

Currency Movement – FOREX Rates

Currency	07-15-2022	07-22-2022	Wk-on-Wk % Change
Indian Rupee (INR)	79.83	79.83	0.09
Euro (EUR)	1.0087	1.0087	1.24
Japanese Yen (JPY)	138.53	138.53	-1.78
Brazilian Real (BRL)	5.41	5.41	1.66
Chinese Yuan (CNY)	6.7565	6.7565	-0.10
Singapore Dollar (SGD)	1.3998	1.3998	-0.87
Tanzanian Shilling (TZS)	2327.00	2327.00	0.00
Thai Baht (THB)	36.62	36.62	0.05
Mozambique New Metical (MZN)	64.10	64.10	0.00
Vietnam Dong (VND)	23450.00	23450.00	-0.21
Indonesian Rupiah (IDR)	14990.00	14990.00	0.17
West African Franc (XOF)	651.00	651.00	-1.15
Ghanaian New Cedi (GHS)	8.12	8.12	-0.12
EURO West African Franc	656.66	656.66	0.05

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	79.45	78.95	80.30	80.60
EURO	639	634	651	657
EURUSD	1.00	0.98	1.04	1.06

Indian rupee next move will depend on the quantum of US fed hike on interest rates

- Indian rupee last week traded in the region of 79.69 and 80.06 and finally settled the week at 79.90 against the dollar as on July 22.
- Rupee as we rightly pointed out has breached 80 level for the second time in as many weeks. One has to wait for clarity whether weakness to continue going forward or there may be a temporary reprieve.
- We will continue to engage with the forex market and ensure that the rupee finds its level in line with its fundamentals,” RBI Governor Shaktikanta Das said last week.
- The US Fed in its July 26-27th meeting is likely to increase interest rates by 50-75 basis points to control inflationary pressures, which could result in further selling of FIIs in the emerging markets including India, could result in further rupee depreciation.
- One can foresee rupee to trade in the broader region of 78.95 and 80.30 in the short term.

EUR/USD

EUR rebounds, will it sustain?

- EUR last week traded in the region of 1.0077 and 1.0278 and settled the week at 1.0211 as on July 22.
- EUR after having hit a two-decades low is trying to stage a comeback. Technical formation signals further weakness, although it could slightly rebound in the near term for the recent fall.
- Last week as anticipated the ECB has hiked its interest rates by 50 bps first time since 2011 and hints at further rate hike in September.
- This week all eyes on US fed meet and then the euro zone inflation data and US core PCE.

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