

March 28, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
EURINR	Mar futures	Sell	84.00	83.70	84.15	1 day

Research Analysts

Raj Deepak Singh
rajdeepak.singh@icicisecurities.com

Saif Mukadam
saif.mukadam@icicisecurities.com

Thirushankar C R
thirushankar.cr@icicisecurities.com

Rupee Outlook and Strategy

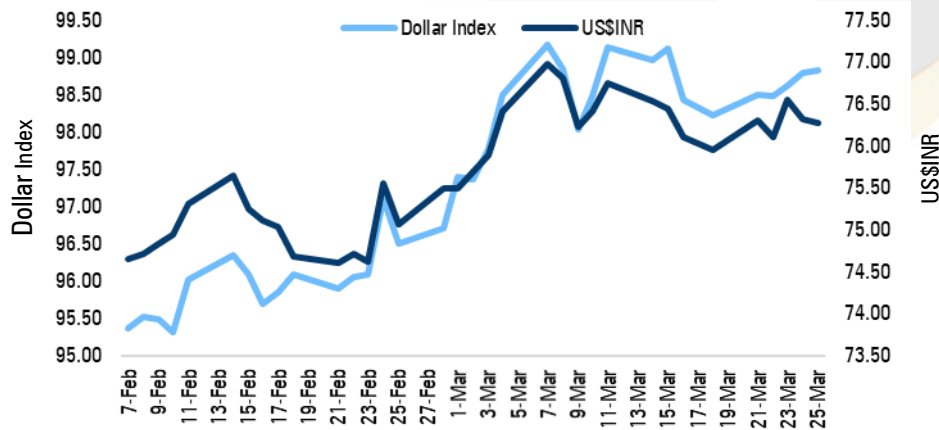
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th Mar)	76.22	-0.15%	2191447	-134966	2266981	-156607
EURINR (29th Mar)	84.00	0.07%	96301	-17989	195681	-56720
GBPINR (29th Mar)	100.54	-0.20%	49561	-1670	151646	-18207

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (29th Mar-22)	76.05	76.14	76.23	76.32	76.41
US\$INR (27th Apr-22)	76.40	76.48	76.57	76.65	76.74
EURINR (29th Mar-22)	83.71	83.86	84.08	84.23	84.45
EURINR (27th Apr-22)	84.22	84.34	84.49	84.61	84.76
GBPINR (29th Mar-22)	100.11	100.32	100.57	100.78	101.03
GBPINR (27th Apr-22)	100.54	100.74	100.97	101.18	101.40
JPYINR (29th Mar-22)	62.37	62.54	62.74	62.91	63.10
JPYINR (27th Apr-22)	62.82	62.98	63.17	63.33	63.52

Dollar Index vs US\$INR



- The US dollar rose amid a surge in US treasury yields and as many policymakers lined up to signal that the Fed is ready to take strong action to combat high inflation. Further, the dollar rallied after crude oil prices reversed earlier weakness, as it sparked concerns over high inflation
- Rupee future maturing on March 29 appreciated by 0.15% amid softening of crude oil prices. However, sharp gains were prevented on consistent FII outflows and weak domestic market
- The rupee is expected to depreciate today amid firm dollar, pessimistic global market sentiments and consistent FII outflows. Market participants fear that rise in commodity prices will add upward pressure to already high inflation, prompting major central banks across the globe to tighten their monetary policy aggressively. Higher borrowing cost will dent economic recovery. US\$INR (March) is expected to trade in a range of 76.40-76.00

EURINR Strategy

EURINR March futures contract (NSE)

Sell EURINR in the range of 83.98-84.00

Target: 83.70

Stop Loss: 84.15

Support: 83.80/83.70

Resistance: 84.15/84.25

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	Mar futures	Sell	100.90	100.60	101.03	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

Currencies	Close	Pvs. Close	% Change
DXY	98.82	98.80	0.02%
US\$INR	76.28	76.32	-0.05%
EURUSD	1.0981	1.1009	-0.25%
EURINR	83.76	84.00	-0.29%
GBPUSD	1.3188	1.3194	-0.05%
GBPINR	100.54	100.68	-0.14%

Global Bonds

Country	Close	Pvs. Close	Change
India	6.811	6.834	-0.023
US	2.479	2.375	0.104
UK	1.697	1.649	0.048
Japan	0.240	0.240	0
Germany	0.589	0.534	0.055

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	13104.11	14451.44	-1347.33
Debt	571.14	685.67	-114.53
Net			-1461.86

- The Euro depreciated by 0.25% on Friday amid strong dollar and disappointing economic data from Euro Area. German ifo business climate index data showed business morale in the country deteriorated due to worsening supply chain issues
- The Euro is expected to trade with a negative bias amid firm dollar and weak financial markets. Further, the Euro may slip on concern about economic slowdown. Additionally, series of disappointing economic data from the Euro Area and divergence in monetary policy will continue to hurt the single currency. EURINR (March) is expected to trade in a range of 84.15-83.70
- The pound depreciated by 0.05% on Friday amid strong dollar and disappointing economic data from Britain. UK retail sales volumes were down 0.3% in January and consumer confidence fell to its lowest since November 2020 in March due to inflation worries, war in Ukraine and high interest rates
- The pound is expected to trade with a negative bias amid firm dollar and weak global market sentiments. Further, disappointing economic data from Britain will continue to hurt the sterling. Additionally, market participants will remain vigilant ahead of Bank of England Governor Andrew Bailey's speech to get hints on future monetary stance. GBPINR (March) is expected to trade in a range of 100.80-100.30

Data	Country	Time	Actual	Expected	Previous	Impact
BOE Gov Bailey Speaks	UK	4:30pm	-	-	-	High
Goods Trade Balance	US	6:00pm	-	(106.4B)	(107.6B)	Medium



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

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

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