

April 6, 2023

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Apr Futures	Sell	82.10	81.80	82.30	1 day

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Rupee Outlook and Strategy

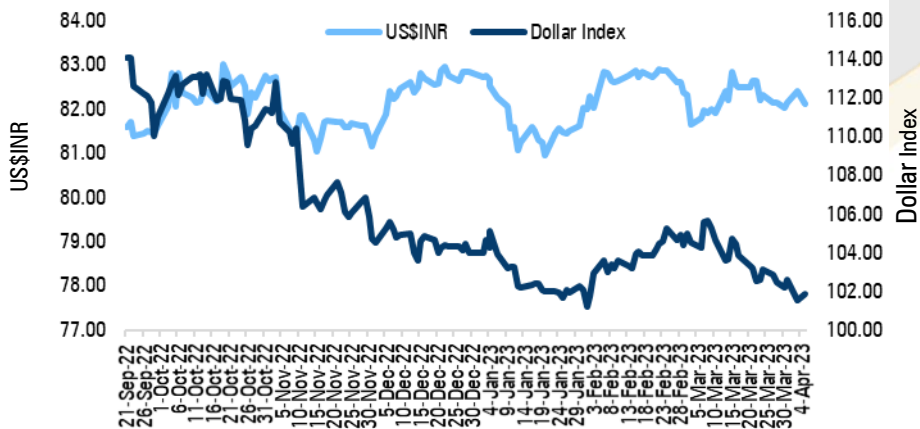
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th Apr)	82.13	-0.35%	3265619	-349784	3742034	1474726
EURINR (26th Apr)	89.84	0.29%	166424	3214	208004	9061
GBPINR (26th Apr)	102.29	0.41%	226712	5206	203355	-17940

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	81.85	81.98	82.15	82.29	82.46
US\$INR (May)	82.03	82.16	82.30	82.43	82.57
EURINR (Apr)	89.57	89.70	89.91	90.04	90.25
EURINR (May)	89.81	89.94	90.14	90.27	90.47
GBPINR (Apr)	101.92	102.13	102.43	102.64	102.94
GBPINR (May)	102.09	102.30	102.57	102.78	103.06
JPYINR (Apr)	62.31	62.47	62.63	62.79	62.96
JPYINR (May)	62.65	62.82	62.98	63.15	63.31

Dollar Index vs US\$INR



- The US dollar index rose on Wednesday, recovering from two-month lows as investors lightened their short positions to book profits ahead of the US non-farm payrolls report on Friday. Meanwhile, further upside was prevented on weaker than expected ADP nonfarm employment change and ISM non-manufacturing PMI data from the US
- Rupee future maturing on April 26 appreciated by 0.36% to 82.1250 on Wednesday amid sharp rise in domestic equity markets
- The rupee is likely to trade with a positive bias amid rise in risk appetite in domestic markets. Further, the main focus will be on the interest rate decision from the RBI. The central bank is expected to increase interest rate by 25 bps to 6.75%. US\$INR is expected to break key support level of 82.05 to continue its downward trend towards the level of 81.80

US\$INR Strategy

USDINR Apr futures contract (NSE)

Sell USDINR in the range of 82.10-82.12

Target: 81.80

Support: 81.80/81.70

Stoploss: 82.30

Resistance: 82.30/82.40

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	Apr Futures	Buy	89.90	90.20	89.70	Exit in Loss

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	101.88	101.57	0.31%
US\$INR	82.13	82.42	-0.36%
EURUSD	1.0902	1.0957	-0.50%
EURINR	89.84	89.58	0.29%
GBPUSD	1.2461	1.2500	-0.31%
GBPINR	102.29	101.87	0.41%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.273	7.315	-0.042
US	3.314	3.346	-0.032
UK	3.418	3.420	-0.002
Japan	0.461	0.413	0.048
Germany	2.197	2.250	-0.053

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	5009.3	4451.16	558.14
Debt	1216.96	1793.7	-576.74
Net			-18.6

- The Euro edged down more than 0.40% yesterday amid uptick in US dollar index. Further, the Euro dropped as the German services PMI was revised slightly lower to 53.7 in March 2023 from a preliminary estimate of 53.9. Additionally, according to a survey, the eurozone recovery picked up pace last month but the upturn was uneven across industries and countries, as price pressures remained elevated in the region
- The Euro is expected to trade on a bearish note amid re-bounce in the US dollar. Further, the Euro may slip as German industrial production is forecast to decline by 0.1% in February 2023 compared to 3.5% rise in preceding month. EURUSD is likely to break the key support level of 1.0880 to continue its downward trend towards the level of 1.0860. EURINR is expected to trade in downward trend towards the level of 89.50
- The pound depreciated by more than 0.30% on Wednesday amid a rise in US dollar and decline in UK 10 years bond yields. Meanwhile, sharp downside was prevented on stronger than expected services PMI data from Britain
- The pound is expected to trade with a negative bias amid re-bounce in dollar and construction PMI data from the Britain is expected to drop from 54.6 to 53.5. GBPUSD is likely to break the key support level of 1.2420 to continue its downward trend towards the level of 9 DMA at 1.2390. GBPINR is expected to trade towards the level of 102

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
Interest Rate Decision	India	10:00 AM	-	6.75%	6.50%	High
German Industrial Production (MoM) (Feb)	Europe	11:30 AM	-	0.10%	3.50%	Medium
Construction PMI (Mar)	UK	2:00 PM	-	53.5	54.6	High
Initial Jobless Claims	US	6:00 PM	-	200K	198K	High



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