

March 28, 2023

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	Apr Futures	Buy	101.30	101.74	101.00	1 day

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Rupee Outlook and Strategy

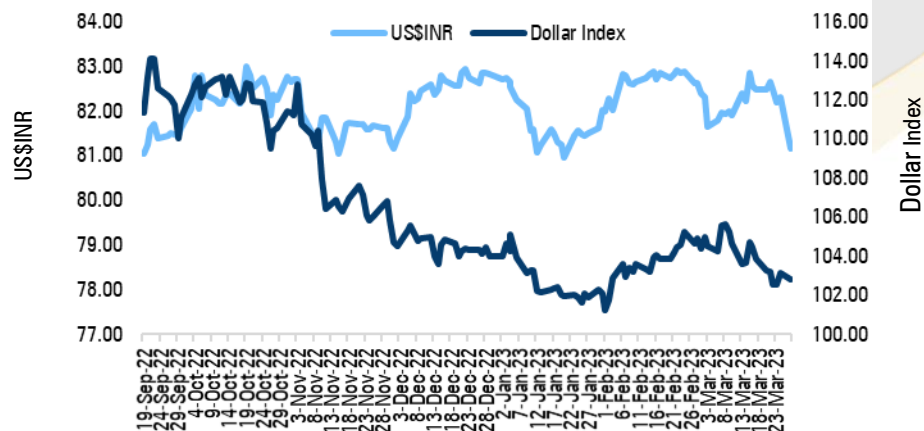
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th Apr)	82.55	-0.10%	3312165	3254349	1666149	1634711
EURINR (26th Apr)	88.99	0.22%	133666	125953	82109	75223
GBPINR (26th Apr)	101.22	0.36%	144762	136764	95766	90461

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	82.39	82.47	82.53	82.61	82.68
US\$INR (May)	82.54	82.62	82.69	82.77	82.84
EURINR (Apr)	88.73	88.86	88.96	89.09	89.18
EURINR (May)	88.88	89.02	89.12	89.26	89.36
GBPINR (Apr)	100.73	100.98	101.12	101.36	101.50
GBPINR (May)	100.92	101.15	101.29	101.52	101.65
JPYINR (Apr)	62.73	62.88	63.16	63.31	63.59
JPYINR (May)	62.99	63.15	63.45	63.62	63.92

Dollar Index vs US\$INR



Source: Bloomberg, Reuters, Ticker, ICICI Direct Research

- The US dollar index posted marginal losses on Monday as easing banking concerns sparked a rally in risky assets. The deal between First Citizens Bancshares and SVB provided respite to the banking worries. Further, expectations of an increase in emergency lending facility by the Federal Reserve to the banks weighed on the dollar
- Rupee future maturing on April 26 appreciated by 0.10% to 82.55 amid weakness in dollar and improved domestic equities
- The US\$INR is likely to move towards the immediate support 82.10 amid weakness in dollar and improved global risk sentiments. Further, expectation of weaker consumer confidence data in the US could also weigh on the dollar. For the day US\$INR, is likely to face resistance of 10 day SMA at 82.55 and dip towards the key 100 day SMA support at 82.10. Only a move below 82.10 would weaken further towards 81.90-81.80

GBPINR Strategy

GBPINR Apr futures contract (NSE)

Buy GBPINR in the range of 100.28-100.30

Target: 101.74

Support: 101/100.80

Stoploss: 101

Resistance: 101.74/101.90

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	Mar Futures	Sell	88.75	88.30	89.05	Stop Loss Hit

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	102.83	103.11	-0.27%
US\$INR	82.16	82.32	-0.19%
EURUSD	1.0806	1.0759	0.44%
EURINR	88.85	88.62	0.26%
GBPUSD	1.2293	1.2228	0.53%
GBPINR	101.04	100.68	0.35%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.312	7.218	0.094
US	3.539	3.380	0.159
UK	3.383	3.284	0.099
Japan	0.292	0.260	0.032
Germany	2.226	2.151	0.075

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	5318.92	6775.66	-1456.74
Debt	1301.93	416.33	885.6
Net			-571.14

- The Euro gained by 0.44% on Monday after German March Ifo business confidence unexpectedly rose to a 13 month high. Further easing banking fears in the region also supported the Euro to recover its Friday losses and it managed to end above the 1.08 mark
- The Euro is expected to trade on a positive note amid weakness in dollar and improved risk sentiments. The EURUSD is hovering between the mid and higher Bollinger band suggesting bullish bias. Additionally, the bullish crossover of 20 and 50 day EMA could also support the pair to rally again towards the immediate target resistance near 1.087-1.0920. EURINR (April) is likely to hold the support of 10 day SMA near 88.80 and move towards the target resistance at 89.60
- The pound moved higher on Monday, after BoE Governor Andrew Bailey sounded hawkish. In his speech he cited key concerns on inflation numbers and assured to take additional tightening measure to contain the inflation in the region
- The pound is likely to move higher amid weakness in dollar and improved global risk sentiments. The pair held the support of 10 day EMA at 1.218 and is expected to move higher towards the next target resistance of 1.2340. The bullish crossover of 10 and 20 day EMA is going to support the pair to scale back towards last weeks highs. GBPINR (April) is expected to hold the support near 100.90 and rise towards 101.50-101.740

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
Goods Trade Balance	Europe	6:00 PM	-	-90.2 B	-91.5 B	Medium
ECB President Lagarde Speaks	UK	6:30 PM	-	-	-	High
CB Consumer Confidence	US	7:30 PM	-	101.00	102.90	High
Richmond Manufacturing Index	US	7:30 PM	-	-10.00	-16.00	Medium



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