

August 26, 2022

## Daily Currency & Commodity Outlook

Daily Recommendation						
Currency/Commodity	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	Sep	Buy	679.50-680	690	673.5	1 day
EURINR	Sep	Buy	80.30-80.31	80.60	80.10	1 day

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# Daily Currency Snapshot

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.45	108.62	-0.16%
US\$INR	79.91	79.87	0.05%
EURUSD	0.9969	0.9962	0.07%
EURINR	79.84	79.41	0.54%
GBPUSD	1.1827	1.1796	0.26%
GBPINR	94.70	94.20	0.53%

## Daily Currency Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (26th Aug-22)	79.76	79.83	79.89	79.97	80.03
US\$INR (28th Sep-22)	79.90	80.02	80.16	80.27	80.41
EURINR (26th Aug-22)	79.24	79.54	79.91	80.21	80.58
EURINR (28th Sep-22)	79.81	80.04	80.31	80.53	80.81
GBPINR (26th Aug-22)	94.17	94.44	94.61	94.88	95.05
GBPINR (28th Sep-22)	94.52	94.77	94.93	95.18	95.34
JPYINR (26th Aug-22)	58.21	58.42	58.53	58.74	58.85
JPYINR (28th Sep-22)	58.62	58.79	58.88	59.05	59.14

- Rupee future maturing on August 26 traded flat on Thursday amid weakness in domestic equity markets. Further, rupee was supported by drop in crude oil prices
- The US dollar slipped yesterday despite strong economic data, as investors waited on a speech by Federal Reserve Chairman Jerome Powell on Friday for further clues about the ongoing pace of the U.S. central bank's rate hikes

- The Euro appreciated yesterday amid strong economic data from the euro area. The German economy advanced 0.1% on quarter in Q2 2022, compared to preliminary estimates of a flat reading, boosted by household and government expenditure
- The pound rose on Thursday amid weakness in US dollar and as investors waited for upcoming speeches by Bank of England and Federal Reserve officials that could determine the near term outlook for the currency

## Follow-up

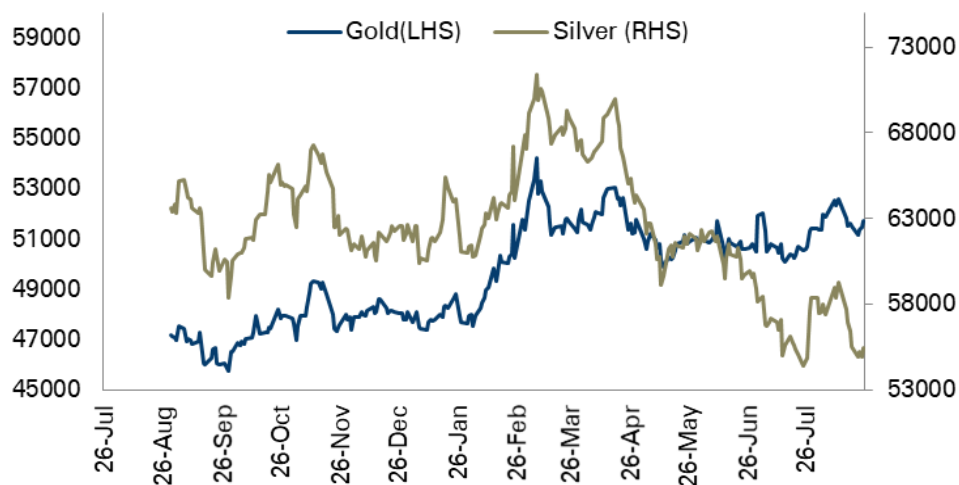
Currency/Commodity	Contract	Action	Price	Target	Stoploss	Comment
Natural gas	Sep	Buy	744-744.5	754	738	Profit Booked
EURINR	Sep	Sell	79.85-79.86	79.55	80.05	Not Initiated

Source: Bloomberg, Reuters, ICICI Direct Research

## Bullion Outlook

- MCX gold prices edged higher yesterday amid weakness in US dollar index
- Further, bullion prices were supported as the US economy contracted an annualized 0.6% on quarter in Q2 of 2022
- MCX gold prices are expected to trade with a positive bias for the day amid weak US dollar. MCX Gold prices likely to surpass the hurdle of ₹ 51,850 to continue its upward trend towards the level of ₹ 51,960.
- Additionally, investors will closely watch key macro economic data from the US

## MCX Gold vs Silver Performance



## MCX Price Performance

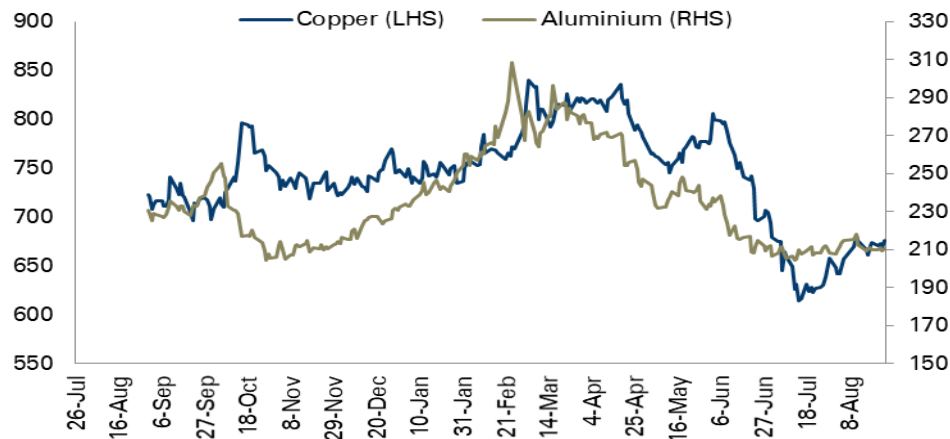
Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	51714	0.53%	1769.20	0.44%
Silver	55450	0.93%	19.07	0.86%
MCXBULLDEX	14191	0.87%	-	-
Copper	676.50	1.38%	8132.00	1.21%
Aluminium	210.40	0.43%	2435.00	0.21%
Zinc	316.50	1.18%	3553.50	1.14%
Lead	182.50	2.24%	1973.00	-0.15%
WTI Crude Oil	7461	-1.00%	92.64	-2.37%
US Nat Gas	745.3	0.12%	9.37	0.44%
MCXENRGDEX	10470	-0.40%	-	-

## Daily Commodity Pivot Levels

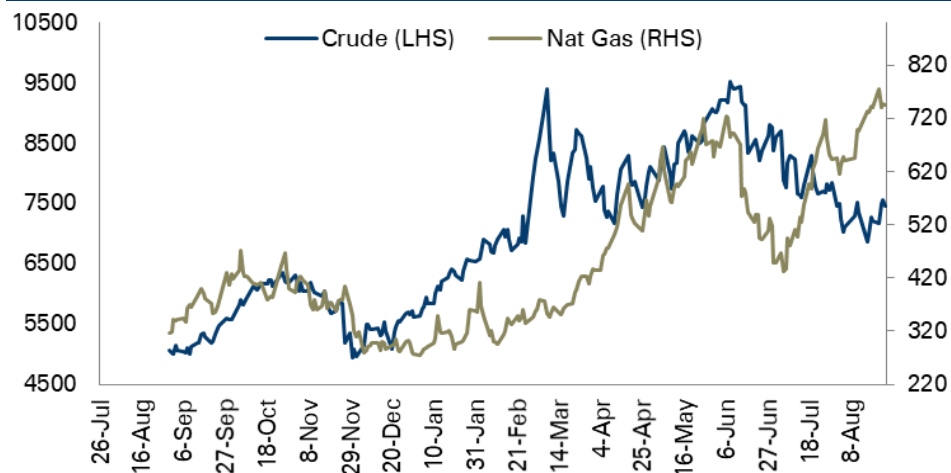
Commodity	S2	S1	Pivot	R1	R2
Gold	51337	51525	51686	51874	52035
Silver	54847	55149	55444	55746	56041
MCXBULLDEX	13933	14062	14129	14258	14325
Copper	664.5	670.5	674.0	680.0	683.5
Aluminium	208.6	209.5	210.2	211.1	211.8
Zinc	312.6	314.6	316.6	318.5	320.5
Lead	179.2	180.8	181.7	183.3	184.2
Crude Oil	7294	7377	7518	7601	7742
Nat Gas	722.4	733.8	744.3	755.7	766.2
MCXENRGDEX	10324	10397	10519	10591	10713

Source: Bloomberg, Reuters, ICICI Direct Research

## MCX Copper vs. Aluminium Performance



## MCX Crude Oil vs. Natural Gas Performance



## Base Metal Outlook

- MCX industrial metals prices advanced on Thursday after a new injection of stimulus in China that could fuel infrastructure projects and boost industrial metals demand
- China has added 19 new policies on top of existing measures, including raising the quota on policy financing tools by 300 billion yuan (\$43.69 billion)
- MCX copper prices are expected to rise for the day as the China has boosted demand growth estimates for copper in China this year to 3.6% from 2.2%. It is likely to trade in the range of ₹ 673 to ₹ 690 in the coming sessions

## Energy Outlook

- MCX crude oil prices eased by 0.65% as investors braced for the possible return of sanctioned Iranian oil exports to the market
- However, prospect that the OPEC+ producer group could curb oil supplies limited the decline in oil prices
- We expect MCX crude oil prices to trade with a negative bias for the day on worries that rising U.S. interest rates would weaken fuel demand

Additionally, investors will keep an eye on U.S. Baker Hughes Total Rig Count

# Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
GfK German Consumer Climate (Sep)	EUR	11:30 AM	-	-31.8	-30.6	Medium
Goods Trade Balance (Jul)	USD	6:00 PM	-	-98.50B	-98.59B	Medium
Personal Spending (MoM) (Jul)	USD	6:00 PM	-	0.40%	1.10%	Medium
Core PCE Price Index (MoM) (Jul)	USD	6:00 PM	-	0.30%	0.60%	High
Jackson Hole Symposium	USD	6:30 PM	-	-	-	Medium
Fed Chair Powell Speaks	USD	7:30 PM	-	-	-	High
Michigan Consumer Sentiment (Aug)	USD	7:30 PM	-	55.2	55.1	Medium
U.S. Baker Hughes Total Rig Count	USD	10:30 PM	-	-	762	Medium

Source: Bloomberg, Reuters, ICICI Direct Research

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*Source: Bloomberg, Reuters, ICICI Direct Research*

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