

March 31, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Apr futures	Buy	76.05	76.35	75.90	1 day

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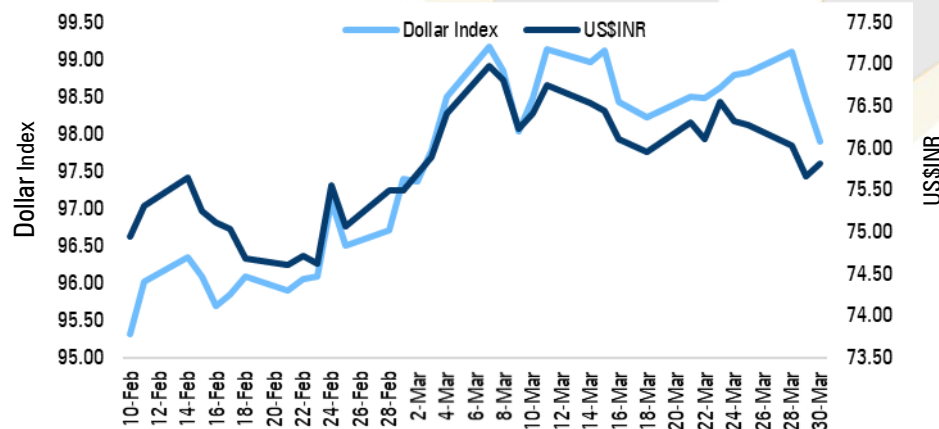
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th Apr)	76.16	-0.21%	3413876	-108756	3670075	-35522
EURINR (27th Apr)	84.85	0.53%	111577	23890	356192	-17828
GBPINR (27th Apr)	100.17	0.22%	108444	-11854	300479	5095

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th Apr-22)	75.70	75.93	76.07	76.30	76.44
US\$INR (27th May-22)	75.95	76.17	76.34	76.56	76.73
EURINR (27th Apr-22)	84.23	84.54	84.73	85.04	85.23
EURINR (27th May-22)	84.51	84.84	85.04	85.38	85.57
GBPINR (27th Apr-22)	98.58	99.38	99.80	100.60	101.02
GBPINR (27th May-22)	99.29	99.89	100.22	100.82	101.15
JPYINR (27th Apr-22)	62.30	62.46	62.57	62.73	62.84
JPYINR (27th May-22)	62.42	62.66	62.83	63.07	63.24

Dollar Index vs US\$INR



- The US dollar slipped by 0.58% yesterday amid a decline in US treasury yields and disappointing economic data from US. US ADP non-farm employment change data showed private sector added 455,000 jobs in March lower than previous month. GDP data showed the economy expanded by 6.9% in Q4CY21, revised down from 7% pace estimated in February
- Rupee future maturing on April 27 appreciated by 0.21% tracking weakness in dollar and ease in crude oil prices. Further, the rupee gained strength on optimistic domestic market sentiments
- The rupee is expected to depreciate today amid risk aversion in the global markets and persistent FII outflows. Further, investors will remain cautious ahead of major economic data from the US and Opec+ meeting. Strong labor market and elevated inflation will further strengthen the case for aggressive monetary tightening by Fed. Meanwhile, weakness in dollar and softening of crude oil prices may prevent further downside in rupee

US\$INR Strategy

USDINR April futures contract (NSE)

Buy USDINR in the range of 76.03-76.05

Target: 76.35

Support: 75.90/75.80

Stop Loss: 75.90

Resistance: 76.25/76.35

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	Apr futures	Buy	84.40	84.70	84.25	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
DX	97.90	98.47	-0.58%
US\$INR	75.82	75.66	0.21%
EURUSD	1.1161	1.1092	0.62%
EURINR	84.63	83.93	0.83%
GBPUSD	1.3138	1.3095	0.33%
GBPINR	99.62	99.07	0.55%

Global Bonds

Country	Close	Pvs. Close	Change
India	6.784	6.821	-0.037
US	2.354	2.401	-0.047
UK	1.667	1.646	0.021
Japan	0.220	0.252	-0.032
Germany	0.646	0.633	0.013

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	7726.56	7903.38	-176.82
Debt	104.09	788.15	-684.06
Net			-860.88

- The Euro appreciated by 0.62% yesterday amid weak dollar and on optimism over peace talk between Russia and Ukraine. Further, inflation report fanned expectations that rising cost would force ECB to hike rates sooner than later. German inflation rose to its highest level in more than 40 years in March. CPI rose 7.3% year on year after an inflation rate of 5.1% in February
- The Euro is expected to trade with a positive bias amid weakness in dollar. Further, elevated inflation and improvement in labour market conditions may strengthen the case for ECB to start raising interest. Unemployment rate is likely to fall to 6.7% in February from 6.8% in January 2022. However, sharp upside may be capped on pessimistic global market sentiments and expectation of disappointing retail sales data from Germany. EURINR (April) is expected to trade in a range of 84.70-85.20
- The pound appreciated by 0.33% yesterday amid weakness in dollar and on optimism over the possibility of breakthrough in Russia and Ukraine negotiation. However, sharp gain were capped on weak global market sentiments and as BOE policymakers signals more caution over plan for further tightening
- The pound is expected to trade with a positive bias mainly on the back of weakness in dollar. Meanwhile, investors will remain vigilant ahead of major economic data from US, UK and outcome of Opec+ meeting. GBPINR (April) is expected to trade in a range of 99.65-100.30

Data	Country	Time	Actual	Expected	Previous	Impact
German Retail Sales m/m	Europe	11:30am	-	0.50%	1.40%	Medium
Final GDP q/q	UK	11:30am	-	1.00%	1.00%	High
OPEC-JMMC Meetings	All	All Day	-	-	-	High
Core PCE Price Index m/m	US	6:00pm	-	0.40%	0.50%	High
Unemployment Claims	US	6:00pm	-	195K	187K	Medium
Personal Spending m/m	US	6:00pm	-	0.50%	2.10%	Medium
Chicago PMI	US	7:15pm	-	56.9	56.3	Medium



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