

February 24, 2022

# Daily Currency Outlook

## Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
EURINR	Mar futures	Sell	85.05	84.75	85.20	1 day

## Research Analysts

**Raj Deepak Singh**  
rajdeepak.singh@icicisecurities.com

**Saif Mukadam**  
saif.mukadam@icicisecurities.com

**Mohit Agarwal**  
mohit.agarwal@icicisecurities.com

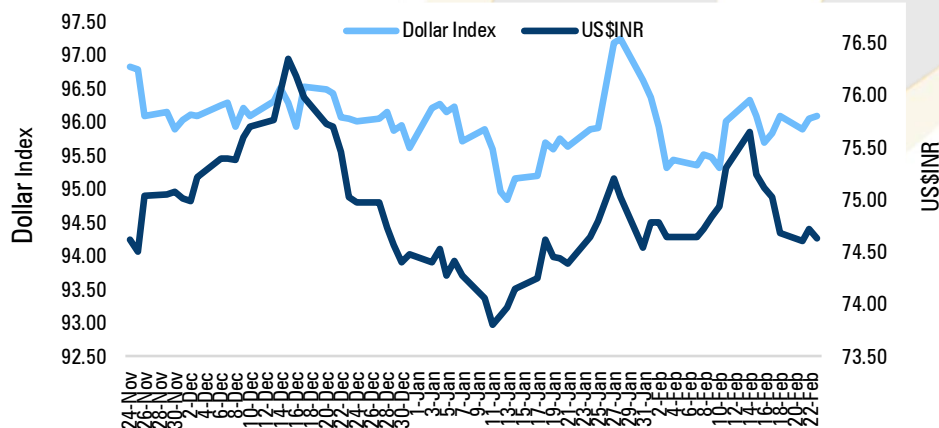
## Domestic Currencies

Futures	LTP	Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR 24FEB2022	74.65	-0.21%	1526147	-14.63%	2288460	-21.16%
EURINR 24FEB2022	84.67	-0.32%	45898	-17.24%	155215	-22.28%
GBPINR 24FEB2022	101.56	0.04%	60938	-8.53%	96806	-45.50%

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
USDINR 24FEB2022	74.46	74.55	74.65	74.74	74.84
USDINR 29MAR2022	74.59	74.75	74.96	75.11	75.33
EURINR 24FEB2022	84.42	84.54	84.65	84.78	84.89
EURINR 29MAR2022	84.80	84.93	85.03	85.16	85.26
GBPINR 24FEB2022	101.32	101.44	101.53	101.66	101.75
GBPINR 29MAR2022	101.67	101.77	101.87	101.97	102.07

## Dollar Index vs US\$INR



- The dollar index edged higher by 0.19% on Wednesday as Ukraine declared a state of emergency and raised concerns about escalating tensions with Russia. Further, pessimistic sentiments in global markets and uptick in US treasury yields continued to support the dollar
- Rupee February futures appreciated by 0.21% due to retreat in crude oil prices. However, risk aversion in the domestic markets weighed on rupee
- The rupee is expected to depreciate today due to stronger dollar and selloff in global markets. However, expectations of FII fund inflows for upcoming LIC's IPO may prevent further decline in the rupee. Meanwhile, investors will remain cautious ahead of GDP data from US. US\$INR (March) is likely to rise towards 75.30

## EURINR Strategy

### EURINR February futures contract (NSE)

Sell EURINR in the range of 85.05- 85.07

Target: 84.75

Stop Loss: 85.20

Support: 84.75/84.50

Resistance: 85.20/85.30

## Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
US\$INR	Feb futures	Buy	74.80	75.10	74.68	Not Initiated

Note: The given recommendation in this report is intraday and should not be linked with positional view & recommendations given in Monthly currency Derivatives and Positional Currency report may have different view.

## Major Currency Pairs

Currency Pair	LTP	P. Close	Change
USDINR	74.62	74.68	-0.20%
EURUSD	1.13	1.13	-0.26%
EURINR	84.26	84.40	-0.16%
GBPUSD	1.35	1.35	-0.29%
GBPINR	101.07	101.06	0.01%

## Global Bonds

Bond Yields	LTP	P. Close	Change
United States 10-Year	1.99	1.94	0.005
United Kingdom 10-Year	1.47	1.48	-0.004
Germany 10-Year	0.23	0.24	-0.014
Japan 10-Year	0.19	0.19	0.000
India 10-Year	6.74	6.74	-0.010

## Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Crores
Equity	9103	11561	-2458
Debt	352	783	-431
Net			-2890

- The Euro edged lower on Wednesday on the back of risk aversion in the global markets and escalating geopolitical tensions in the Ukraine. Further, disappointing economic data from Germany added downside pressure to the single currency. GfK German Consumer Climate declined to -8.1 for March 2022 due to elevated inflation. The eurozone CPI YoY accelerated by 5.1% in January 2022 compared to 5.0% in the previous month
- The Euro is expected to trade with a negative bias today, due to stronger dollar and weaker sentiments in European markets. Further, rising geopolitical tensions in eastern Europe may continue to put pressure on the single currency. However, expectations that European central bank may end its bond purchasing programme to curb higher inflation may continue to support euro on the lower side. EURINR (March) is expected to correct further towards 84.50 levels for the day
- The pound declined 0.29% on Wednesday due to firm dollar and as Bank of England tried to reduce rate hike bets. Further, pessimistic sentiments in the global markets and decline in UK treasury yields weighed on the British currency
- The pound is expected to trade with a negative bias today, due to stronger dollar and risk aversion in the global markets. Further, market participants remain cautious on the British currency amid the rising geopolitical tensions in Ukraine. GBPINR (March) is likely to correct further towards 101.50 levels for the day

TIME (IST)	COUNTRY	DATA & EVENTS	FORECAST	PREVIOUS
4:30 PM	UK	CBI Distributive Trades Survey (Feb)	25.00	28.00
5:00 PM	India	RBI MPC Meeting Minutes	-	-
6:15 PM	Europe	ECB McCaul Speaks	-	-
6:45 PM	UK	BoE Gov Bailey Speaks	-	-
7:00 PM	US	Continuing Jobless Claims	1,580K	1,593K
7:00 PM	US	Core PCE Prices (Q4)	4.90%	4.90%
7:00 PM	US	GDP (QoQ) (Q4)	7.00%	6.90%
7:00 PM	US	Initial Jobless Claims	235K	248K
7:00 PM	US	PCE Prices (Q4)	6.40%	6.50%
8:30 PM	US	New Home Sales (Jan)	806K	811K
9:30 PM	US	Crude Oil Inventories	0.767M	1.121M



---

Pankaj Pandey

Head – Research

[pankaj.pandey@icicisecurities.com](mailto:pankaj.pandey@icicisecurities.com)

ICICI Direct Research Desk,  
ICICI Securities Limited,  
1st Floor, Akruvi Trade Centre,  
Road No 7, MIDC,  
Andheri (East)  
Mumbai – 400 093  
[research@icicidirect.com](mailto:research@icicidirect.com)

---

## ANALYST CERTIFICATION

I/We, Raj Deepak Singh BE, MBA (Finance), Saif Mukadam BSc, MMS (Finance), Mohit Agarwal BSc, MBA (Finance), authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities Limited. The author may be holding a position in currency derivatives as on date of release of this report. ICICI Securities Limited may be holding a proprietary position in currency derivatives as on the date of release of this report." This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. ICICI Securities Ltd and affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Actual results may differ materially from those set forth in projections. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities Ltd and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).