

April 6, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Apr futures	Buy	75.60	75.90	75.45	1 day

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Rupee Outlook and Strategy

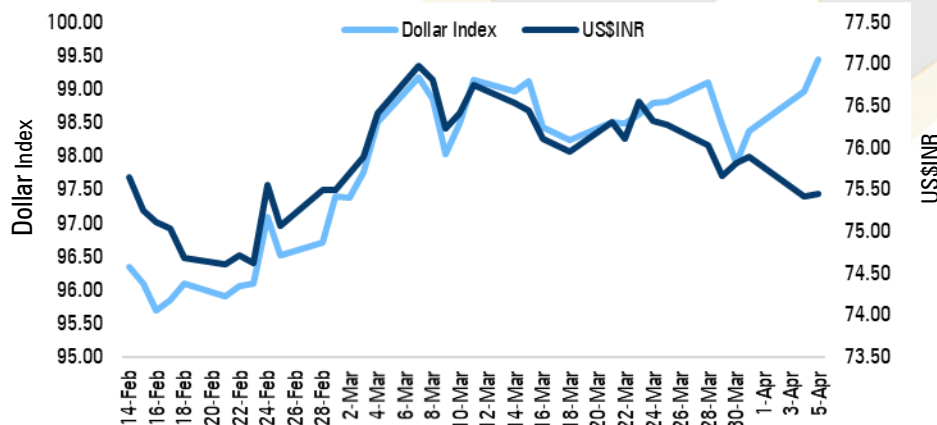
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th Apr)	75.49	-0.32%	3103082	-228567	3007691	-165149
EURINR (27th Apr)	82.96	-0.59%	193207	43179	211343	-38995
GBPINR (27th Apr)	99.14	-0.11%	175703	-995	155683	-38041

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th Apr-22)	75.28	75.38	75.56	75.66	75.84
US\$INR (27th May-22)	75.55	75.65	75.82	75.92	76.09
EURINR (27th Apr-22)	82.65	82.81	83.02	83.18	83.39
EURINR (27th May-22)	82.41	82.88	83.72	84.19	85.03
GBPINR (27th Apr-22)	98.86	99.00	99.23	99.37	99.60
GBPINR (27th May-22)	99.21	99.35	99.59	99.73	99.96
JPYINR (27th Apr-22)	61.24	61.40	61.68	61.84	62.11
JPYINR (27th May-22)	61.57	61.73	61.99	62.15	62.42

Dollar Index vs US\$INR



- The US dollar surged amid risk aversion in global markets and rise in US treasury yields. Yields moved up on hawkish statements from Fed officials. Fed governor Lael Brainard said she expects methodical interest rate hike and rapid reductions to Fed's \$9 trillion balance sheet. Further, Kansas City Fed president Esther George signalled a 50 bps rate hike next month and reduction in Fed balance sheet
- Rupee future maturing on April 27 appreciated by 0.32% despite risk aversion in the global markets and strong dollar
- The rupee is expected to depreciate today amid strong dollar and pessimistic global market sentiments. Further, investors fear that new sanctions on Russia will add fuel to rising inflation and hurt economic growth. Additionally, the market is carefully watching the Fed to see if it can tighten policy just enough to tame inflation and not damage the economy. Furthermore, market participants will remain vigilant ahead of FOMC meeting minutes

US\$INR Strategy

US\$INR April futures contract (NSE)

Buy US\$INR in the range of 75.58-75.60

Target: 75.90

Support: 75.45/75.35

Stop Loss: 75.45

Resistance: 75.80/75.90

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	Apr futures	Sell	99.45	99.15	99.60	Target Achieved

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	99.45	98.97	0.48%
US\$INR	75.45	75.42	0.04%
EURUSD	1.0906	1.0976	-0.64%
EURINR	82.30	82.84	-0.65%
GBPUSD	1.3077	1.3113	-0.27%
GBPINR	98.68	98.98	-0.30%

Global Bonds

Country	Close	Pvs. Close	Change
India	6.899	6.898	0.001
US	2.554	2.405	0.149
UK	1.657	1.548	0.109
Japan	0.211	0.216	-0.005
Germany	0.619	0.505	0.114

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	7821.67	6371.01	1450.66
Debt	1180.44	833.98	346.46
Net			1797.12

- The Euro depreciated by 0.64% yesterday amid strong dollar and risk aversion in the global markets. Market sentiments were hurt on fears that new sanctions on Russia for its war crime may add to inflationary pressure hurting global economic growth. Additionally, the Euro slipped on concerns about outcome of the French elections and mixed batch of economic data
- The Euro is expected to trade with a negative bias amid strong dollar, sell-off in global markets and expectation of disappointing economic data from Euro Area. German factory orders are expected to decline by 0.2% in February 2022 in contrast to 1.8% rise in January 2022. Moreover, investors are worried that new sanctions on Moscow for its war crime will damage the European economy as it will lead to further rise in commodity prices. US and EU are set to unveil new sanctions on Russia this week. EU proposed broad new sanctions including ban on imports of Russian coal, slashing access of Russian road and shipping goods carriers into the bloc, targeting oligarchs and blocking some machinery exports. EURINR (April) is expected to trade in a range of 82.30-83.00
- The pound depreciated by 0.27% yesterday amid strong dollar and risk aversion in global markets. However, sharp downside was cushioned on improved economic data from Britain. UK Services PMI rose to 62.6 in March from 60.5 in February and upward revision from preliminary flash reading of 61.0
- The pound is expected to trade with a negative bias mainly on the back of strong dollar and risk aversion in the global markets. Additionally, expectation of disappointing economic data from Britain will weigh on sterling. Investors fear that new sanctions on Russia will add fuel to rising inflation and hamper economic growth. GBPINR (April) is expected to trade in a range of 98.60-99.30

Data	Country	Time	Actual	Expected	Previous	Impact
German Factory Orders m/m	Europe	11:30am	-	-0.20%	1.80%	Medium
Construction PMI	UK	2:00pm	-	58	59.1	Medium
Treasury Sec Yellen Speaks	US	7:30pm	-	-	-	High
Crude Oil Inventories	US	8:00pm	-	(2.9M)	(3.4M)	Medium
FOMC Meeting Minutes	US	11:30pm	-	-	-	High



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