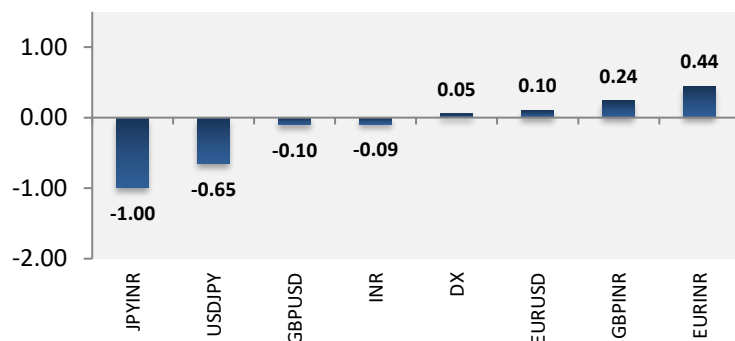


Weekly Currencies Performance (%)



Source: Refinitiv; Angel Currencies

Key Highlights

- India's February fuel demand hits at least 24 year high
- China's inflation slowest in a year, leaves room for more stimulus
- US weekly jobless claims post largest increase in five months

Weekly Currency Performance & Outlook

USDINR

In the holiday shortened week, the Indian currency traded in a range bound manner with a slight weaker bias after the US Federal Reserve Chair Jerome Powell opened the door for a 50 basis point (bps) hike at this month's meeting. From the talks it was quite evident that the committee should hike rates sooner than later in response to recent data. Powell confirmed that the US Fed's were prepared to move in larger steps if the "totality" of incoming information suggests tougher measures are needed to control inflation. These were Powell's first comments following the higher-than-expected U.S. January inflation data.

USDINR SPOT (CMP: 82.04) is likely to fall towards the 81.00 mark.

EURINR

Last week, the Euro currency plunged sharply owing to bullish trend seen in DXY. Federal Reserve Chair Jerome Powell said the U.S. central bank is likely to raise rates more than previously expected and warned that the process of getting inflation back to 2% has "a long way to go." He added that the Fed is also prepared to move in larger steps if the "totality" of incoming information suggests tougher measures are needed to control price increases. Towards the end, both EURUSD and EURINR moved I

the bullish territory on account of opportunistic buying of Euros at lower prices.

EURINR SPOT (CMP: 87.23) is likely to trade lower towards 85.80 levels.

GBPINR

Last week, GBPUSD traded lower as fears around rising US interest rates smashed global risk sentiment. The pound is reacting negatively to the more aggressive guidance given by Fed Chair Jerome Powell during his testimony in front of the Senate Banking Committee yesterday. On the other hand, GBPINR traded higher following the bullish trend in USDINR. The money market futures are pricing in a 91% chance that the Bank of England (BoE) will increase rates by 25 bps on the BoE's next meeting on March 23. This boosted the demand in Pound currency.

GBPINR SPOT (CMP: 98.58) is likely to trade lower towards 97.30 levels.

Weekly Trend Deciding Levels

CURRENCY	S2	S1	R1	R2
USDINR Mar	80.80	81.40	82.70	83.30
EURINR Mar	85.00	86.30	88.00	88.80
GBRINR Mar	96.00	97.50	99.50	100.50
JPYINR Mar	58.30	59.50	61.50	63.00

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