

Currency Movement – FOREX Rates

Currency	09-09-2022	09-16-2022	Wk-on-Wk % Change
Indian Rupee (INR)	79.52	79.73	0.26
Euro (EUR)	1.0039	1.0015	-0.24
Japanese Yen (JPY)	142.52	142.91	0.27
Brazilian Real (BRL)	5.1462	5.2531	2.08
Chinese Yuan (CNY)	6.9240	6.9799	0.81
Singapore Dollar (SGD)	1.3984	1.4055	0.51
Tanzanian Shilling (TZS)	2327.00	2327.00	0.00
Thai Baht (THB)	36.32	36.81	1.35
Mozambique New Metical (MZN)	64.12	64.12	0.00
Vietnam Dong (VND)	23515.00	23650.00	0.57
Indonesian Rupiah (IDR)	14828.00	14950.00	0.82
West African Franc (XOF)	646.25	654.00	1.20
Ghanaian New Cedi (GHS)	10.07	10.10	0.30
EURO West African Franc (EURXOF)	648.77	654.98	0.96

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	79.35	78.95	80.10	80.50
EURXOF	651	646	659	664
EURUSD	0.98	0.95	1.02	1.04

Indian rupee may trade range bound with higher volatility

- Indian rupee last week traded in the narrow region of 79 and 79.86 and finally settled the week at 79.73 against the dollar as on Sep 16.
- India's forex reserve since Jan this year has depleted by more than USD 80 billion. However, the fall in reserves is not alarming as India has a greater number of reserves when compared to 2008 global financial crisis.
- RBI may hike interest rates in its monetary policy meet later this month in line with US fed aggressive stance to control inflationary pressures, may put further pressure on rupee. At the same time softening crude may support the rupee to some extent.
- Indian rupee could depreciate towards 80.6-81-81.30 in the near term and may not depreciate much considering India's growth potential.
- One can foresee rupee to trade in the broader region of 79.00 and 80.60/81 in the short-term.

EUR/USD

FOMC interest rate outlook key to further direction of EUR

- EUR last week traded in the region of 1.0198 and 0.9943 and settled the week at 1.0013 as on Sep 16.
- EUR after having hit a two-decades low is trying to stage a comeback. However, technical formation signals further weakness, and only a close well above 1.04 may signal further strength.
- US Fed FOMC meeting this week is likely to consider further hike in interest rates to control inflationary pressures. The central bank is likely to update on the summary of economic projections.

Technically EUR may trade in the broader region of 0.98/0.95 and 1.0300/1.0400 against the USD going forward.