

April 13, 2023

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	Apr Futures	Buy	101.90	102.20	101.70	1 day

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Rupee Outlook and Strategy

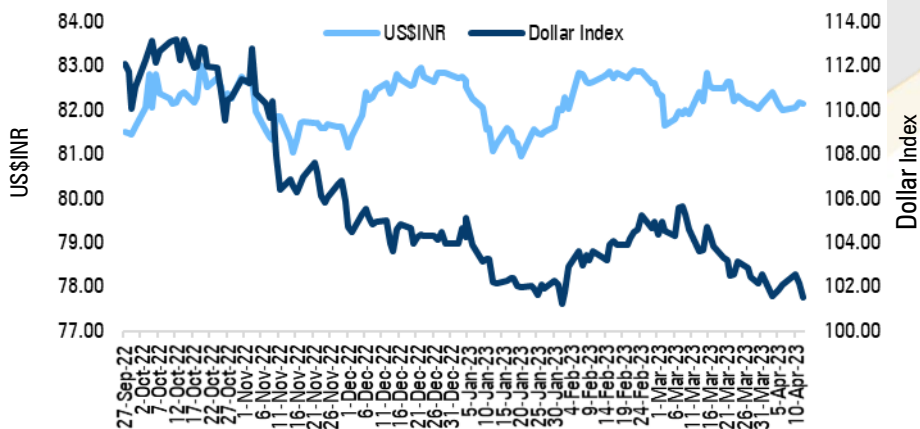
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th Apr)	82.14	-0.04%	2976728	-20019	1606490	14116
EURINR (26th Apr)	89.76	0.05%	161292	6036	101890	-59741
GBPINR (26th Apr)	101.91	-0.24%	195661	-4962	115464	-53080

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	82.02	82.08	82.12	82.18	82.21
US\$INR (May)	82.18	82.23	82.27	82.32	82.36
EURINR (Apr)	89.59	89.67	89.75	89.83	89.90
EURINR (May)	89.84	89.93	90.00	90.09	90.15
GBPINR (Apr)	101.66	101.79	101.97	102.09	102.28
GBPINR (May)	101.90	102.03	102.19	102.32	102.47
JPYINR (Apr)	61.38	61.48	61.55	61.65	61.72
JPYINR (May)	61.73	61.85	61.93	62.06	62.13

Dollar Index vs US\$INR



- The US dollar edged down by 0.60% on Wednesday after data showed US consumer prices rose less than expected in March, raising expectations that the Fed is likely to stop hiking rates after a possible increase in May. Further, FOMC meeting minutes indicated that banking sector stress could tip the economy into a recession
- Rupee future maturing on April 26 appreciated by 0.03% on Wednesday amid a weaker US dollar and uptick in domestic equity markets
- The rupee is likely to trade with a positive bias amid a soft US dollar as cooler than expected inflation data from US raised hopes the Fed is near the end of its hiking cycle. Meanwhile, inflation in India decelerated in March to 5.66% from 6.44% in February 2023. US\$INR is expected to continue its downward trend towards the level of 82.00

GBPINR Strategy

GBPINR Apr futures contract (NSE)

Buy GBPINR in the range of 101.88-101.90

Target: 102.20

Support: 101.70/101.60

Stoploss: 101.70

Resistance: 102.20/102.30

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
EURINR	Apr Futures	Buy	89.70	90.00	89.50	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
DXY	101.53	102.14	-0.60%
US\$INR	82.14	82.17	-0.04%
EURUSD	1.0991	1.0909	0.75%
EURINR	89.76	89.71	0.06%
GBPUSD	1.2484	1.2424	0.48%
GBPINR	101.91	102.16	-0.24%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.213	7.224	-0.011
US	3.396	3.430	-0.034
UK	3.572	3.536	0.036
Japan	0.466	0.452	0.014
Germany	2.358	2.305	0.053

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	7095.87	6065.41	1030.46
Debt	847.62	1289.45	-441.83
Net			588.63

- The Euro appreciated more than 0.75% yesterday and touched levels last seen in February amid weakness in the US dollar and rise in German 10 years bond yields. Further, the Euro was supported after Austrian Central Bank chief Robert Holzmann said the European Central Bank needs to keep raising interest rates and the inflation outlook alone would warrant another 50 basis point increase in May
- The Euro is expected to trade on a bullish note amid weak US dollar and uptick in German bond yields. Meanwhile, sharp upside may be restricted as the German CPI YoY data is expected to drop from 8.7% to 7.4%. EURINR is expected to continue its upward trend towards the level of 90.00
- The pound edged higher by almost 0.50% on Wednesday amid a soft US dollar and rise in UK 10 years bond yields. Additionally, sterling rose as market pricing currently indicates around a 75% chance of one more 25 basis point hike
- The pound is expected to trade with a positive bias amid a weak US dollar and rise in UK 10 year's bond yields. Meanwhile, sharp upside may be capped as UK GDP MoM data is expected to drop from 0.3% to 0.1%. GBPINR is likely to break the level of 102 to trade in an upward trend towards the level of 102.20 for the day

Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
Manufacturing Production (MoM) (Feb)	UK	11:30 AM	-	0.20%	-0.40%	High
German CPI (YoY) (Mar)	Europe	11:30 AM	-	7.40%	8.70%	High
Trade Balance (Feb)	UK	11:30 AM	-	-17.00B	-17.86B	Medium
Industrial Production (MoM) (Feb)	UK	11:30 PM	-	0.20%	-0.30%	Medium
GDP (MoM) (Feb)	UK	11:30 PM	-	0.10%	0.30%	High
Industrial Production (MoM) (Feb)	Europe	2:30 PM	-	1.00%	0.70%	Medium
PPI (MoM) (Mar)	US	6:00 PM	-	0.10%	-0.10%	High
Initial Jobless Claims	US	6:00 PM	-	232K	228K	High



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