

Currency Movement – FOREX Rates

Currency	05-20-2022	05-27-2022	Wk-on-Wk % Change
Indian Rupee (INR)	77.65	77.57	-0.10
Euro (EUR)	1.0560	1.0727	1.58
Japanese Yen (JPY)	127.85	127.11	-0.58
Brazilian Real (BRL)	4.88	4.73	-3.07
Chinese Yuan (CNY)	6.6921	6.6980	0.09
Singapore Dollar (SGD)	1.3800	1.3687	-0.82
Tanzanian Shilling (TZS)	2321.00	2322.00	0.04
Thai Baht (THB)	34.39	34.11	-0.81
Mozambique New Metical (MZN)	64.10	64.10	0.00
Vietnam Dong (VND)	23160.00	23195.00	0.15
Indonesian Rupiah (IDR)	14650.00	14575.00	-0.51
West African Franc (XOF)	618.00	607.00	-1.78
Ghanaian New Cedi (GHS)	7.72	7.77	0.65
EURO West African Franc	652.61	651.13	-0.23

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	77.15	76.75	77.95	78.10
EURO	647	641	658	663
EURUSD	1.05	1.03	1.09	1.11

Indian rupee may trade sideways, to stay weak

- Indian rupee last week traded in the region of 77.70 and 77.43 and finally settled the week at 77.57 against the dollar as on May 27.
- After plunging to all time low of 77.88, the rupee is hovering sideways in the last two weeks.
- The RBI in its next week monetary policy is certain to hike interest rates once again and thereafter may pause for a couple of months to see the impact of government measures to rein the inflationary pressures.
- Crude oil prices are steadily but for sure maintaining gradual upward bias is a cause of concern as India depends mostly on imports for its consumption.
- Indian stock markets are bouncing back for the second week in a row along with FII some good volume of inflows. But it's too early to comment on the market stability at this juncture.
- One can foresee rupee to trade in the broader range of 76.75 and 78.10 in the short term.

EUR/USD

EUR may gain in the near term, clarity yet to emerge on the medium-term trend

- EUR last week traded in the region of 1.0557 and 1.0765 and settled the week higher at 1.0765 as on May 27.
- As we rightly mentioned EUR has rebounded and may test 1.09-1.10 in the near term. This is obvious as dollar index slight down from its recent highs and technically EUR is oversold.
- The US Fed has been more cautious on the interest rate trajectory going forward, while ECB members are not ruling out 50 bps hike, while its president has a more cautious view in this regard.

Technically EUR may trade in the broader region of 1.0500 and 1.1000 against the USD going forward.