

## Currency Movement – FOREX Rates

Currency	06-17-2022	06-24-2022	Wk-on-Wk % Change
Indian Rupee (INR)	78.04	78.30	0.33
Euro (EUR)	1.0498	1.0556	0.55
Japanese Yen (JPY)	134.96	135.18	0.16
Brazilian Real (BRL)	5.15	5.24	1.75
Chinese Yuan (CNY)	6.7160	6.6878	-0.42
Singapore Dollar (SGD)	1.3897	1.3855	-0.30
Tanzanian Shilling (TZS)	2327.00	2328.00	0.04
Thai Baht (THB)	35.24	35.45	0.60
Mozambique New Metical (MZN)	64.10	64.10	0.00
Vietnam Dong (VND)	23220.00	23247.00	0.12
Indonesian Rupiah (IDR)	14821.00	14845.00	0.16
West African Franc (XOF)	620.00	620.00	0.00
Ghanaian New Cedi (GHS)	7.97	7.95	-0.25
EURO West African Franc	650.88	654.35	0.53

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	77.95	77.65	78.60	78.95
EURO	649	644	661	666
EURUSD	1.03	1.01	1.07	1.09

### Indian rupee continues to remain weak

- Indian rupee last week traded in the region of 77.85 and 78.38 and finally settled the week at 78.30 against the dollar as on June 24.
- Rupee continue to remain weak and expect more weakness going forward as FPI outflow continues.
- Global inflation due to supply chain disruptions due to Russia-Ukraine coupled with weakness in rupee has resulted in higher import cost of crude, gold and other essentials and thus widened India's current account deficit.
- The impact of RBI hike on interest rates in the domestic inflation is likely to be seen in August and one has to closely track the movement of South West monsoon, which is critical in terms of agriculture output of various food crops.
- One can foresee rupee to trade in the broader range of 77.45 and 78.95 in the short term.

### EUR/USD

EUR may trade sideways to range bound

- EUR last week traded in the region of 1.0466 and 1.0606 and settled the week at 1.0553 as on Jun 24.
- EUR is holding on to its support around 1.0350, signaling pull back to 1.08-1.10 level going forward.
- Testifying before Congress on Monetary Policy and the State of the Economy, USD fed chairman Mr Powell noted that the central bank has little control over energy and food prices, although he repeated their unconditional commitment to fighting inflation.
- The central bank's leader finally added that it is "significantly more challenging" to bring down inflation without impacting the labour market.

Technically EUR may trade in the broader region of 1.0300 and 1.0800/1.10 against the USD going forward.