of 64.45-64.75 a dollar.

There has been a risk-averse sentiment across the globe, due to ongoing geopolitical tension between the US and North Korea, which might keep overseas investors away from Indian markets.

However, some relief to the rupee is expected as foreign banks might sell the greenback for their dollar receivables, bunched up in banks' Nostro accounts.

Some sales of dollars by exporters, in case the rupee falls to 64.70 a dollar, may support the rupee during the day.

The rupee would also take cues from the dollar index and offshore non-deliverable forwards today.



This is the daily chart of USDINR pair, during the day the pair was consolidating in the range of after opening at 64.57 and made a low of 64.38 and was trading side wise after taking support of 64.38, the pair has been taken support near 64.15 spot levels with a doji kind of pattern signifying in indecision, the pair on spot basis has been consolidating in the range of 64.15-64.82 levels for past weeks with RSI remaining oversold at 32.83, today likely to consolidate in today's session.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)	
<b>Sideways</b>	<b>BUY USDINR FUT 64.52-64.45 TGT 64.70 SL 64.35</b>						<b>64.45-64.75</b>	
<b>Pivot Levels (Futures)</b>	<b>S3</b>	<b>S2</b>	<b>S1</b>	<b>Pivot</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>	
	64.23	64.32	64.38	64.50	64.75	64.82	64.91	
<b>Exporters Strategy</b>	May Exports to be held open with a stop below 64.60							
<b>Importers Strategy</b>	Suggest May imports to be partially hedged at 64.85-64.90 levels							

## EURINR Intraday Outlook

EURO is trading at 1.0651, after making a one-month low of 1.0570 into the N.Y. open. First half of yesterday's session remained silent with trading almost being non-existent as European markets were closed for Easter Monday but things have began to pick up after trader returned to their desk in us session. Key reason for euro's appreciations was US dollar's weakness amid rising tensions over North Korea. Adding to that, economic data reported from US was also weaker which added some more downward pressure to US dollar and helped euro to gain. One of the major event that euro trader would watch out is the upcoming French elections which are scheduled for this weekend. Where, as per a recent survey polls are tightening, as the recent terror attacks across euro has helped anti- EU and anti- immigration leader Le Pen to gain some popularity. If Le Pen wins the risk of France leaving EU will increase, with this in the mind of the trader we can see some range bound activity happening in EUR/USD pair. Today there is no economic data to be reported from Europe and the focus would remain on upcoming French elections and US dollar movement.



This is the daily chart of EURUSD, during the day the pair was trading in the range of 1.0600-1.0670 after opening at 1.0613 the pair is trading near to 50DMA at 1.0650 after a strong bullish candle, the pair after failing to get pass 1.09 (200DMA and downward sloping trend line meeting at 1.09 levels) has revered and struggling to move above the previous resistance of 1.0825 levels and has been consolidating the narrow band during the week, if the pair able to trade above 1.0670 levels likely to see higher levels in today's session.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)	
<b>Bullish</b>	<b>BUY EURUSD 1.0635-1.0610 TGT 1.0670 SL 1.0590</b> <b>BUY EURINR FUT 68.65-68.58 TGT 68.98 SL 68.45</b>						<b>68.40-68.90</b>	
Pivot Levels (Futures)	S3	S2	S1	Pivot	R1	R2	R3	
	68.32	68.45	68.53	68.70	68.95	69.04	69.17	
Exporters Strategy	May exports to be held open with a stop below 68.90							
Importers Strategy	May imports to be partially booked at 69.10 levels							

## GBPINR Intraday Outlook

Pound is trading at 1.2563, after making a high of 1.2599 in yesterday's session. First half of yesterday's session remained silent with trading almost being non-existent as UK markets were closed for Easter Monday but things have begun to pick up after trader returned to their desk in us session. There was no economic data which was reported in yesterday's session. The regional calendar to remain light even today. This week, the focus would be on UK's retail sales data where the expectations are set at -0.2%. GBP can move on either ways depending on the reported reading. For today expect GBP/USD pair to remain sideways and major move would be caused by US dollar movement.



This is the daily chart of GBPUSD, during the day the pair was trading in the range of 1.2520 on the downside and 1.2595 on the upside, the pair made after opening at 1.2528 was trading with a positive bias and continued its intermediate uptrend, the pair has been making higher top and bottom and likely to test the recent swing high of 1.2615 in coming session, traders can utilize dips to buy the pair.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)
<b>Bullish</b>	<b>BUY 1.2545-1.2530 SL 1.2500 TGT 1.2605</b> <b>BUY GBPINR FUT 81.05-81.00 TGT 81.42 SL 80.89</b>						<b>80.85-81.35</b>
<b>Pivot Levels (Futures)</b>	<b>S3</b>	<b>S2</b>	<b>S1</b>	<b>Pivot</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>
	80.62	80.74	80.82	81.00	81.29	81.36	81.48
<b>Exporters Strategy</b>	May exports to be held open with a stop below 81.20						
<b>Importers Strategy</b>	May imports to be partially hedged at 81.50-81.60 levels						

## JPYINR Intraday Outlook

USD/JPY is trading at 108.97, rebounding from the levels of 108.11 in yesterday's session which was a five-month low. Key reason for this move was because of US dollar weakness amid rising tensions over North Korea. Adding to that, economic data reported from US was also weaker which added some more downward pressure to US dollar and falling treasury yields added some more pressure. There was no economic data to be reported for the day from Japanese economy. Looking forward, we expect Yen to appreciate against US dollar as rising geopolitical tension has kept US dollar to trade lower.



The USDJPY Daily chart, during the day the pair was trading with a negative bias the pair after violating the descending triangle neckline below 110 levels had a trending move on the downside, with the pair falling for past many days, the pair had continued its downtrend making lower top and bottom on the daily chart signifying more room on the down side, the pair has taken support at 200DMA at 108.75 and made a hammer pattern on the daily scale with RSI remaining oversold at 33.50 levels if the pair able to hold 108 then can head towards the neckline of triangle so intraday traders can utilize dips to buy the pair.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)	
<b>Bearish</b>	<b>BUY USDJPY 108.70-108.50 TGT 109.40 SL 108.30</b> <b>SELL JPYINR FUT 59.42-59.55 TGT 59.05 SL 59.65</b>						<b>59.00-59.50</b>	
Pivot Levels (Futures)	<b>S3</b>	<b>S2</b>	<b>S1</b>	<b>Pivot</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>	
	59.07	59.26	59.37	59.50	59.84	59.95	60.14	
Exporters Strategy	May exports to be held open with a stop below 59.50							
Importers Strategy	May imports to be partially booked at 59.70							

## Economic Data for the Day

Time	Currency	Data	Forecast	Previous
06:00 PM	USD	Building Permits	1.25M	1.22M
06:00 PM	USD	Housing Starts	1.25M	1.29M
06:45 PM	USD	Capacity Utilization Rate	76.3%	75.4%
06:45 PM	USD	Industrial Production m/m	0.5%	0.0%

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