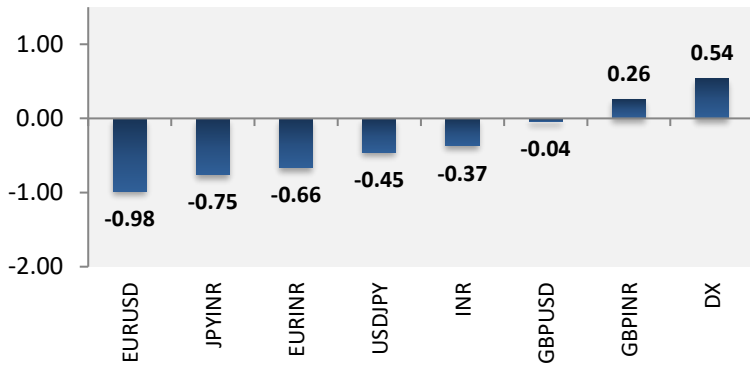


Weekly Currencies Performance (%)



Source: Refinitiv; Angel Currencies

Key Highlights

- BoE is widely expected to raise rates by at least a quarter point
- ECB's Lagarde says latest growth data 'encouraging'
- FPIs' buying spree continues; invest Rs 45,365 cr in equities in July

Weekly Currency Performance & Outlook

USDINR

Last week, the Indian Rupee weakened by 0.37 percent on account of opportunistic dollar buying by importers and banks prior to the US FOMC Policy that was supposed to be released later in the day. Later, there were a lot of mixed sentiments in the markets as some investors felt quite the opposite after the US Fed Chair Jerome Powell at the press conference said it was "certainly possible" that the U.S. central bank would raise at the September meeting if the data warranted.

USDINR SPOT (CMP: 82.24) is likely to trade higher towards 83-mark in the week ahead.

EURINR

Both EURUSD and EURINR traded lower. The first readings of the Eurozone HCOB Manufacturing PMI slumped to the lowest level since May 2020, to 42.7 for July from 43.4 prior and versus 43.5 market forecasts. On the same line, German HCOB Manufacturing PMI also dropped to the 38-month low while Services and Composite PMIs declined below the market expectations and previous readings for July. The USD captured capital outflows out of the Euro and Pound Sterling after the Services and Manufacturing PMI data from Germany, the EU and the UK came in weaker than expected for early July.

EURINR SPOT (CMP: 90.58) is likely to trade lower towards 90-mark in the week ahead.

GBPINR

Last week, both GBPUSD and GBPINR traded mostly higher. The U.S. Federal Reserve raised its key interest rates by 25 basis points as expected with US Fed Chair. According to the CME Group FedWatch Tool, the probability of one more rate increase this year stands at around 30%. The USD captured capital outflows out of the Euro and Pound Sterling after the Services and Manufacturing PMI data from Germany, the EU and the UK came in weaker than expected for early July.

GBPINR SPOT (CMP: 105.67) is likely to trade higher towards 106.30-mark in the week ahead.

Weekly Trend Deciding Levels

| CURRENCY | S2 | S1 | R1 | R2 |
|------------|--------|--------|--------|--------|
| USDINR Aug | 81.20 | 81.70 | 82.70 | 83.20 |
| EURINR Aug | 90.00 | 90.70 | 91.50 | 92.30 |
| GBRINR Aug | 104.30 | 105.00 | 106.80 | 107.60 |
| JPYINR Aug | 56.90 | 58.70 | 60.30 | 61.10 |

Research Team- (022) 4000 3600 Extn: 6134/04

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not guarantee its accuracy, completeness, and correctness. The document is not and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from "Angel One Ltd". Your feedback is appreciated on advisory@angelbroking.com