

June 21, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	June futures	Buy	95.70	96.30	95.30	1 day

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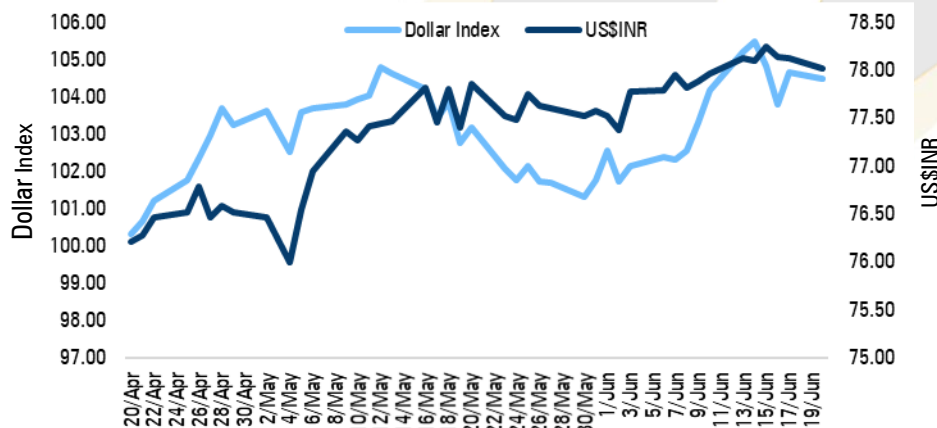
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th June)	78.02	-0.14%	5307871	-48052	1379836	-138349
EURINR (28th June)	82.20	0.02%	90213	2049	179460	-82268
GBPINR (28th June)	95.69	-0.45%	68100	1018	286243	-139357

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th Jun-22)	77.84	77.93	78.01	78.10	78.17
US\$INR (27th Jul-22)	78.05	78.14	78.21	78.30	78.37
EURINR (28th Jun-22)	81.95	82.08	82.22	82.35	82.50
EURINR (27th Jul-22)	82.30	82.42	82.56	82.69	82.83
GBPINR (28th Jun-22)	94.76	95.23	95.81	96.28	96.86
GBPINR (27th Jul-22)	95.36	95.66	95.98	96.28	96.59
JPYINR (28th Jun-22)	57.66	57.77	57.93	58.04	58.19
JPYINR (27th Jul-22)	57.95	58.05	58.20	58.30	58.46

Dollar Index vs US\$INR



- The dollar depreciated by 0.16% on Monday despite hawkish comments from Christopher Waller. FOMC member Christopher Waller on Friday explicitly backed a 75 bps hike in July, mentioning that inflation needs to be reduced regardless of what is causing it
- US\$INR futures maturing on June 28 slipped by 0.14% on Monday amid retreat in crude oil prices
- The rupee is expected to appreciate today amid weakness in dollar. Further, investors will focus on existing home sales data as it is expected to decline from 5.61 million (mn) to 5.39 mn. However, unabated foreign fund outflows may restrict the appreciation bias in the rupee. US\$INR is expected to break its immediate support level of 77.90 and continue its downward move towards the level of 77.75

GBPINR Strategy

GBPINR June futures contract (NSE)

Buy GBPINR in the range of 95.70 - 95.72

Target: 96.30

Support: 95.30 - 95.20

Stoploss: 95.30

Resistance: 96.30 - 96.40

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	June futures	Sell	96.00	95.60	96.25	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	104.48	104.65	-0.16%
USSINR	78.02	78.13	-0.14%
EURUSD	1.0510	1.0545	-0.33%
EURINR	82.20	82.18	0.02%
GBPUSD	1.2246	1.2218	0.23%
GBPINR	95.69	96.12	-0.45%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.427	7.546	-0.119
US	3.265	3.231	0.034
UK	2.606	2.493	0.113
Japan	0.232	0.403	-0.171
Germany	1.752	1.667	0.085

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	8999.86	17952.58	-8952.72
Debt	1744.77	404.08	1340.69
Net			-7612.03

- The Euro edged higher by 0.16% on Monday amid weakness in dollar and strong economic data. Annual producer inflation in Germany surged to 33.6% in May higher than market forecasts of 33.5%, by breaking a new record peak for a sixth straight month. Further, the Euro was supported by rise in German government bond yields
- The Euro is expected to trade with a positive bias today amid weak dollar. Further, it may be supported by ECB president Christine Lagarde's statement, that the central bank intends to raise the key interest rate by 25 bps in their July policy meeting. EUR/USD has surpassed the hurdle of 1.0490. We expect EURUSD to continue its upward trend towards 1.0600 level in coming days
- The pound appreciated by 0.23% on Monday amid weak dollar and hawkish comments from Catherine Mann. Ms Mann said on Monday that the Bank of England should raise rates faster than it has so far because sterling's weakness is adding to Britain's inflation pressures
- The pound is expected to trade with a positive bias today amid weak dollar. However, investors will remain vigilant ahead of CBI Industrial Trends Orders data. GBPUSD is expected to surpass the hurdle of 1.2280 to continue its upward trend towards 1.2350 level. GBPINR is likely to trade in the range of 95.30 to 96.30

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
CBI Industrial Trends Orders (Jun)	UK	11:30am	-	-	26	Medium
Existing Home Sales (May)	US	7:30pm	-	5.39M	5.61M	High
FOMC Member Mester Speaks	US	9:30pm	-	-	-	Medium



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