

June 29, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
EURINR	July futures	Sell	83.70	83.40	83.90	1 day

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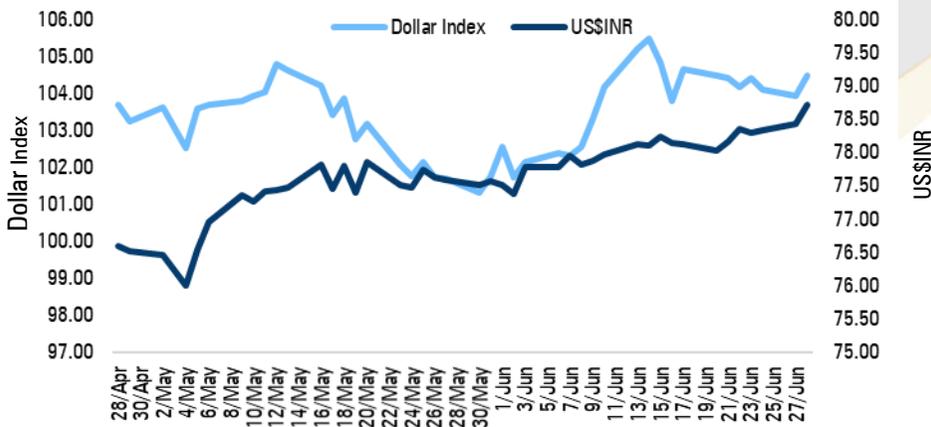
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th June)	78.72	0.37%	3213690	-1020880	2422365	215176
EURINR (28th June)	83.35	0.51%	33981	-19230	69747	-112513
GBPINR (28th June)	96.68	0.50%	18734	-20199	56478	-197268

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th Jun-22)	78.37	78.54	78.64	78.81	78.91
US\$INR (27th Jul-22)	78.34	78.72	78.91	79.28	79.47
EURINR (28th Jun-22)	82.86	83.10	83.23	83.47	83.59
EURINR (27th Jul-22)	83.16	83.50	83.67	84.01	84.18
GBPINR (28th Jun-22)	96.00	96.34	96.53	96.87	97.06
GBPINR (27th Jul-22)	96.39	96.64	96.81	97.06	97.24
JPYINR (28th Jun-22)	57.27	57.67	57.90	58.30	58.53
JPYINR (27th Jul-22)	57.97	58.06	58.23	58.32	58.49

Dollar Index vs US\$INR



- The dollar climbed by 0.52% on Tuesday as policymakers promised further rapid interest rate hikes to bring down high inflation but pushed back against growing fears among investors and economists that sharply higher borrowing costs will trigger a steep downturn. However, sharp upside was capped on weak consumer confidence data. Consumer confidence Index dropped to 98.7 in June from 106.4 in May and weaker than estimate of 100.00
- US\$INR futures maturing on July 27 rose by 0.59% on Tuesday amid strong dollar and rise in crude oil prices
- The rupee is expected to depreciate today amid rising crude oil prices and strong US dollar. However, investors will closely watch US GDP QoQ (Q1) data as it is expected to drop by 1.5%. US\$INR is expected to surpass the hurdle of 78.06 to continue its upward trend towards the level of 78.20

EURINR Strategy

EURINR July futures contract (NSE)

Sell EURINR in the range of 83.70 - 83.72

Target: 83.40

Stoploss: 83.90

Support: 83.40 - 83.30

Resistance: 83.90 - 84.00

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	July futures	Buy	83.30	83.60	83.10	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	104.48	103.94	0.52%
USSINR	78.72	78.43	0.37%
EURUSD	1.0516	1.0582	-0.62%
EURINR	83.35	82.92	0.52%
GBPUSD	1.2182	1.2264	-0.67%
GBPINR	96.68	96.19	0.51%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.466	7.407	0.059
US	3.175	3.204	-0.029
UK	2.471	2.398	0.073
Japan	0.230	0.230	0
Germany	1.624	1.543	0.081

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	4480.46	5572.25	-1091.79
Debt	372.66	1315.09	-942.43
Net			-2034.22

- The Euro depreciated by 0.62% on Tuesday after European Central Bank President Christine Lagarde offered no fresh insight into the central bank's policy outlook. Ms Lagarde said the central bank would move gradually but with the option to act decisively on any deterioration in medium term inflation, especially if there were signs of a de-anchoring of inflation expectations. However, sharp downside was cushioned by stronger than expected German Consumer Climate data
- The Euro is expected to trade with a negative bias today amid strong dollar. However, investors will remain vigilant ahead of ECB President Lagarde's speech and German CPI MoM data, which is expected to drop from 0.9% to 0.3%. EURUSD is expected to break the hurdle of 1.0495 to continue its downward trend towards the level of 1.0400. EURINR is likely to trade in the range of 83.40 to 84.00
- The pound depreciated by 0.68% on Tuesday amid Britain's unfavourable economic and political outlook relative to other big economies. Further, the pound was pressurised by the government's plans to ditch pre agreed rules on post Brexit trade with Northern Ireland. However, sharp downside was restricted by rise in UK government bond yields
- The pound is expected to trade with a negative bias today amid strong dollar. However, traders will listen closely to BoE governor Andrew Bailey, for hints about the BoE's plans to hike rates at its August meeting. GBPINR is likely to trade in the range of 96.50 to 97.00

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
BoE Gov Bailey Speaks	UK	5:05 PM	-	-	-	High
German CPI (MoM) (Jun)	Europe	1:30 PM	-	0.30%	0.90%	Medium
GDP (QoQ) (Q1)	US	6:00 PM	-	-1.50%	-1.50%	High
ECB President Lagarde Speaks	Europe	6:30 PM	-	-	-	High
Fed Chair Powell Speaks	US	6:30 PM	-	-	-	High
Crude Oil Inventories	US	8:00 PM	-	-	1.956M	High



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