

## Currency Movement – FOREX Rates

Currency	05-06-2022	05-12-2022	Wk-on-Wk % Change
Indian Rupee (INR)	76.88	77.40	0.68
Euro (EUR)	1.0548	1.0411	-1.30
Japanese Yen (JPY)	130.57	129.19	-1.06
Brazilian Real (BRL)	5.08	5.06	-0.39
Chinese Yuan (CNY)	6.6665	6.7880	1.82
Singapore Dollar (SGD)	1.3856	1.3922	0.48
Tanzanian Shilling (TZS)	2325.00	2325.00	0.00
Thai Baht (THB)	34.34	34.72	1.11
Mozambique New Metical (MZN)	63.79	64.10	0.49
Vietnam Dong (VND)	22956.50	23086.50	0.57
Indonesian Rupiah (IDR)	14550.00	14610.00	0.41
West African Franc (XOF)	624.71	630.75	0.97
Ghanaian New Cedi (GHS)	7.55	7.55	0.00
EURO West African Franc	658.95	656.74	-0.34

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	77.15	76.70	77.60	77.95
EURO	652	647	662	668
EURUSD	1.03	1.00	1.07	1.09

### Indian rupee at record low, overall weakness in trend intact

- Indian rupee last week traded in the region of 77.12 and 77.63 and finally settled the week on a weaker note at 77.40 against the dollar as on May 12.
- Rupee early today touched the all-time low 77.72, signalling room for further weakness going forward.
- India's CPI inflation surges to nearly eight year high of 7.8 percent in April, which may signal further rate hike by RBI in June-July.
- Due to weakening rupee, India's current account deficit may widen going forward. Also one can expect more FII pull out from the Indian markets in the short term.
- One can foresee rupee to trade in the broader range of 76.55 and 77.95 in the short term.

### EUR/USD

## **EUR may continue to remain weak despite extremely oversold**

- EUR last week traded in the region of 1.0593 and 1.0348 and settled the week almost unchanged at 1.0407 as on May 13.
- Although, technically EUR is oversold and yet to confirm signs of reversal in trend.
- The ECB is likely to join other central banks in hiking interest rates by July/August once the bond buying programme is over.
- The US fed has already hinted that it may hike rates by about 100 bps in its next two meetings.
- The Western countries standoff continues for close to three months may result in euro usd to reach parity sooner than later.
- Technically EUR and may trade in the broader region of 1.0300 and 1.0900 against the USD going forward and breach of that lower support will invite further selling pressure.