

April 19, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	Apr futures	Sell	99.35	99.05	99.50	1 day

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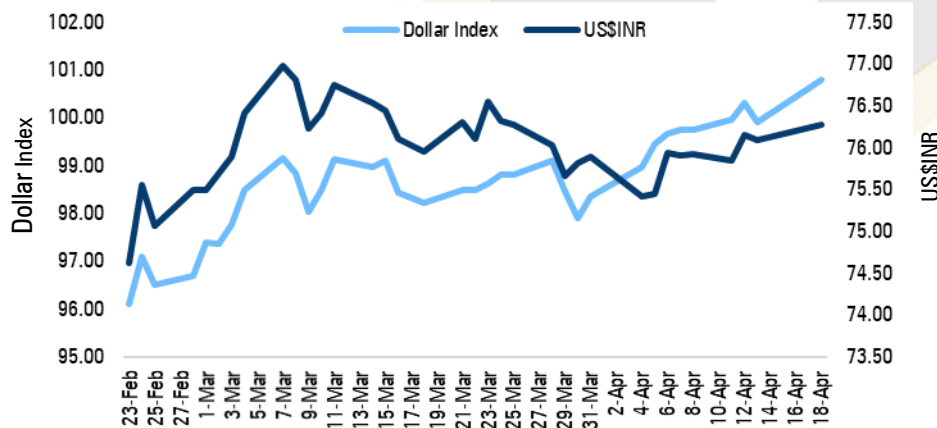
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th Apr)	76.32	0.10%	3023479	-103114	2375731	140649
EURINR (27th Apr)	82.58	-0.18%	171194	820	108367	-17612
GBPINR (27th Apr)	99.49	0.24%	136613	-16992	145802	6523

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th Apr-22)	76.13	76.23	76.37	76.47	76.62
US\$INR (27th May-22)	76.42	76.51	76.65	76.73	76.87
EURINR (27th Apr-22)	82.29	82.43	82.58	82.72	82.86
EURINR (27th May-22)	82.70	82.83	82.95	83.08	83.20
GBPINR (27th Apr-22)	99.17	99.33	99.52	99.68	99.86
GBPINR (27th May-22)	99.50	99.68	99.89	100.07	100.28
JPYINR (27th Apr-22)	60.29	60.36	60.47	60.54	60.65
JPYINR (27th May-22)	60.59	60.67	60.79	60.86	60.98

Dollar Index vs US\$INR



- The US dollar continued its rally amid decline in US stocks and surge US treasury yields. Yields are rising as market participants anticipate more aggressive interest rate increases in coming months to tame inflation without derailing economic growth
- Rupee future maturing on April 27 depreciated by 0.1% yesterday amid strong dollar, weak domestic market sentiments and persistent FII outflows. Further, rupee slipped on elevated crude oil prices
- The rupee is expected to depreciate today amid firm dollar and pessimistic global market sentiments. Further, market participants fear that elevated crude oil prices will increase imported inflation and hurt the country's trade and current account deficit. Additionally, investors fear that rising inflation will force major central banks across globe to adopt aggressive monetary tightening policy, which, in turn, may prompt foreign investors to pump out liquidity from emerging markets. US\$INR (April) is expected to trade in a range of 76.15-76.60

GBPINR Strategy

GBPINR April futures contract (NSE)

Sell GBPINR in the range of 99.33-99.35

Target: 99.05

Stoploss: 99.50

Support: 99.15/99.05

Resistance: 99.50/99.60

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
US\$INR	Apr futures	Buy	76.25	76.55	76.10	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	100.80	100.32	0.48%
US\$INR	76.28	76.09	0.25%
EURUSD	1.0780	1.0806	-0.24%
EURINR	82.22	82.83	-0.74%
GBPUSD	1.3010	1.3058	-0.37%
GBPINR	99.22	99.79	-0.57%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.153	7.215	-0.062
US	2.861	2.830	0.031
UK	1.890	1.890	0
Japan	0.244	0.244	0
Germany	0.841	0.841	0

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	5483.44	6443.93	-960.49
Debt	517.21	1045.67	-528.46
Net			-1488.95

- The Euro depreciated by 0.24% yesterday amid strong dollar and divergence in monetary policy. ECB in its recent policy meeting indicated that it is in no rush to raise interest rate despite of stubbornly high inflation
- The Euro is expected to trade with negative bias on the back of firm dollar and weak global market sentiments. Further, divergence in monetary policy between ECB and Fed will continue to hurt single currency. Additionally, World bank reduced its global growth forecast for 2022 to 3.2% from 4.1% due to impacts from Russia's invasion of Ukraine. Moreover, investors are worried that new sanctions on Moscow for its war crime will damage European economy as it will lead to further rise in commodity prices. EURINR (April) is expected to trade in a range of 82.00-82.60
- The pound depreciated by 0.37% yesterday amid strong dollar and as world bank slashed its global growth outlook. Further, pound slipped on lack of clarity on how much aggressive BOE will be this year regards to its monetary policy
- The pound is expected to trade with a negative bias amid firm dollar and risk aversion in global markets. Market sentiments were hurt on worries over supply chain disruption, escalating geopolitical tensions in Ukraine and major central banks across globe adopting aggressive monetary tightening policy to combat inflation. Further, investors will remain vigilant ahead of IMF meeting to see whether it cut its global growth forecast and by how much. GBPINR (April) is expected to trade in a range of 99.50-99.05

Data	Country	Time	Actual	Expected	Previous	Impact
Building Permits	US	6:00pm	-	1.83M	1.86M	Medium
Housing Starts	US	6:00pm	-	1.74M	1.77M	Medium
IMF Meetings	All	Day 2	-	-	-	Medium



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