

April 29, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	May futures	Buy	76.85	77.15	76.70	1 day

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Rupee Outlook and Strategy

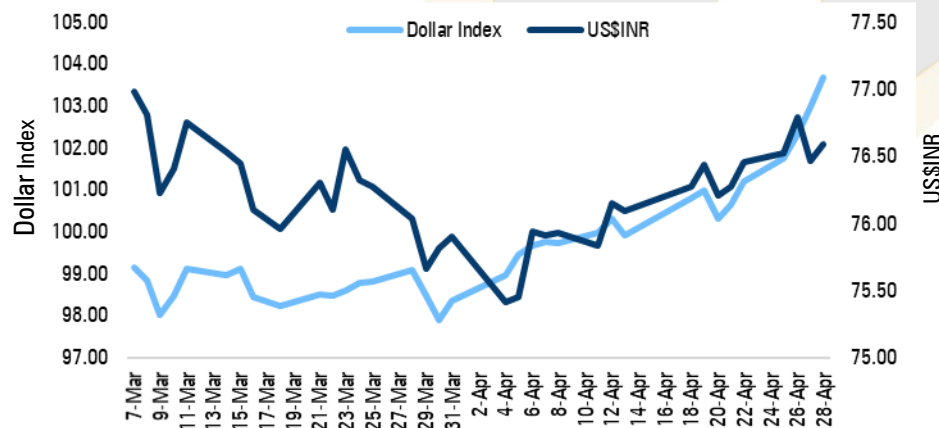
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th May)	76.84	0.01%	3660567	15211	3461058	-639538
EURINR (27th May)	80.83	-0.93%	128533	-960	269435	-38185
GBPINR (27th May)	95.84	-0.91%	138112	1181	243343	17776

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th May-22)	76.53	76.68	76.82	76.97	77.11
US\$INR (28th Jun-22)	76.77	76.92	77.05	77.20	77.33
EURINR (27th May-22)	80.46	80.65	80.94	81.12	81.42
EURINR (28th Jun-22)	80.84	81.01	81.29	81.46	81.74
GBPINR (27th May-22)	95.25	95.54	96.05	96.35	96.85
GBPINR (28th Jun-22)	95.60	95.89	96.40	96.69	97.19
JPYINR (27th May-22)	58.24	58.59	59.07	59.42	59.90
JPYINR (28th Jun-22)	58.41	58.82	59.41	59.82	60.41

Dollar Index vs US\$INR



- US dollar continued with its upward trend reaching multiyear highs against major currencies like euro, pound and yen. Dollar climbed on geopolitical tensions and expectation of aggressive monetary tightening by Fed. US GDP data showed economy contracted in Q1 CY2022 as supply disruptions weighed on output but consumer and business spending accelerated signalling economy remains resilient
- Rupee future maturing on May 27 depreciated marginally by 0.01% amid strong dollar. Meanwhile, rise in risk appetite in the domestic market prevented further downside in rupee
- Rupee is expected to depreciated today amid firm dollar and surge in crude oil prices. Further, investors anticipate that GDP report from US is unlikely to change Fed plans to raise interest rates rapidly this year. Additionally, escalating geopolitical tensions and persistent FII outflows will hurt market sentiments. Moreover, traders will remain vigilant ahead of major economic data from Europe and US

US\$INR Strategy

USDINR May futures contract (NSE)

Buy USDINR in the range of 76.83-76.85

Target: 77.15

Stoploss: 76.70

Support: 76.70/76.60

Resistance: 77.05/77.15

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
USDINR	May futures	Buy	76.70	77.00	76.55	Profit Booked

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	103.69	102.97	0.70%
US\$INR	76.59	76.47	0.16%
EURUSD	1.0503	1.0555	-0.49%
EURINR	80.53	80.89	-0.44%
GBPUSD	1.2465	1.2540	-0.60%
GBPINR	95.57	96.10	-0.55%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.155	7.083	0.072
US	2.812	2.834	-0.022
UK	1.879	1.817	0.062
Japan	0.219	0.250	-0.031
Germany	0.904	0.804	0.1

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	6371.93	9162.69	-2790.76
Debt	506.8	673.99	-167.19
Net			-2957.95

- Euro depreciated by 0.49% yesterday majorly on the back of strong dollar and unsatisfactory economic data from euro area. Further, euro slipped on growing worries about rising energy prices and lower economic growth. Traders feared that ECB will continue to lag behind the Fed in tightening monetary policy as euro area's economy will absorb a greater blow from war in Ukraine
- Euro is expected to continue with its negative bias amid strong dollar and divergence in monetary policy. Further, euro may slip on concern over stagflation. Additionally, investors are nervous about Russia cutting off gas supplies to parts of region. Meanwhile, expectation of improved economic data from euro area may provide some support to single currency. EURINR (May) is expected to trade in a range of 80.70-81.30
- Pound depreciated by 0.60% yesterday on the back of strong dollar and on concerns over economic health of the country. Additionally, impact of UK's cost of living crisis continued to push pound lower
- Pound is expected to trade with negative bias amid firm dollar and pessimism regarding BOE monetary policy. Furthermore, pound may slip as series of disappointing economic data dented confidence in the country's economic prospects. GBPINR (May) is expected to trade in a range of 95.70-96.50

Data	Country	Time	Actual	Expected	Previous	Impact
German Prelim GDP q/q	Europe	1:30pm	-	0.20%	-0.30%	Medium
CPI Flash Estimate y/y	Europe	2:30pm	-	7.5%	7.40%	High
Prelim Flash GDP q/q	Europe	2:30pm	-	0.30%	0.30%	Medium
Core PCE Price Index m/m	US	6:00pm	-	0.30%	0.40%	High
Personal Spending m/m	US	6:00pm	-	0.70%	0.20%	Medium



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