

May 30, 2022

## Daily Currency Outlook

### Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	June futures	Sell	77.65	77.50	97.75	1 day

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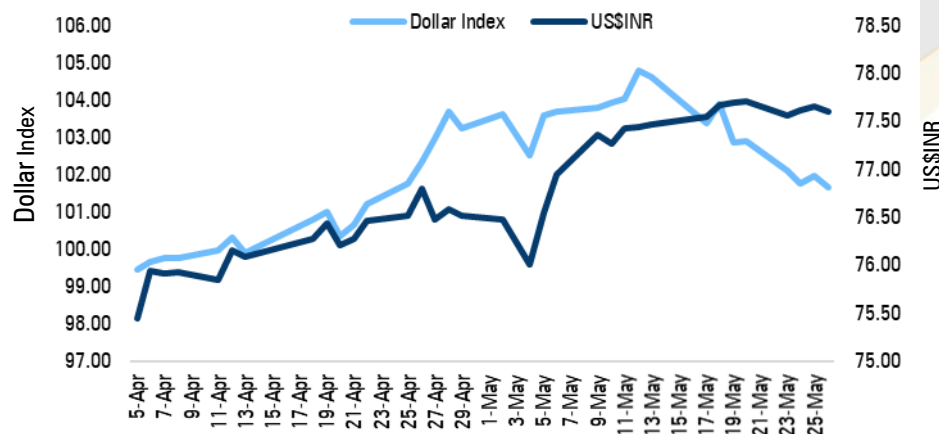
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th Jun)	77.83	0.01%	39,51,387	-122581	3503821	1589574
EURINR (28th Jun)	83.47	0.00%	83874	36495	173107	57568
GBPINR (28th Jun)	98.08	-0.06%	75008	37575	198959	40954

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th June-22)	77.72	77.77	77.84	77.89	77.96
US\$INR (29th July-22)	77.94	78.00	78.07	78.13	78.20
EURINR (28th June-22)	83.04	83.26	83.57	83.79	84.10
EURINR (29th July-22)	83.50	83.76	84.02	84.28	84.54
GBPINR (28th June-22)	97.60	97.84	98.20	98.44	98.80
GBPINR (29th July-22)	93.66	96.00	97.94	100.28	102.22
JPYINR (28th June-22)	61.17	61.29	61.41	61.53	61.65
JPYINR (29th July-22)	61.50	61.55	61.65	61.70	61.80

## Dollar Index vs US\$INR



- The dollar edged lower on Friday by 0.12% as traders pared expectations on US Federal Reserve interest rate hikes and as improving inflation and consumer spending data eased recession fears. Further, dollar was pressurised by drop in US treasury yields. Moreover, Michigan consumer sentiment for the US was revised down to 58.4 in May of 2022, the lowest since August 2011, from a preliminary reading of 59.1. Consumers continued to have negative views on current buying conditions for houses and durables
- US\$INR futures maturing on May 27 ended slightly higher on Friday amid high crude oil prices
- The rupee is expected to appreciate today amid weakness in dollar and expectations of further rate hike by RBI in June. US\$INR futures consolidating in the range of 77.60 to 77.90 from last few trading sessions and it is likely to break its key support level at 77.60 to touch 77.45 level. Today US\$INR is expected to trade in the range of 77.60 to 77.45

## US\$INR Strategy

### USDINR June futures contract (NSE)

Buy USDINR in the range of to 77.65 to 97.68

Target: 77.50

Stoploss: 77.75

Support: 77.45 - 77.35

Resistance: 77.85 - 77.95

## Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	June futures	Buy	97.85	98.15	97.65	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	101.63	101.75	-0.12%
US\$INR	77.83	77.82	0.01%
EURUSD	1.0734	1.0721	0.12%
EURINR	83.47	83.47	0.00%
GBPUSD	1.2625	1.2597	0.22%
GBPINR	98.08	98.14	-0.06%

## Global Bonds

Country	Close	Pvs. Close	Change
India	7.350	7.305	0.045
US	2.743	2.749	-0.006
UK	1.924	1.916	0.008
Japan	0.223	0.211	0.012
Germany	0.976	0.945	0.031

## Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	9244.79	9809.08	-564.29
Debt	494.5	95.07	399.43
Net			-164.86

- The euro has appreciated on Friday by 0.12% amid improved market sentiment and weak dollar. Further, stronger than expected economic data like German manufacturing PMI on Tuesday supported euro
- Euro is expected to trade with a positive bias today amid weakness in dollar. Further, advancing expectations of the first rate hike announcement by the European Central Bank in June may help euro to push higher. EURINR is expected to trade higher by taking support of 50 DMA and trade in the range of 83.10 to 83.50
- Pound appreciated by 0.22% on Friday amid positive market sentiment and weakness in dollar. Further, pound was supported by UK's Prime Minister Boris Johnson comment that the UK could avoid a recession in the months ahead
- Pound is expected to trade with a positive bias today on the back of weak dollar. Pound failed to break above the May 4 daily high at 1.2638 and pulled back towards 1.2610s. GBPUSD is likely to break its key resistance level at 1.2638 to touch 1.2710 level. GBPINR is expected to trade in the range of 97.80 to 98.20 for today

# Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
Spanish HICP (YoY) (May)	Europe	12:30pm	-	-	8.30%	Medium
Spanish CPI (YoY)	Europe	12:30pm	-	-	8.30%	Medium
German CPI (MoM) (May)	Europe	5:30pm	-	-	0.80%	Medium



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