

February 13, 2015

Bottom line: USDINR can move in a range of 62.70 and 62.10 for few days before it finds a clear direction.

USDINR Daily chart spot:



USDINR 60 mins chart continuous futures:



Wave Analysis:

For USDINR, in the last trading day prices managed to take out the pivot high of 62.50 but failed to give a positive close and moved lower for the rest of the trading hours.

As shown in daily chart, since September 2014 prices are moving lower in a complex fashion where intermediate x completed near the highs of 63.80 and since then wave z is ongoing on downside. Prices have recently shown a bounce on upside post touching the important channel support. This increases the odd that wave z is in matured stage and upside correction have probably been started.

As per bar technique, today was the 7th day where prices have managed to take out the previous bar highs thereby protecting the prior bar lows. Now, as long as this structure remains intact the outlook for this pair will remain positive.

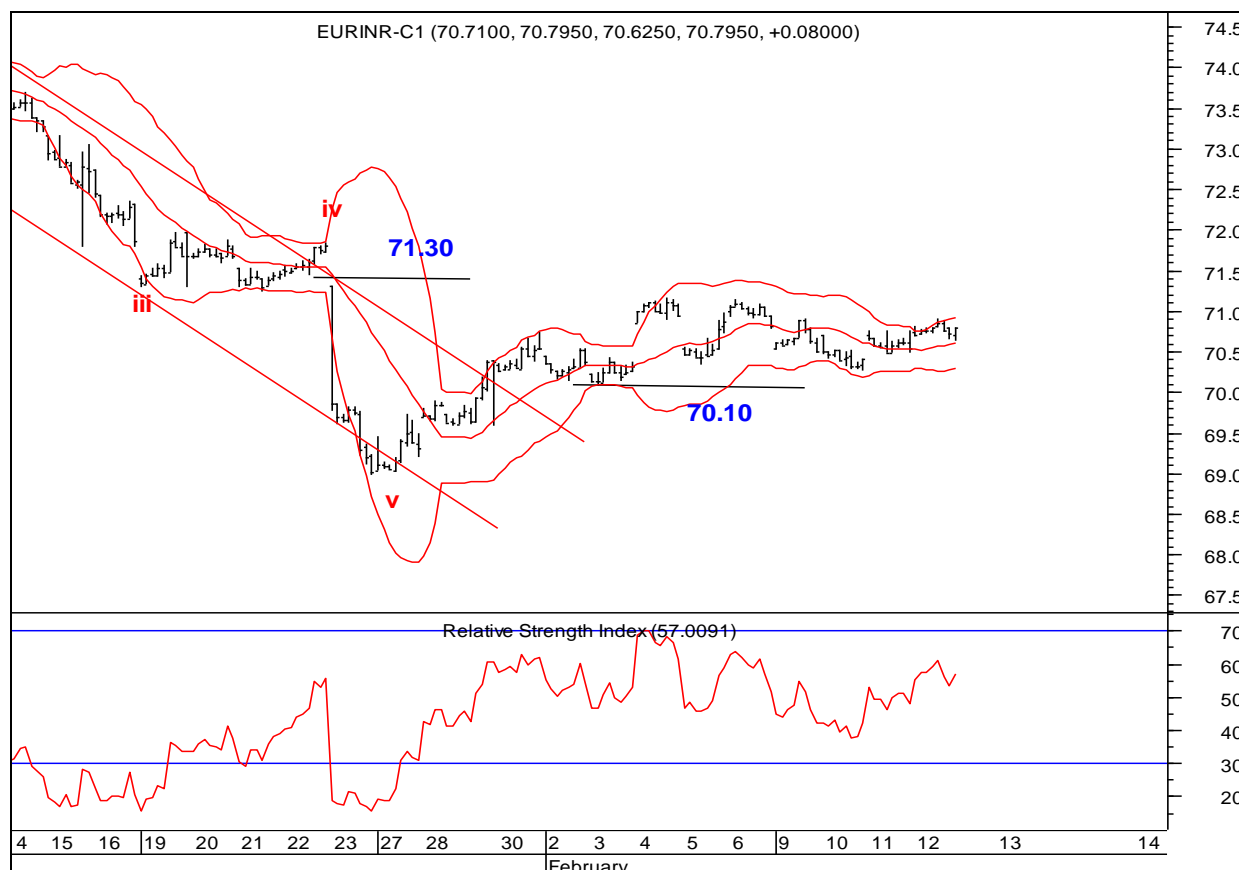
As shown in 60 min chart, USDINR has arrived near the support of red channel post touching the highs of 62.60. The important thing to note down is that prices have protected the crucial gap area which suggests that upside potential is still left in this currency pair. Now, consolidation between 62.10 and 62.70 can be expected.

In short, we can expect range bound action in USDINR before a trending move can emerge. Move below 62.10 will be bearish whereas any move above 62.70 can result into a strong positive movement.

EURINR daily chart spot:



EURINR 60 mins continuous futures chart:



Wave Analysis

For EURINR, yesterday again prices failed to give a trending move on either side and continued to move within the range of 70.10 to 71.30 levels.

As shown in the daily chart, corrections are of two types, one is price wise correction and other is time wise correction. Post the sever selloff from the highs of 80 (fut) levels to the lows of 69 levels prices are now trading in a range. One should know that such correction cannot last for a longer period of time and one should wait for the breakout on either side.

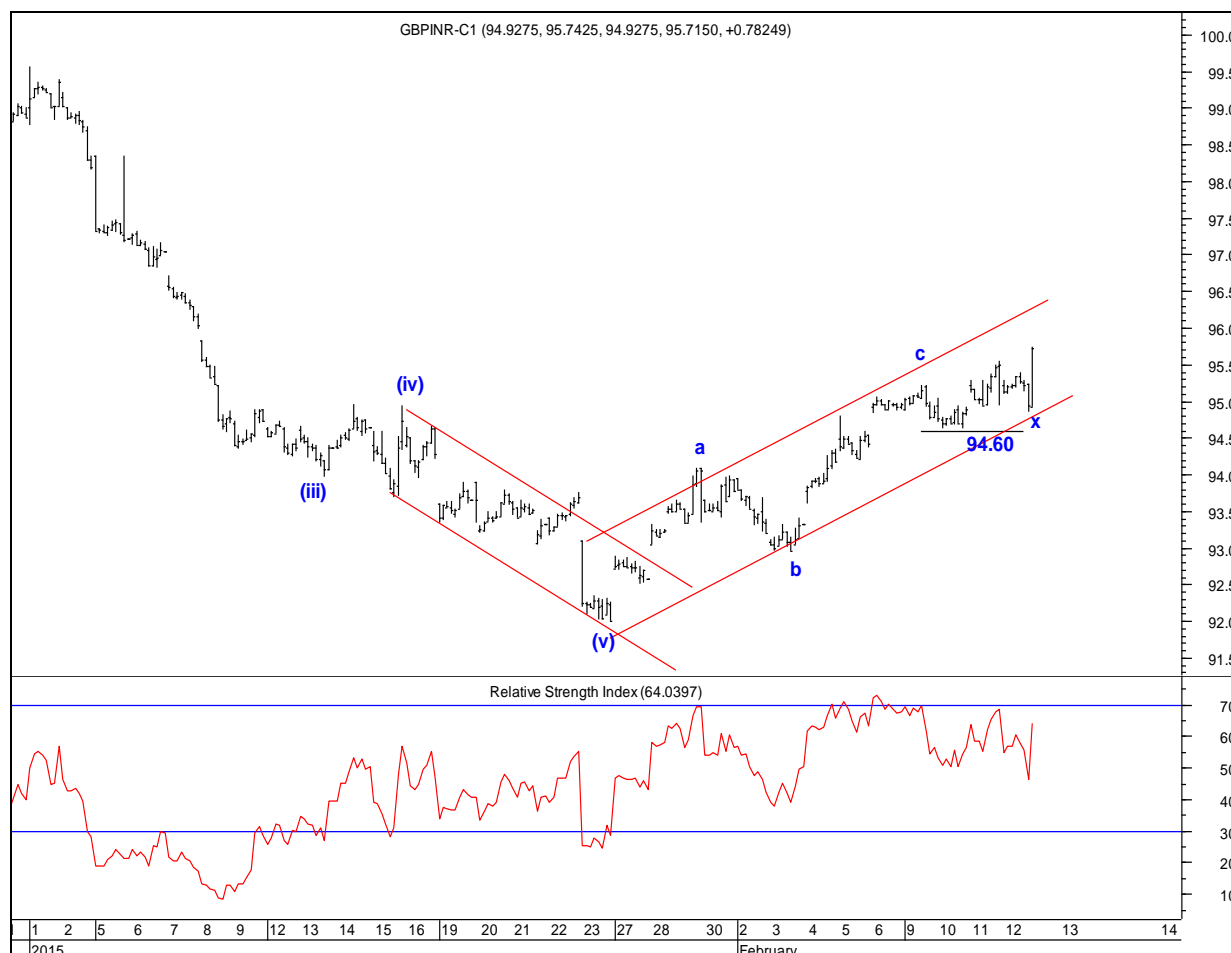
As shown in the 60 min chart, we have applied Bollinger bands which works very well when prices are showing range bound action. As per this indicator the uppermost band act as resistance area and the lower most band act as the support zone. So the immediate resistance for this pair comes near 70.95 levels and the support is placed near 70.35 levels.

In short for EURUSD, unless we don't see a breakout on either side we can witness such sideways action in this pair. Move above 71.30 will suggest that deeper retracement has started on upside however move below 70.10 will indicate the resumption of downtrend.

GBPINR Daily Chart spot:



GBPINR 60 mins Chart:



Wave Analysis:

In the last update we mentioned that, ***“In short, for GBPINR, our view remains positive and prices can reach towards 95.30 levels where channel resistance is placed. On downside 94.20 will act as important support.” BANG ON...!!***

Prices moved in line with our expectation as it moved higher thereby giving a positive close.

As shown in 60 min chart, in the last trading session prices moved lower in the first half of the day however it ended up giving a decisive break on upside. Prices made an intraday high of 95.70 and managed to close above previous bar close which is a bullish factor. As per wave perspective, recent price movements indicates that minor wave x of double correction completed near the recent lows of 94.85 levels and minor wave a has started on upside. Now as long as prices trade above 94.60 levels the short term trend for this currency will remain positive.

In short, for GBPINR, our view remains positive and prices can reach towards 96.30 levels where channel resistance is placed. On downside 94.60 will act as important support.

JPYINR Daily chart:



JPYINR 60 mins chart continuous contract:



Wave Analysis:

For JPYINR, high volatility was witness in the last trading day where prices made an intraday high of 52.63 (fut) levels and post that prices gave up the gains and made a low of 51.94 levels.

As shown in 60 min chart, As per wave perspective, intermediate wave iv completed near the highs of 54.90 (fut) levels and since then prices are moving in intermediate wave v where prices are probably forming ending diagonal pattern. Internal structure of the same suggests that minor wave iv completed at 53.00 levels and currently minor wave v is ongoing on downside. Now as long as prices protect the level of 52.65 on upside the short term trend for this pair will remain negative.

In short, for JPYINR, our view is bearish with the resistance of 52.65 levels. Move below 51.95 can take price towards 51.10 levels where channel support is placed.

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