

November 14, 2022

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	Nov Futures	Buy	94.90-94.92	95.40	94.60	1 day

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Rupee Outlook and Strategy

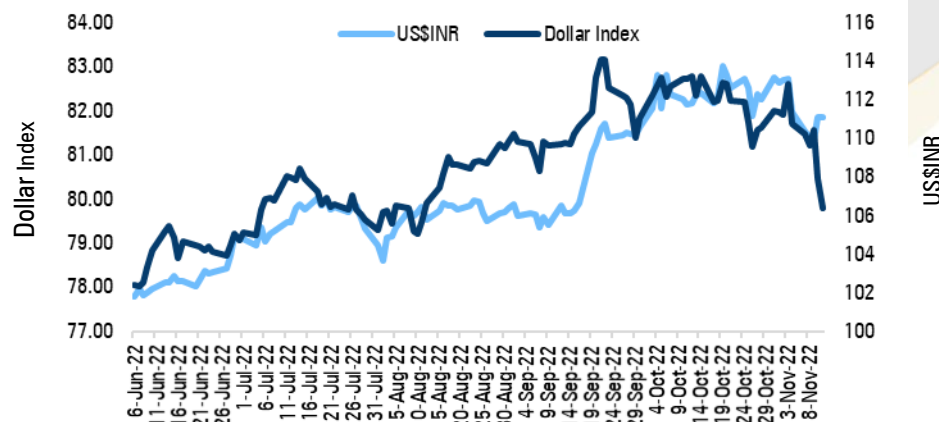
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th Nov)	81.86	-0.01%	2646859	-27919	5564985	2183695
EURINR (28th Nov)	83.11	1.95%	101912	23341	340328	72759
GBPINR (28th Nov)	94.93	1.75%	108782	2692	366393	132545

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th Nov-22)	80.04	80.47	81.10	81.53	82.16
US\$INR (28th Dec-22)	80.74	80.92	81.07	81.25	81.40
EURINR (28th Nov-22)	81.70	82.41	82.77	83.48	83.84
EURINR (28th Dec-22)	82.12	82.78	83.11	83.77	84.10
GBPINR (28th Nov-22)	93.65	94.38	94.78	95.51	95.91
GBPINR (28th Dec-22)	93.71	94.53	95.01	95.83	96.31
JPYINR (28th Nov-22)	56.53	57.06	57.36	57.89	58.19
JPYINR (28th Dec-22)	56.81	57.37	57.67	58.23	58.53

Dollar Index vs US\$INR



- The US dollar extended its fall by 1.41% on Friday amid a rise in risk appetite in global markets. Further, dollar weakness was an extension of the move set off after Thursday's data showed US consumer inflation rose 7.7% YoY in October, its slowest rate since January and below forecasts for 8%. Moreover, weaker than expected Michigan consumer sentiment data from the US pressurised the dollar
- Rupee future maturing on November 28 appreciated by 1.17% on Friday amid a sharp drop in US dollar and uptick in domestic equity markets. However, a rise in crude oil prices restricted further appreciation
- The rupee is expected to trade with a positive bias for the day amid persistent FII inflows in domestic markets and weakness in dollar. Meanwhile, all eyes will be on CPI data, which is likely to show that inflation remained above RBI's comfort zone. US\$INR (November) is expected to trade towards the level of 80.50

GBPINR Strategy

GBPINR Nov futures contract (NSE)

Buy GBPINR in the range of 94.90-94.92

Target: 95.40

Stoploss: 94.60

Support: 94.60/94.40

Resistance: 95.40/95.60

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	Nov Futures	Buy	81.80	82.20	81.54	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	106.41	107.93	-1.41%
US\$INR	80.89	81.86	-1.18%
EURUSD	1.0352	1.0207	1.42%
EURINR	83.11	81.52	1.95%
GBPUSD	1.1831	1.1714	1.00%
GBPINR	94.85	93.30	1.67%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.307	7.346	-0.039
US	3.850	3.818	0.032
UK	3.354	3.286	0.068
Japan	0.235	0.249	-0.014
Germany	2.160	2.006	0.154

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	9096.54	8550.12	546.42
Debt	600.06	323.59	276.47
Net			822.89

- The Euro appreciated by more than 1.40% on Friday amid a drop in the US dollar and rise in risk appetite in global markets. However, further upside was capped as policymaker Pablo Hernandez de Cos said the European Central Bank has not pre-committed to make another 75 basis-point increase at its next policy meeting
- The Euro is expected to trade with a positive bias amid weakness in the US dollar and optimistic global market sentiments. Meanwhile, expectation of disappointing industrial production data from the Euro area may hurt the single currency. EURUSD is likely to surpass the hurdle of 1.0370 to continue its upward trend towards the level of 1.0450. EURINR is expected to rise towards the level of 83.50
- The pound advanced by 1.00% on Friday amid a decline in the dollar. Further, the pound was supported by stronger than expected economic data from Britain. The British economy contracted by a less severe than expected 0.2% in Q3CY22. Additionally, industrial production in the UK rose by 0.2% from a month earlier in September 2022, rebounding from a downwardly revised 1.4% contraction in the prior month and beating market forecasts of a 0.2% drop. It marks the first month of expansion in industrial output since May
- The pound is expected to trade with a positive bias for the day amid weakness in the US dollar and rise in risk appetite in global markets. GBPUSD is likely to break the key resistance level of 1.1840 to continue its upward trend towards the level of 1.1940 in the coming trading session. GBPINR (November) is expected to trade towards the level of 95.40

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
WPI Inflation (YoY) (Oct)	India	12:00 PM	-	8.70%	10.70%	Medium
Industrial Production (MoM) (Sep)	Europe	3:30 PM	-	0.30%	1.50%	Medium
CPI (YoY) (Oct)	India	5:30 PM	-	-	7.41%	High



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