

March 21, 2023

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDNR	Mar Futures	Sell	82.70	82.40	82.85	1 day

Research Analysts

Raj Deepak Singh
rajdeepak.singh@icicisecurities.com

Saif Mukadam
saif.mukadam@icicisecurities.com

Rishikesh Lilawat
rishikesh.lilawat@icicisecurities.com

Anup Sahu
anup.sahu@icicisecurities.com

Rupee Outlook and Strategy

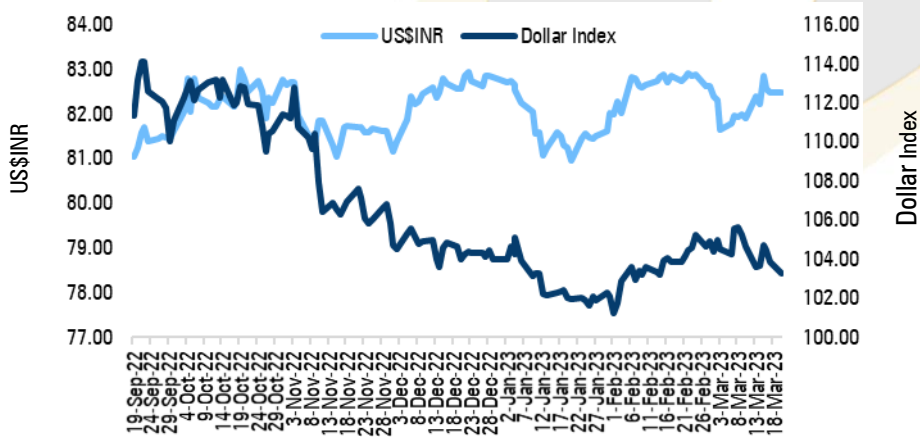
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th Mar)	82.62	0.00%	2276075	-66789	2490528	-318809
EURINR (28th Mar)	88.38	0.55%	104555	4479	205965	70193
GBPINR (28th Mar)	100.89	0.63%	114583	25479	231286	12217

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	82.36	82.49	82.62	82.75	82.88
US\$INR (Apr)	82.58	82.70	82.83	82.95	83.08
EURINR (Mar)	87.71	88.04	88.26	88.59	88.81
EURINR (Apr)	88.58	177.16	88.58	177.16	88.58
GBPINR (Mar)	100.77	201.54	100.77	201.54	100.77
GBPINR (Apr)	101.01	202.01	101.01	202.01	101.01
JPYINR (Mar)	62.95	125.91	62.95	125.91	62.95
JPYINR (Apr)	63.39	126.78	63.39	126.78	63.39

Dollar Index vs US\$INR



- The US dollar index fell almost 0.57% on Monday to its lowest level in a month amid boost in dollar funding by Fed and other central banks. Further easing concerns of banking fears after UBS proposed to take over Credit Suisse lifted global equities. Also, dovish comments from the Atlanta Fed President R Bostic also weakened the dollar. He said the central bank could pause rate hikes in this summer
- Rupee future maturing on March 28 remains unchanged at 82.62
- The US\$INR is likely to decline towards the immediate support of 82.40 amid weakness in dollar. The US dollar is expected to remain under pressure amid speculation that the Fed may dial back its quantitative tightening programme. US\$INR is hovering in the band of 82.40-82.90. It is expected to breach the lower band of the consolidation and decline towards the next key support at 82.10. Only a move above 82.90 would change the direction

US\$INR Strategy

USDINR March futures contract (NSE)

Sell USDINR in the range of 82.70-82.72

Target: 82.40

Support: 82.40/82.30

Stoploss: 82.85

Resistance: 82.85/83.00

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
USDNR	Mar Futures	Sell	82.72	82.44	82.90	Exit in Profit

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
DX	103.27	103.86	-0.57%
US\$INR	82.49	82.50	-0.01%
EURUSD	1.0717	1.0660	0.53%
EURINR	88.43	88.02	0.47%
GBPUSD	1.2270	1.2170	0.82%
GBPINR	101.23	100.45	0.78%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.334	7.354	-0.02
US	3.483	3.436	0.047
UK	3.299	2.381	0.918
Japan	0.215	0.285	-0.07
Germany	2.110	2.115	-0.005

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	18823.33	20522.02	-1698.69
Debt	885.73	165.03	720.7
Net			-977.99

- The Euro extended its gain by almost 0.50% on Monday amid weakness in dollar and easing European banking concerns after UBS agreed to buy Credit Suisse in a \$3.2 billion deal. Further hawkish comments from the ECB Governing Council members has also supported the pair as Mr Kazak focused on further action of ECB amid higher inflationary pressure. Further, improved trade balance numbers in the Euro area has supported the pair to go past 1.07
- The Euro is expected to approach towards higher band of the consolidation range 1.0750-1.063 amid weakness in the dollar. The pair is hovering above the bullish cross over of 10 and 20 day EMA support at 1.067, 1.063 respectively. EURINR (March) is likely to hold the support of 10 day EMA at 87.90 and rise back towards 88.90
- The pound hit the highest level in a month and rallied towards 1.227 amid weakness in dollar. Further higher numbers in Rightmove HPI MoM numbers, which gained by 0.8% in last month has also helped the pair to gain
- The pound is likely to trade on bullish note as the flight to safety eased. Further, expectation of rise in interest rate by BoE could also support the pair. The bullish crossover of 10 and 20 day EMA is going to support the bull case. Additionally the rise in the RSI above the 50 mark would also push the pair to go past 1.23. Immediate support for the pair exists near 1.22. GBPINR (March) is likely to rise towards 101.70, as long as it trades above 100.50

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
German ZEW Economic Sentiment	Europe	3:30 PM	-	14.9	28.1	Medium
ECB President Lagarde Speaks	Europe	6:00 PM	-	-	-	Medium
Existing Home Sales	US	7:30 PM	-	4.19 M	4.00 M	High



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
1st Floor, Akruiti Trade Centre,
Road No 7, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

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