

June 1, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	June futures	Sell	98.10	97.85	98.25	1 day

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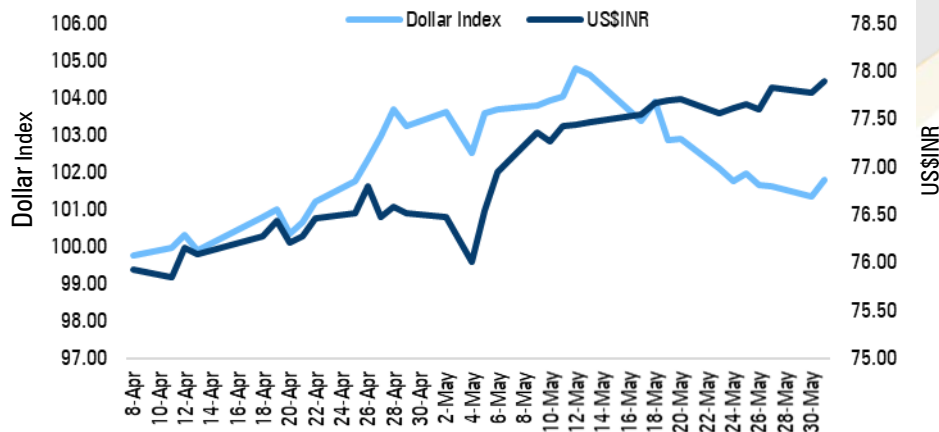
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th Jun)	77.89	0.15%	38,90,299	-55604	2260673.08	900371
EURINR (28th Jun)	83.46	-0.52%	104004	20356	168499	10378
GBPINR (28th Jun)	98.07	-0.29%	78558	4447	194543	24870

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th June-22)	77.75	77.82	77.87	77.94	77.99
US\$INR (27th July-22)	77.95	78.03	78.09	78.17	78.22
EURINR (28th June-22)	83.08	83.27	83.57	83.75	84.05
EURINR (27th July-22)	83.34	83.57	83.96	84.20	84.59
GBPINR (28th June-22)	97.79	97.93	98.14	98.29	98.50
GBPINR (27th July-22)	98.11	98.24	98.46	98.59	98.81
JPYINR (28th June-22)	59.17	60.04	60.57	61.44	61.98
JPYINR (27th July-22)	60.96	61.06	61.22	61.32	61.48

Dollar Index vs US\$INR



- The US dollar edged higher on Tuesday amid hawkish comments from Federal Reserve governor Christopher Waller. The Fed governor said the Fed should be prepared to raise interest rates by a half percentage point at every meeting from now on until inflation is decisively curbed. Further, the dollar was supported by rise in US treasury yields
- US\$INR futures maturing on June 28 ended higher on Tuesday amid a strong greenback and weak local stock indices
- The rupee is expected to depreciate today amid strong dollar and rising crude oil prices. However, dollar may be pressurised by US manufacturing PMI data, which is likely to show slowdown in production. US\$INR futures closed near its key resistance level at 77.90. It is likely to break this level to reach an all-time high at 78.00. Today US\$INR is expected to trade in the range of 77.85 to 78.00

GBPINR Strategy

GBPINR June futures contract (NSE)

Sell GBPINR in the range of 98.08 to 98.10

Target: 97.85

Stoploss: 98.25

Support: 97.90 - 97.80

Resistance: 98.20 - 98.50

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	June futures	Sell	98.35	98.05	98.50	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	101.78	101.36	0.41%
USSINR	77.89	77.77	0.15%
EURUSD	1.0731	1.0775	-0.41%
EURINR	83.46	83.90	-0.53%
GBPUSD	1.2599	1.2649	-0.40%
GBPINR	98.07	98.36	-0.29%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.415	7.409	0.006
US	2.848	2.806	0.042
UK	2.101	1.986	0.115
Japan	0.238	0.239	-0.001
Germany	1.122	1.051	0.071

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	9252.95	6971.74	2281.21
Debt	758.26	383.33	374.93
Net			2656.14

- The euro has depreciated on Tuesday amid strong dollar. Further, the euro group's agreement on fresh sanctions over Russian oil imports and comments from Ukrainian President Volodymyr Zelensky, suggesting an 'extremely difficult' situation in the Donbas region, weigh on the Euro
- Euro is expected to trade with a negative bias today amid strong dollar. Investors will remain vigilant ahead of ECB President Lagarde Speech. EURINR traded above its key support level at 83.40 and is likely to break this level to continue its down trend. EURINR is expected to trade in the range of 83.55 to 83.10
- The pound depreciated by 0.35% on Tuesday amid firmer dollar. Further, weaker than expected UK mortgage approvals data added pressure on pound. UK mortgage approvals for house purchases decreased to 65,974 in April from 69,531 in March, below market expectations of 69,000. This is the lowest level since June 2020
- Pound is expected to trade with a negative bias today on the back of strong dollar. Further, pound may be pressurized by weak manufacturing pmi data. GBPUSD retreated from its resistance level at 1.2660, we feel the pair to continue its down trend to touch key support level at 1.2450. For today, GBPINR likely to trade in the range of 98.25 to 97.85.

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
German Manufacturing PMI (May)	Europe	1:25pm	-	54.7	54.6	High
Manufacturing PMI (May)	UK	2:00pm	-	54.6	55.8	High
ECB President Lagarde Speaks	Europe	4:30pm	-	-	-	High
JOLTs Job Openings (Apr)	US	7:30pm	-	11.400M	11.549M	High
ISM Manufacturing PMI (May)	US	7:30pm	-	54.5	55.4	High



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