

## HighLights:

Federal Reserve (Fed) Bank of New York president William Dudley gave an upbeat assessment of the economy on Monday and warned against the central bank taking a pause in the tightening cycle.

Following much the same line of thinking as Fed chair Janet Yellen in last week's press conference after the central bank hiked rates for the second time this year, Dudley suggested that current levels of unemployment and inflation were a "pretty good place to be".

In a business roundtable held in Plattsburg, NY on Friday, he stated that he was "very confident" that there is "quite a long ways to go" in the upcoming expansion and felt that the U.S. economy was close to full employment .

Dudley did admit that inflation was a "little lower" than the Fed would like, but said he expected wages to pick up as the labor market continues to tighten.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	97.15	97.16	-0.01	-0.01
USD/INR (Spot)	64.41	64.46	-0.05	-0.08
USD/INR (Nse June)	64.49	64.51	-0.02	-0.03
EUR/INR (Spot)	72.16	72.18	-0.02	-0.03
EUR/INR (Nse June)	72.29	72.14	0.15	0.21
GBP/INR (Spot)	82.41	82.35	0.06	0.07
GBP/INR (Nse June)	82.55	82.44	0.11	0.13
JPY/INR (Nse June)	58.14	57.98	0.16	0.28

With regard to the future of U.S. monetary policy, Dudley insisted that "halting (the) tightening cycle would imperil the economy."

The dollar strengthened on the back of Dudley's remarks. The US dollar index, which tracks the greenback against a basket of six major rivals, was last up 0.13% at 96.99, compared to 96.86 ahead of Dudley's statements.

After the speech, EUR/USD was trading at 1.1180 from around 1.1197 ahead of the event, GBP/USD was at 1.2772, compared to 1.2788 previously, while USD/JPY was at 111.26 from 111.05 earlier.

The yield on 10-year U.S. Treasuries also turned around from earlier losses and was last up 0.54% at 2.169%.

Last week saw a plethora of bad economic news stateside, starting with continued weakness in inflation, consumer confidence, housing and manufacturing. The Fed followed their script and removed the expected amount of stimulus on the assumption that inflation and the U.S economy will improve.

This week should be much quieter on the central bank and economic fundamental front with only the Reserve Bank of New Zealand (RBNZ) announcing its monetary policy decision (June 21) – expected to maintain at +1.75%. In the U.S, flash June PMI surveys will give investors their first look at this month's and Q2 end data. North of the border, Canada releases its May consumer price data and April's retail sales.

## USDINR



### Technical View:

On a weekly chart, the pair has been trading in its horizontal channel pattern formation from past few weeks and taken the support of its lower band of the channel at 64 levels.

On a weekly chart, the pair has formed hammer candle stick pattern, which is bullish reversal candle stick pattern.

Moreover, prices have been trading above its 21 DSMA which gives the sign of bullishness in the prices.

A momentum indicator RSI has taken of its horizontal trend line at 30 levels, which suggest the possibilities of upside momentum in the prices.

So for trading perspective, one can buy USDINR in the range of 64.40 with SL of 64.20 for the target of 64.90 levels.

## JPYINR



### Technical View:

On a daily chart, the price has been trading in its falling channel pattern formation and price has faced the resistance of its upper band of channel at 58.20 levels.

Moreover, prices have been trading below its 50 DSMA which gives the sign of bearishness in the prices.

On a daily chart momentum indicator, RSI has remained below 60 levels which indicates downside movement in the prices.

In addition, momentum indicator MACD has shown negative crossover which suggests further downside momentum in the prices on a daily chart.

So for trading perspective, one can sell JPYINR in the range of 58.25 with SL of 58.60 for the target of 57.60 levels.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
<b>USDINR</b>	64.24	64.35	64.41	64.46	64.52	64.57	64.68
<b>JPYINR</b>	57.79	57.94	58.04	58.09	58.19	58.24	58.39

## GBPINR



### Technical View:

On a daily chart, the price has been trading in falling wedge formation and price has faced resistance of its upper band of wedge pattern at 84.60 levels.

The pair has faced resistance of its horizontal trend line at 84.50 levels on a daily chart.

Moreover, prices have been trading below its 50 DSMA, which suggest short term trend looks weak.

Moreover, momentum indicator MACD has given negative crossover on a daily chart, which gives the sign of bearishness in the prices.

A momentum indicator RSI has remained below 60 levels on a daily chart, which support our bearish view on the pair.

For now, we expect prices should move lower towards 81.70 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 faced the resistance near its upper band of the channel pattern at 73.50 levels.

The pair has given breakout of its horizontal trend line at 74 levels on the daily chart.

The pair has been trading below its 50 DSMA on a daily chart, which suggests further downside momentum can be seen in the prices.

On a daily chart momentum oscillator, RSI has remained below 60 levels, which suggests the possibilities of further downside momentum in the prices.

A momentum indicator MACD has shown negative crossover on a daily chart.

For now, we can expect prices should move lower towards 71.50 levels in the coming trading session.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
<b>EURINR</b>	72.01	72.13	72.20	72.25	72.32	72.37	72.49
<b>GBPINR</b>	81.50	82.03	82.28	82.56	82.81	83.09	83.62

## Economic Indicators

Date	Time	Data	Prior	Expected	Impact
20.06.17	01:00 PM	BOE Gov Carney Speaks			More hawkish than expected = Good for currency; GBPINR
20.06.17	1:30 PM	Current Account	34.18B	31.3B	Actual > Forecast = Good for currency; EURINR
20.06.17	06:00 PM	Current Account	-112B	-124B	Actual > Forecast = Good for currency; USDINR

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