

Currency Movement – FOREX Rates

Currency	07-01-2022	07-08-2022	Wk-on-Wk % Change
Indian Rupee (INR)	78.97	79.25	0.35
Euro (EUR)	1.0428	1.0183	-2.35
Japanese Yen (JPY)	135.34	136.08	0.55
Brazilian Real (BRL)	5.33	5.25	-1.50
Chinese Yuan (CNY)	6.6934	6.6945	0.02
Singapore Dollar (SGD)	1.3972	1.3976	0.03
Tanzanian Shilling (TZS)	2332.00	2328.00	-0.17
Thai Baht (THB)	35.65	35.86	0.59
Mozambique New Metical (MZN)	63.88	63.80	-0.13
Vietnam Dong (VND)	23360.00	23357.50	-0.01
Indonesian Rupiah (IDR)	14964.00	14975.00	0.07
West African Franc (XOF)	627.75	643.25	2.47
Ghanaian New Cedi (GHS)	8.02	8.12	1.25
EURO West African Franc	654.80	655.02	0.03

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	78.95	78.65	79.65	79.85
EURO	651	647	661	666
EURUSD	0.98	0.95	1.04	1.06

Indian rupee weakness to continue in the near term, inching closer to 80 level

- Indian rupee last week traded in the region of 78.84 and 79.37 and finally settled the week at 79.25 against the dollar as on July 08.
- Rupee continue to remain weak and expect more weakness in the near term in line with decline in other global currencies.
- The RBI last week has allowed banks to raise deposits from NRIs at a higher interest rate and raised external commercial borrowing limit for corporates under the automatic route.
- Liquidity crunch across the globe as central banks is withdrawing easy money and hiking interest rates to control the global inflation which is a t a historic high, arising out of Ukraine-Russia conflict.
- One can foresee rupee to trade in the broader region of 78.60 and 79.95 in the short term.

EUR/USD

EUR nearing parity, probably to weaken further

- EUR last week traded in the region of 1.0463 and 1.0071 and settled the week at 1.0184 as on July 08.
- EUR has declined to its lowest levels since September 2002. Technical formation signals further weakness below parity not ruled out.
- Germany records its first trade deficit in 30 years as higher cost of imports has taken a toll.
- Later this month ECB is set to hike its interest rates for several years and way behind other central banks.
- This week US data on retail sales and Michigan consumer sentiment index along with ZEW economic sentiment will be watched by market participants to ascertain the state of global economy.

Technically EUR may trade in the broader region of 0.98/0.95 and 1.0500 against the USD going forward.