

April 25, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
EURINR	Apr futures	Sell	82.75	82.45	82.90	1 day

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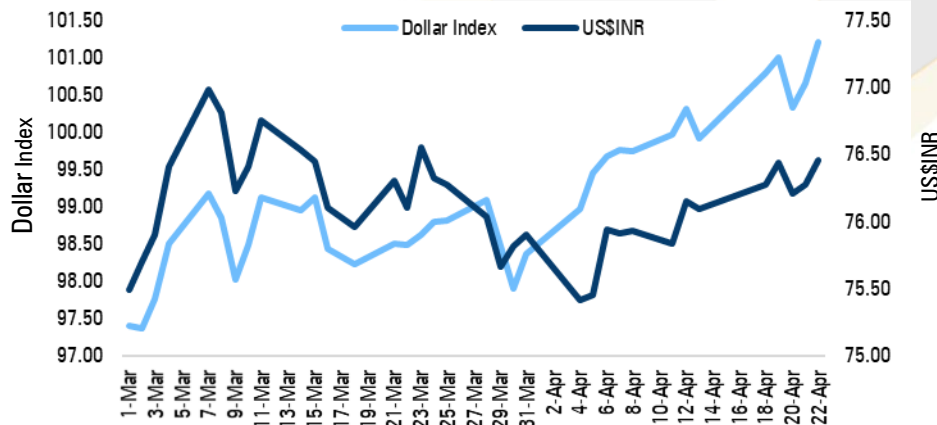
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th Apr)	76.45	0.31%	2791881	-92060	3479885	917782
EURINR (27th Apr)	82.77	-0.28%	124900	-2090	171216	-56725
GBPINR (27th Apr)	98.75	-0.76%	129005	12525	256987	106053

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th Apr-22)	76.07	76.26	76.41	76.61	76.76
US\$INR (27th May-22)	76.22	76.47	76.65	76.89	77.07
EURINR (27th Apr-22)	82.33	82.55	82.74	82.97	83.16
EURINR (27th May-22)	82.72	82.93	83.12	83.33	83.52
GBPINR (27th Apr-22)	97.90	98.32	98.90	99.32	99.90
GBPINR (27th May-22)	97.90	98.32	98.90	99.32	99.90
JPYINR (27th Apr-22)	59.26	59.47	59.68	59.88	60.09
JPYINR (27th May-22)	59.55	59.76	59.98	60.19	60.40

Dollar Index vs US\$INR



- US dollar advances to more than 2 year high amid selloff in global markets and surge in US treasury yields. Stock markets tumbled on concerns' about inflation and pace of monetary tightening by the Fed. Further, US Fed Chair Powell gave a clear sign that central bank is ready to tighten monetary policy more quickly
- Rupee future maturing on April 27 depreciated by 0.31% on Friday amid strong dollar and risk aversion in the global markets. Further, consistent FII outflows dented investors sentiment
- Rupee is expected to depreciate today amid strong dollar and pessimistic global market sentiments. Market sentiments are hurt due to Russia-Ukraine conflict, soaring inflation, rising Covid-19 cases in China and US Fed preparing to tighten their monetary policy more aggressively. Additionally, persistent FII outflows will hurt domestic currency. Meanwhile, ease in crude oil price may prevent further downside in Rupee. US\$INR (April) is expected to trade in a range of 76.30-76.75

EURINR Strategy

EURINR April futures contract (NSE)

Sell EURINR in the range of 82.75-82.77

Target: 82.45

Stoploss: 82.90

Support: 82.55/82.45

Resistance: 82.90/83.00

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	Apr futures	Sell	82.90	82.60	83.05	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	101.21	100.65	0.56%
US\$INR	76.46	76.28	0.24%
EURUSD	1.0794	1.0835	-0.38%
EURINR	82.53	82.63	-0.12%
GBPUSD	1.2837	1.3024	-1.44%
GBPINR	98.15	99.33	-1.19%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.167	7.144	0.023
US	2.917	2.911	0.006
UK	1.968	2.012	-0.044
Japan	0.250	0.254	-0.004
Germany	0.972	0.947	0.025

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	9263.01	9865.07	-602.06
Debt	530.7	1133.69	-602.99
Net			-1205.05

- Euro depreciated by 0.38% on Friday majorly on the back of strong dollar and risk aversion in the global markets. Further, dovish statement from ECB President Lagarde continued to hurt single currency. She said central bank may need to cut its growth outlook. Additionally, investors remained cautious ahead of run-off of French presidential elections between Emmanuel Macron and Marine Le Pen. Meanwhile, better than expected economic data from Euro Area prevented further decline in euro
- Euro is expected to trade with negative bias amid strong dollar and weak global market sentiments. Further, euro may slip on divergence in monetary policy between Fed and ECB and expectation of disappointing economic data from Euro Area. Additionally, investors fear that EU ban on Russian oil and gas imports will have severe impact on economy which is already struggling with slower economic growth and soaring inflation. EURINR (April) is expected to trade in a range of 82.45-82.90
- Pound depreciated drastically by 1.44% on Friday amid strong dollar and selloff in global markets. Further, pound slipped on disappointing retail sales and consumer confidence data from Britain and as recent BOE comments signalled a possible slowdown in expected rate hike. British retail sales volumes slid by 1.4% in March 2022 compared to -0.5% in February 2022
- Pound is expected to trade with negative bias on the back of risk aversion in the global markets and strong dollar. Furthermore, investors fear that Britain's economy is losing momentum. Additionally, BOE has softened its language on the need for more interest rate increases this year. Policymakers are in tight spot as they have to tackle inflation and avoid recession. GBPINR (April) is expected to trade in a range of 98.00-98.70.

Data	Country	Time	Actual	Expected	Previous	Impact
German ifo Business Climate	Europe	1:30pm	-	88.3	90.8	Medium
CBI Industrial Order Expectations	UK	3:30pm	-	24	26	Medium
Belgian NBB Business Climate	Europe	6:30pm	-	0.2	0.4	Medium



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