

April 17, 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

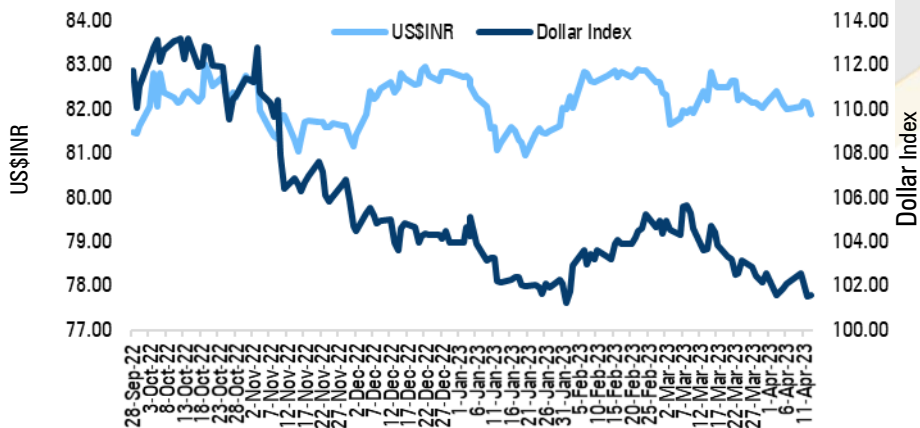
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th Apr)	81.90	-0.29%	3077205	100477	2103741	497251
EURINR (26th Apr)	90.20	0.50%	181880	20588	150743	48853
GBPINR (26th Apr)	102.44	0.52%	202118	6457	146228	30764

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	81.63	81.76	81.98	82.12	82.34
US\$INR (May)	82.10	82.07	82.19	82.16	82.28
EURINR (Apr)	89.90	90.05	90.19	90.34	90.48
EURINR (May)	90.14	90.28	90.41	90.55	90.68
GBPINR (Apr)	102.21	102.32	102.43	102.54	102.65
GBPINR (May)	102.38	102.48	102.59	102.69	102.80
JPYINR (Apr)	61.42	61.51	61.63	61.73	61.85
JPYINR (May)	61.85	61.96	62.05	62.16	62.26

## Dollar Index vs US\$INR



- The US dollar bounced off a one-year low on Friday as the University of Michigan consumer sentiment for the US unexpectedly increased to 63.5 in April of 2023 from 62 in March, beating forecasts of 62. Meanwhile, further upside was prevented as retail sales in the US sank 1% MoM in March 2023, following a downwardly revised 0.2% fall in February and way more than market forecasts of a 0.4% drop
- Rupee future maturing on April 26 appreciated by 0.29% on Friday amid persistent FII inflow in the domestic equity markets
- The rupee is likely to trade with a negative bias amid strong US dollar. Further, hawkish comments from the Federal Reserve official increased bets on another rate hike. Meanwhile, sharp depreciation may be prevented on persistent FII inflow in domestic equity markets. US\$INR is expected to rise towards the level of 82.10 as long as it sustains above the key support level of 81.85

## GBPINR Strategy

### GBPINR Apr futures contract (NSE)

Sell GBPINR in the range of 102.38-102.40

Target: 102.20

Support: 102.20/102.10

Stoploss: 102.53

Resistance: 102.50/102.60

## Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
GBPINR	Apr Futures	Sell	102.40	102.20	102.53	1 day

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	101.58	101.00	0.57%
US\$INR	81.90	82.14	-0.29%
EURUSD	1.0993	1.1046	-0.48%
EURINR	90.21	89.74	0.52%
GBPUSD	1.2412	1.2522	-0.88%
GBPINR	102.42	101.89	0.52%

## 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 depreciated almost 0.50% on Friday amid a strong US dollar. Further, the Euro was pressurised after data showed Spain's annual consumer price inflation was confirmed at 3.3% in March 2023, down for a second consecutive month, from 6% in February. It was the lowest reading since August 2021
- The Euro is expected to trade on a bearish note amid a rise in the US dollar. Further, traders will closely watch ECB President Lagarde's speech for further cues on ECB rate hike cycle. EURINR is likely to break the key support level of 90.10 to trade in a downward trend towards the level of 89.90
- The pound edged down almost 0.90% amid strong US dollar. Meanwhile, further downside was restricted on sharp rise in UK 10 years bond yields. Additionally, the pound was supported on improving appetite for risk ahead of a big week of British data that could provide clues on the outlook for monetary policy
- The pound is expected to trade with a negative bias amid strength in US dollar. Meanwhile, sharp downside may be prevented on uptick in UK 10 years bond yields. GBPINR is facing strong resistance at 102.53 and is likely to trade in a downward trend towards the level of 102.20 for the day

# Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
WPI Inflation (YoY) (Mar)	India	12:00 PM	-	1.87%	3.85%	Medium
NY Empire State Manufacturing Index (Apr)	US	6:00 PM	-	-18	-24.6	Medium
ECB President Lagarde Speaks	Europe	8:30 PM	-	-	-	High



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