

## Currency Movement – FOREX Rates

Currency	08-19-2022	08-26-2022	Wk-on-Wk % Change
Indian Rupee (INR)	79.87	79.85	-0.03
Euro (EUR)	1.0034	0.9961	-0.73
Japanese Yen (JPY)	136.93	137.52	0.43
Brazilian Real (BRL)	5.17	5.06	-2.13
Chinese Yuan (CNY)	6.8164	6.8715	0.81
Singapore Dollar (SGD)	1.3912	1.3934	0.16
Tanzanian Shilling (TZS)	2326.00	2327.00	0.04
Thai Baht (THB)	35.72	36.15	1.20
Mozambique New Metical (MZN)	64.11	64.11	0.00
Vietnam Dong (VND)	23400.00	23412.00	0.05
Indonesian Rupiah (IDR)	14835.00	14815.00	-0.13
West African Franc (XOF)	647.00	653.00	0.93
Ghanaian New Cedi (GHS)	9.75	9.97	2.26
EURO West African Franc	649.20	650.45	0.19

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	79.35	78.95	80.35	80.60
EURO	647	641	659	665
EURUSD	0.98	0.95	1.02	1.04

### Indian rupee may depreciate further on global economic concerns

- Indian rupee last week traded in the narrow region of 79.92 and 79.69 and finally settled the week at 79.85 against the dollar as on Aug 26.
- Rupee early today (Aug 29) breached the all-time suggests room for further depreciation going forward
- US Fed Jackson holes meet signals more interest rate hikes are necessary to tame down inflation. Mr Powell went on to add that history shows bringing inflation down often comes with "employment costs" that increase with a delay.
- The FED announcement reinforces fears of economic slowdown, which fuelled concerns of impending recession and tanked global indices.
- 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 79.15 and 80.60/81 in the short-term.

### EUR/USD

## EUR settled the week below parity, may weaken further

- EUR last week traded in the region of 0.9899 and 1.0090 and settled the week at 0.9965 as on Aug 26.
- EUR after having hit a two-decades low is trying to stage a comeback. However, technical formation signals further weakness, as it failed to sustain the recent rebound.
- The US dollar index regains strength, after US fed chairman hints at further rate hikes for some more time.
- Recent weakness in euro may result in more inflationary pressures, with core inflation is expected higher at 4.1 percent, and may add further pressure on ECB to continue its interest rate hike. The eurozone economic outlook is looking grim.

Technically EUR may trade in the broader region of 0.95/0.93 and 1.0300 against the USD going forward.