

## Currency Movement – FOREX Rates

Currency	06-03-2022	06-10-2022	Wk-on-Wk % Change
Indian Rupee (INR)	77.58	77.81	0.30
Euro (EUR)	1.0718	1.0515	-1.89
Japanese Yen (JPY)	130.86	134.42	2.72
Brazilian Real (BRL)	4.77	4.98	4.40
Chinese Yuan (CNY)	6.6607	6.7081	0.71
Singapore Dollar (SGD)	1.3757	1.3876	0.87
Tanzanian Shilling (TZS)	2323.00	2326.00	0.13
Thai Baht (THB)	34.30	34.72	1.22
Mozambique New Metical (MZN)	64.10	64.10	0.00
Vietnam Dong (VND)	23187.00	23177.00	-0.04
Indonesian Rupiah (IDR)	14435.00	14550.00	0.80
West African Franc (XOF)	606.50	613.25	1.11
Ghanaian New Cedi (GHS)	7.90	7.95	0.63
EURO West African Franc	650.11	644.83	-0.81

Symbol	Support S1	S2	Resistance (R1)	R2
<b>USDINR</b>	77.45	76.75	78.30	78.60
<b>EURO</b>	641	636	651	657
<b>EURUSD</b>	1.03	1.01	1.06	1.08

### Indian rupee at a new low of well above 78

- Indian rupee last week traded in the region of 77.57 and 77.87 and finally settled the week at 77.81 against the dollar as on June 10.
- The RBI in its monetary policy meet last week as expected has hiked the interest rates once again by 50 basis points. This is second successive rate hike in the last one month or so.
- Crude oil prices continued to remain at elevated levels, FII outflows from stock markets, inflationary pressures and surge in US dollar index will keep the rupee under pressure.
- One can foresee rupee to trade in the broader range of 77.45 and 78.60 in the short term.

### EUR/USD

#### EUR may trade sideways to lower, ECB to hike rates by July

- EUR last week traded in the region of 1.0774 and 1.0503 and settled the week at 1.0521 as on Jun 10.
- EUR failed to stay above 1.08 may signal further weakness, if it fails to hold on to the support of 1.03.

- Risk aversion struck the markets following the release of US May month Consumer Price Index (CPI), which is closer to hitting 9% YoY after hovering at around 8.3 percent for the past two months.
- The University of Michigan reported June's consumer sentiment preliminary numbers plunged to 50.2, lower than the 58.4 in May, hinting at consumer pessimism.
- The ECB last week has ended its long running stimulus and said that it will go ahead with its first interest rate hike in July, the first-rate hike since 2011.

Technically EUR may trade in the broader region of 1.0300 and 1.0800 against the USD going forward.