

Market Overview

U.S. indices rallied yesterday as a round of solid earnings pushed equities higher. U.S. equities are consolidating gains in the wake of the mean reversion on jobless claims and Philly Fed, which didn't overly perturb investors after mixed signals from global stocks overnight. Focus remains on simmering geopolitics, after further threats from N. Korea and ahead of French elections this weekend.

Asian shares mostly gained today while monitoring events following a suspected terrorist shooting in Paris days ahead of presidential polls in France and as comments overnight on U.S. tax policy lifted overall sentiment.

The dollar rose slightly in early Asia on Friday following a suspected terrorist shooting in Paris ahead of the first round of the presidential election at the weekend that sent jitters through the markets though the euro held gains as well.

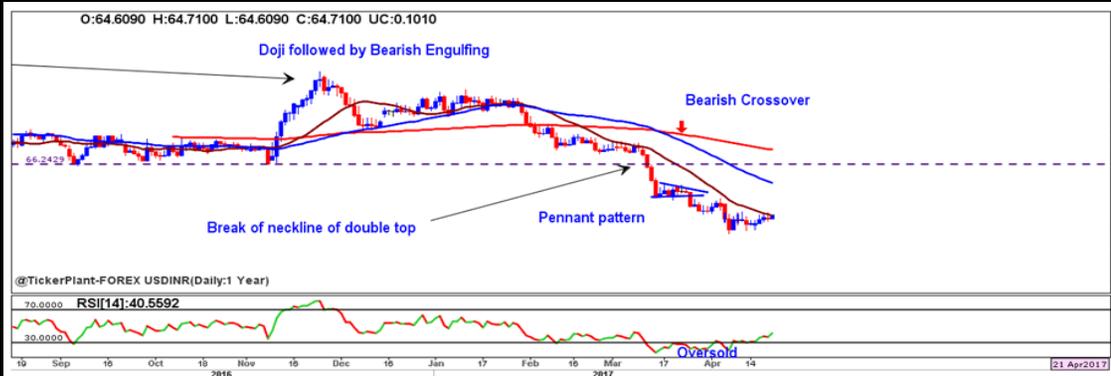
The Rupee opened weak against the Dollar at 64.64 levels. 64.80 on USDINR Spot would be watched on.

French Election Turning Into Four Way Race It was supposed to be another quiet holiday week, as markets returned from the long Easter holiday break in Europe on Tuesday, but the U.K.'s surprise announcement of a snap election on June 8 and the fact that the French Presidential election is turning into a tight four-way race managed to shake things up. In the U.K. May is set to strengthen her position ahead of the "real" start of Brexit negotiations, while in France EU-critics from either side of the political spectrum are threatening to rekindle Brexit talks, leaving EU officials and central bankers fearing market disruptions and capital flight in an extreme case scenario. The most likely outcome is still a Macron victory in France, that would likely see things settle down quickly, but the risk of market disruptions next week should not be underestimated.

Indices	Last Close	Previous Close	% CHANGE
NASDAQ	5916.78	5863.03	0.92
DOW JONES	20578.71	20404.49	0.85
NIKKEI	18571.50	18436.50	0.73
HANGSENG	24061.00	23827.00	0.98
Currencies	Today Morning	Yesterday at 05:00 PM	% CHANGE
DXY	99.83	99.81	0.02
EURUSD	1.0715	1.0742	-0.25
GBPUSD	1.2796	1.2795	0.01
USDJPY	109.21	109.07	0.13
	Today Morning	Yesterday at 05:00 PM	% CHANGE
USDINR Spot	64.64	64.56	0.12
IRF	103.50	103.90	-0.38

USDINR Intraday Outlook

US dollar index is trading at 99.72, rebounding from the lows of 99.26 in yesterday's session. Economic data which was released was lower than expected with initial jobless claims being reported at 244,000 where the expectations were 242,000 as well as Philadelphia Fed Manufacturing Index numbers were expected to be higher at 25.0 but was reported at 22.0. But the incoming lower than expected data dint had any weigh on US dollar, as it was boosted by rising Treasury yields though U.S. data revealed slightly higher jobless claims, and a better leading indicators outcome, the later of which gave the dollar a modest boost. And supportive was a comment from Treasury Secretary Mnuchin also gave dollar a boost where he said that a major tax reform plan will be brought out very soon. Today's calendar is packed with Manufacturing PMI, Services PMI and Existing Home Sales being reported later this evening. Better than expected data will add some boost to US dollar to strengthen against majors.



This is the daily chart of USDINR pair, during the day the pair was trading sideways to positive after opening at 64.70 and made a high of 64.76 and corrected in the last trading hours, today likely to open on a positive note, the pair has been taken support near 64.15 spot levels and trading below major moving average 10DMA and 21DMA with lower top and bottom on the daily time frame and for past many days has been consolidating in the range of 64.15-64.80 spot and the trend likely to continue until a breakout occurs.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)
Sideways	SELL USDINR FUT 64.80-64.85 TGT 64.58 SL 65.00						64.50-64.75
Pivot Levels (Futures)	S3	S2	S1	Pivot	R1	R2	R3
	64.33	64.40	64.44	64.70	64.79	64.83	64.90
Exporters Strategy	May Exports to be held open with a stop below 64.70						
Importers Strategy	May imports partially hedged at 64.85-64.90						

EURINR Intraday Outlook

Euro against dollar is trading at 1.0718, after making a high of 1.0780 in yesterday's session as profit booking came in picture. This Euro traded mostly higher in this week against US dollar as market participants remained optimistic about the upcoming French election on this Sunday. The investors were least worried as a poll has showed that centrist Emmanuel Macron would easily beat far-right, anti-European Union candidate Marine Le Pen in the second round on May 7. German Manufacturing PMI and Services PMI along with euro zone's Manufacturing PMI, Markit Composite PMI and Services PMI are scheduled to be reported today. Better than expected economic data will add some boost to euro, but the key theme would be the French election which are just 2 days ahead.



This is the daily chart of EURUSD, during the day the pair opened at 1.0710 and made a high of 1.0776 and was trading with a positive bias, and in us session the pair reversed on a smaller time frame and made a shooting star pattern, so bears came in and dragged the prices lower, the pair broke out of trading range of 1.0600-1.0670 few days back now that will become support on the downside and shooting star high will become resistance 1.0770 levels so likely to be choppy in this range.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)	
Bearish	SELL EURUSD 1.0745-1.0760 TGT 1.0675 SL 1.0775 SELL EURINR FUT 69.50-69.60 TGT 69.19 SL 69.74						69.10-69.50	
Pivot Levels (Futures)	S3	S2	S1	Pivot	R1	R2	R3	
	68.99	69.13	69.22	69.50	69.67	69.76	69.90	
Exporters Strategy	May exports to be held open with a stop below 69.30							
Importers Strategy	May imports partially booked at 69.10 levels							

GBPINR Intraday Outlook

Pound is quoting at 1.2799 after making a high of 1.2851 in yesterday's session. Bank of England Governor Carney avoided talking about the economy or monetary policy in his speech, which appears to have given investors the green light to drive the currency higher. U.K. retail sales are scheduled for release on Friday and economists are looking for spending to contract after last month's strong rise. A pullback would be consistent with lower shop prices and softer spending reported by the British Retail Consortium. As the most important piece of U.K. data this week and a key input for monetary policy. Today's data can determine further trend of GBP/USD pair.



This is the daily chart of GBPUSD, during the previous day the pair was trading near 1.28 levels after opening at 1.2781 made a high of 1.2847, yesterday the pair in the European session was trading with a positive bias, the pair a day before broke out of the strong resistance of 1.27 levels and had a trending move on the upside with a strong bullish candle and MACD indicator giving a positive crossover, signifying buyers are willing to pay more and more demand the pair has now started a higher high higher low formation which suggests reversal of shorter trend from down to up traders can utilize dips to buy the pair.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)	
Bullish	BUY 1.2775-1.2760 SL 1.2730 TGT 1.2825 BUY GBPINR FUT 82.58-82.50 TGT 82.90 SL 82.35						82.40-82.90	
Pivot Levels (Futures)	S3	S2	S1	Pivot	R1	R2	R3	
	82.20	82.37	82.46	82.80	82.99	83.08	83.25	
Exporters Strategy	May exports partially booked at 83.35 levels							
Importers Strategy	May imports partially hedged at 81.50-81.60 levels							

JPYINR Intraday Outlook

Yen weakness on the other hand is supported by Bank of Japan Governor Kuroda's comment that the current pace of bond purchases will continue for some time. He's promising a longer period of easy monetary policy, which stands in stark contrast to the Fed's tightening plans.

USD-JPY has settled in the upper 108s. Gains above 109.00 proved to be fleeting, with geopolitical risks and less acute Fed tightening expectations maintaining some safe haven demand for the yen on the one hand and a sell-on-gains play on the dollar on the other hand. Japan released better than expected trade today, though to little market impact, with both export and import growth rising in March figures, with the imports growth rate hitting its highest in three years on the back of the stronger yen (which is presently up over 7% versus the dollar on the year-to-date).



The USDJPY Daily chart , during the day the pair was trading with a sidewise to positive bias after opening at 108.84 and low of 108.69, the pair violated the near term resistance of 109. and now hovering there if the able to surpass and trade above there can expect some more bounce where the pair breakdown came of the descending triangle neckline below 110 levels, , so likely to trade with some positive bias during the day with strong supports at 200DMA at 108.70 levels.

Intraday Bias	Intraday Strategy						Intraday Range (SPOT)
Bearish	Buy USDJPY 108.90-108.70 TGT 109.50 SL 108.50 SELL JPYINR FUT 59.45-59.50 TGT 59.00 SL 59.65						59.00-59.50
Pivot Levels (Futures)	S3	S2	S1	Pivot	R1	R2	R3
	58.95	59.04	59.10	59.30	59.44	59.50	59.59
Exporters Strategy	May exports to be partially booked at 59.50						
Importers Strategy	May imports partially booked at 59.70. 59.20 could be looked upon to book further						

Economic Data for the Day

Time	Currency	Data	Forecast	Previous
12:30 PM	EUR	French Flash Manufacturing PMI	53.2	53.3
12:30 PM	EUR	French Flash Services PMI	57.2	57.5
01:00 PM	EUR	German Flash Manufacturing PMI	58.1	58.3
01:00 PM	EUR	German Flash Services PMI	55.5	55.6
01:30 PM	EUR	Flash Manufacturing PMI	56.1	56.2
01:30 PM	EUR	Flash Services PMI	56.0	56.0
02:00 PM	GBP	Retail Sales m/m	-0.3%	1.4%
05:15 PM	GBP	MPC Member Saunders Speaks		
07:00 PM	USD	FOMC Member Kashkari Speaks		
07:30 PM	USD	Existing Home Sales	5.61M	5.48M

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