

June 27, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	June futures	Sell	96.20	96.50	96.00	1 day

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Rupee Outlook and Strategy

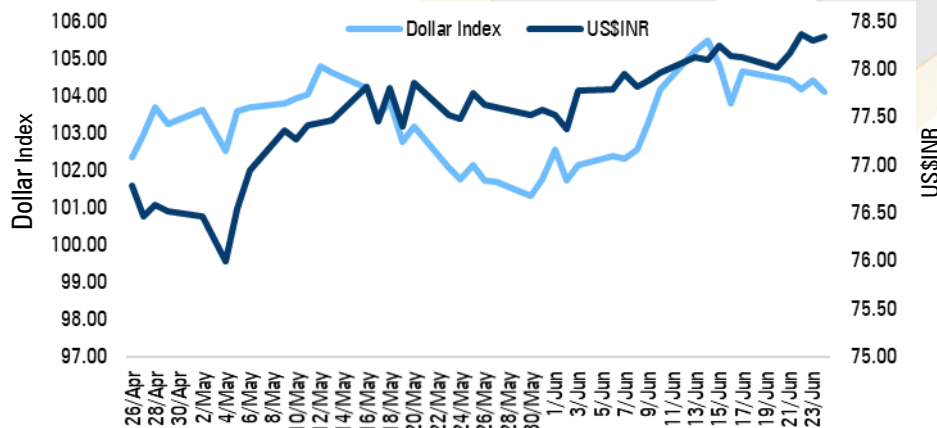
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th June)	78.34	0.05%	4763742	-243034	1511312	154203
EURINR (28th June)	82.55	0.29%	62815	-7979	171573	-31308
GBPINR (28th June)	96.24	0.60%	52188	-22227	328438	86591

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th Jun-22)	78.15	78.24	78.30	78.40	78.45
US\$INR (27th Jul-22)	78.33	78.43	78.49	78.59	78.64
EURINR (28th Jun-22)	82.28	82.41	82.56	82.69	82.84
EURINR (27th Jul-22)	82.59	82.74	82.88	83.03	83.16
GBPINR (28th Jun-22)	95.66	95.95	96.19	96.48	96.73
GBPINR (27th Jul-22)	95.86	96.17	96.42	96.73	96.98
JPYINR (28th Jun-22)	57.62	57.81	58.08	58.27	58.54
JPYINR (27th Jul-22)	57.97	58.11	58.34	58.48	58.70

Dollar Index vs US\$INR



- The dollar slipped by 0.27% on Friday as traders pared back bets on the interest rate hike cycle and brought forward their outlook on the timing of rate cuts to counter a possible recession. However, further downside was cushioned by strong economic data. New home sales in the US rose 696,000 in May, above market expectations of 588,000
- US\$INR futures maturing on June 28 dropped by 0.04% on Friday amid an uptick in Indian equities
- The rupee may continue in its depreciation mode amid strong dollar. Further, the rupee may be pressurised by persistent foreign funds outflows. Moreover, investors will closely watch core durable goods orders as it is expected to rise from 0.4% to 0.6%. However, sharp downside may be prevented by falling crude oil prices. As long as US\$INR (June) sustains above 78.10 level it may rise further till 78.50 level

GBPINR Strategy

GBPINR June futures contract (NSE)

Buy GBPINR in the range of 96.20 - 96.22

Target: 96.50

Support: 96.00 - 95.90

Stoploss: 96.00

Resistance: 96.50 - 96.60

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	June futures	Sell	95.60	95.20	95.85	Not initiated

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	104.12	104.40	-0.27%
USSINR	78.34	78.30	0.05%
EURUSD	1.0557	1.0517	0.38%
EURINR	82.55	82.31	0.29%
GBPUSD	1.2272	1.2258	0.11%
GBPINR	96.24	95.67	0.60%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.444	7.419	0.025
US	3.134	3.091	0.043
UK	2.303	2.295	0.008
Japan	0.223	0.233	-0.01
Germany	1.441	1.441	0

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	4638.44	6648.83	-2010.39
Debt	154.57	335.4	-180.83
Net			-2191.22

- The Euro appreciated by 0.38% on Friday as EU planned another €50 billion of issuance for recovery fund. The European Union said on Friday it would issue another € 50 billion (\$52.7 billion) of long-term debt in the second half of 2022 to back its Coronavirus recovery fund
- The Euro is expected to trade with a positive bias today amid weak dollar. Further, investors will remain vigilant ahead of German retail sales data, as it is expected to rise from -5.40% to -0.20%. EURUSD is expected to break the hurdle of 1.0580 to continue its upward trend towards the level of 1.0620. EURINR is likely to trade in the range of 82.40 to 82.90
- The pound gained marginally by 0.11% on Friday amid weak dollar and strong retail sales data. Retail sales in the UK declined 0.5% MoM in May, after a downwardly revised 0.4% increase in April and compared to market expectations of a 0.7% fall. Sales in food stores declined 1.6% due to the impact of rising food prices and the cost of living. Further, pound was supported by uptick in UK government bond yields
- The pound is expected to trade with a positive bias today amid weak dollar. GBPUSD is expected to break the hurdle of 1.2324 to continue its upward trend towards the level of 1.2360. GBPINR is likely to trade in the range of 96.00 to 96.50

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
German Retail Sales (MoM)	Europe	11:30 AM	-	-0.20%	-5.40%	Medium
Core Durable Goods Orders (MoM)	US	6:00 PM	-	0.60%	0.40%	High
Pending Home Sales (MoM)	US	7:30 PM	-	-0.02	-0.039	High



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