

## Currency Movement – FOREX Rates

Currency	05-27-2022	06-03-2022	Wk-on-Wk % Change
Indian Rupee (INR)	77.57	77.58	0.01
Euro (EUR)	1.0727	1.0718	-0.08
Japanese Yen (JPY)	127.11	130.86	2.95
Brazilian Real (BRL)	4.73	4.77	0.85
Chinese Yuan (CNY)	6.6980	6.6607	-0.56
Singapore Dollar (SGD)	1.3687	1.3757	0.51
Tanzanian Shilling (TZS)	2322.00	2323.00	0.04
Thai Baht (THB)	34.11	34.30	0.56
Mozambique New Metical (MZN)	64.10	64.10	0.00
Vietnam Dong (VND)	23195.00	23187.00	-0.03
Indonesian Rupiah (IDR)	14575.00	14435.00	-0.96
West African Franc (XOF)	607.00	606.50	-0.08
Ghanaian New Cedi (GHS)	7.77	7.90	1.67
EURO West African Franc	651.13	650.11	-0.16

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	77.15	76.75	77.95	78.30
EURO	647	641	658	663
EURUSD	1.05	1.03	1.09	1.11

### Indian rupee may remain weak

- Indian rupee last week traded in the region of 77.70 and 77.43 and finally settled the week at 77.58 against the dollar as on June 03.
- The RBI in its monetary policy meet scheduled for this week is most likely to hike interest rates once again and thereafter may pause for a couple of months to see the impact of government measures to rein the inflationary pressures.
- Higher crude oil price may continue to widen the current account deficit and so far, there is no clarity on equity markets, which may result in forex outflows.
- Couple of big fund houses forecasted rupee to depreciate further towards 80-81 levels going forward (probably in Q4 of this year).
- One can foresee rupee to trade in the broader range of 77.45 and 78.30 in the short term.

### EUR/USD

#### EUR may trade sideways, now focus shifts to ECB meet later this week

- EUR last week traded in the region of 1.0787 and 1.0625 and settled the week at 1.0716 as on Jun 03.

- As we rightly mentioned EUR has rebounded and may test 1.09-1.10 in the near term.
- Last week US pay rolls data for the month of May came in at 390,000, well above market forecasts, resulted in dollar index gaining momentum.
- Now market participants will closely watch this week ECB meeting, which may hint when they actually go in for a rate hike.

Technically EUR may trade in the broader region of 1.0500 and 1.1000 against the USD going forward.