

CURRENCY DAILY REPORT

Thursday, 21 March 2024

as on 20th Mar'24

GLOBAL HIGHLIGHTS

- Fed holds interest rates steady but signals cuts ahead
- Nifty, Sensex end marginally higher; markets eye Fed rate cut hints
- Japan February exports climb 7.8%, top expectations

FUNDAMENTAL OUTLOOK

Indian rupee

Performance – Yesterday, the Indian Rupee weakened by 0.15 percent on account of surge in US Dollar Index as a recent slate of worrying inflation reports have led to investors concern that the US Feds could signal interest rates to remain higher for longer than expected. Apart from this, fall in local equities amplified Rupee's weakness. Reason for the fall could be attributed to the global uncertainties, FII's selling mode, crude oil crisis and fall in IT stocks. Today, the Indian Rupee is likely to appreciate on account of surge in local equities after the US Federal Reserve officials maintained their outlook for three quarter-point rate cuts this year but forecast fewer cuts than before in 2025 following a recent uptick in inflation.

Outlook – USDINR is likely to weaken towards 83.00 levels today.

Euro

Performance – Yesterday, both EURUSD and EURINR traded higher by 0.49 percent 0.72 percent as the US Dollar Index fell broadly after the U.S. Federal Reserve maintained its interest rate cut projections for the year in the face of upside surprises on inflation and did not strike a more hawkish tone as some investors had feared. On the domestic front, the European Central Bank (ECB) policymaker Mario Centeno said that price stability needs financial stability, adding that reducing the main rate may help avoid a recession in the bloc's economy.

Outlook - EURINR is likely to trade in a higher manner today.

Sterling Pound

Performance – Yesterday, Sterling Pound traded higher owing to fall in DXY. The BoE is widely anticipated to keep interest rates unchanged at 5.25% as inflation is far from the desired rate of 2%. Investors await fresh cues about when the BoE could begin reducing interest rates. Currently, market participants anticipate that the BoE will announce their first rate cut in the August policy meeting after maintaining a hawkish stance for more than two years.

Outlook - GBPINR is likely to trade in a higher manner today.

V	0	0-7			
	LAST	CHANGE	wow	МОМ	
NIFTY	72101.69	0.12	-0.92	0.76	
SENSEX	21839.1	0.10	-0.73	0.44	
FTSE 100	7737.38	-0.01	-0.4	2.91	
CAC 40	8161.41	-0.49	0.29	6.57	
HANG SENG	16543.07	0.08	-3.26	#N/A	
КОЅРІ	2690.14	1.26	-0.13	1.51	
NYMEX CRUDE	81.68	-2.19	2.40	4.66	
COMEX GOLD	2157.9	0.07	-0.81	7.65	

Market Highlights (% change)

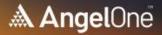
Source: Refinitiv

Currency Highlights (% change)			as on 20 th Mar'24		
CURRENCY	LAST	CHANGE	WOW	MOM	
USDINR	83.16	0.15	-0.36	-0.19	
DXY	103.84	0.24	1.01	-1.08	
EURUSD	1.0918	0.49	-0.26	1.91	
EURINR	90.833	0.72	0.21	2.05	
GBPUSD	1.2784	0.50	-0.09	1.53	
GBPINR	106.328	0.70	0.34	1.61	
USDJPY	151.25	0.27	2.32	0.30	
JPYINR	54.9759	-0.08	1.91	0.22	
	Source: Refinitiv				

Technical Outlook for 21-Mar-24

Currency	Trend	S2	S1	R1	R2
Futures	Trenu	52	51		
USDINR	Sideways	82.40	82.80	83.50	83.80
EURINR	Sideways	89.30	89.70	90.60	91.00
GBPINR	Up	104.80	105.20	106.00	106.40
JPYINR	Down	54.10	54.50	55.40	55.80
EURUSD	Sideways	1.0560	1.0740	1.1160	1.1240
GBPUSD	Sideways	1.2340	1.2550	1.2960	1.3140
USDJPY	Sideways	145.90	147.50	152.80	154.50

NSE Contract – Mar'24 Futures



RESEARCH TEAM

Heena Naik Research Analyst heena.naik@angelbroking.com (022) 39357600

Prathamesh Mallya AVP Research (Non-Agro Commodities & Currency) prathamesh.mallya@angelbroking.com (022) 39357600 Manish Pargi Technical Analyst Manishkumar.pargi@angelbroking.com (022) 39357600

Angel One Ltd.

Registered Office: G-1, Ackruti Trade Centre, Rd. No. 7, MIDC, Andheri (E), Mumbai - 400 093. Corporate Office: 6th Floor, Ackruti Star, MIDC, Andheri (E), Mumbai - 400 093. Tel: 080-47480048 MCX Member ID: 12685 / FMC Regn No: MCX / TCM / CORP / 0037 NCDEX: Member ID 00220 / FMC Regn No: NCDEX / TCM / CORP / 0302

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