

June 30, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	July Futures	Sell	96.20	95.90	96.40	1 day

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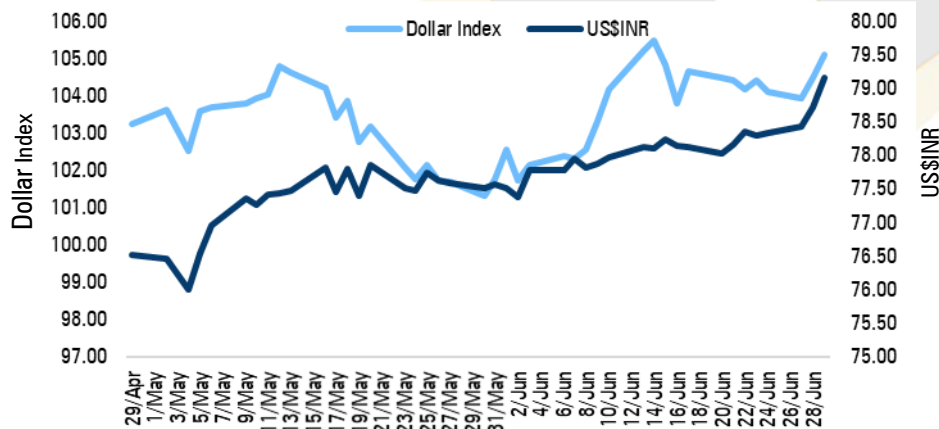
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th July)	79.16	0.12%	4746453	1532763	2711863	289498
EURINR (27th July)	83.49	-0.36%	101677	67696	279227	209480
GBPINR (27th July)	96.36	-0.50%	78818	60084	424312	367834

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th July-22)	78.71	78.94	79.19	79.42	79.67
US\$INR (26th Aug-22)	79.06	79.21	79.31	79.46	79.57
EURINR (27th July-22)	82.95	83.22	83.37	83.64	83.79
EURINR (26th Aug-22)	83.31	83.58	83.74	84.00	84.16
GBPINR (27th July-22)	96.02	96.19	96.41	96.58	96.81
GBPINR (26th Aug-22)	96.34	96.51	96.72	96.88	97.10
JPYINR (27th July-22)	57.92	58.03	58.21	58.32	58.51
JPYINR (26th Aug-22)	58.24	58.36	58.51	58.63	58.78

Dollar Index vs US\$INR



- The dollar rose by 0.60% on Wednesday amid hawkish comments from Jerome Powell. US Federal Reserve Chairman Jerome Powell said the biggest risk to the US economy is persistent inflation and not that interest rate hikes will slow the economy too much. However, sharp upside was capped on weak GDP data. The US economy contracted an annualised 1.6% on quarter in Q1 2022, slightly worse than a 1.5% drop in the second estimate

- US\$INR futures maturing on July 27 gained by 0.12% on Wednesday amid strong dollar and persistent foreign capital outflows

- The rupee is expected to depreciate today amid strong dollar and worries about elevated crude oil prices. Moreover, investors will closely watch initial jobless claims data as it is expected to drop from 229,000 to 228,000. US\$INR is expected to trade in the range of 79.00 to 79.30

GBPINR Strategy

GBPINR July futures contract (NSE)

Sell GBPINR in the range of 96.20 - 96.22

Target: 95.90

Stoploss: 96.40

Support: 95.90 - 95.80

Resistance: 96.40 - 96.50

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	July futures	Sell	83.70	83.40	83.90	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	105.09	104.48	0.58%
USSINR	79.16	79.07	0.11%
EURUSD	1.0438	1.0516	-0.74%
EURINR	83.49	83.35	0.17%
GBPUSD	1.2116	1.2182	-0.54%
GBPINR	96.36	96.68	-0.33%

Global Bonds

Country	Close	Pvs. Close	Change
India	7.459	7.466	-0.007
US	3.093	3.175	-0.082
UK	2.388	2.471	-0.083
Japan	0.226	0.230	-0.004
Germany	1.514	1.624	-0.11

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	5334.28	6186.94	-852.66
Debt	141.91	1200.91	-1059
Net			-1911.66

- The Euro edged lower by 0.74% on Wednesday amid strong dollar and weak economic data. The Consumer Price Index in Germany increased 0.10% in June compared to market forecast of 0.30%. It is the lowest monthly rate since November last year. However, sharp downside was cushioned on ECB President Christine Lagarde's statement. Ms Lagarde said the ECB would go as far as necessary to hit its 2% inflation target over the medium term and she reaffirmed the bank's intention for an interest rate hike of 25 basis points in July
- The Euro is expected to trade with a negative bias today amid strong dollar. Further, investors will remain vigilant ahead of ECB President Lagarde's Speech and German unemployment change data, which is expected to drop from -4,000 to -6,000. EURUSD is expected to break the hurdle of 1.0400 to continue its downward trend towards the level of 1.0370. EURINR is likely to trade in the range of 83.50 to 83.00
- The pound depreciated by 0.54% on Wednesday amid dovish comments by a new policymaker. Swati Dhingra, who is due to join the BoE in August, said the bank should move very gradually to tighten monetary policy because there were signs that an economic slowdown was much more imminent than previously thought. Further, the pound was pressurised by a drop in UK government bond yields
- The pound is expected to trade with a negative bias today amid strong dollar. However, traders will closely watch UK GDP data. GBPUSD is expected to break the hurdle of 1.2100 to continue its downward trend towards the level of 1.2000. GBPINR is likely to trade in the range of 96.40 to 95.80

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
GDP (QoQ) (Q1)	UK	11:30 AM	-	0.80%	0.80%	High
German Retail Sales (MoM) (May)	Europe	11:30 AM	-	0.50%	-5.40%	Medium
French CPI (MoM)	Europe	12:15 PM	-	-	0.70%	Medium
German Unemployment Rate (Jun)	Europe	1:25 PM	-	5.00%	5.00%	Medium
German Unemployment Change (Jun)	Europe	1:25 PM	-	-6K	-4K	High
Core PCE Price Index (MoM) (May)	US	6:00 PM	-	0.40%	0.30%	High
Initial Jobless Claims	US	6:00 PM	-	228K	229K	High



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