

KEDIA ADVISORY

DAILY CURRENCY OUTLOOK

21 Sep 2023

- USDINR
- EURINR
- GBPINR
- JPYINR



Kedia Stocks & Commodities Research Pvt. Ltd.

Research Advisory | White Labelling | Digital Marketing



Domestic Currencies

Currency	Expiry	Open	High	Low	Close	% Change
USDINR	26-Sep-23	83.2925	83.3000	83.0625	83.1225	-0.28
USDINR	27-Oct-23	83.4000	83.4200	83.1675	83.2300	-0.28
EURINR	26-Sep-23	88.9800	89.0900	88.8800	88.9975	0.03
EURINR	27-Oct-23	89.1600	89.2800	89.0850	89.1925	0.03
GBPINR	26-Sep-23	103.1500	103.2375	102.7000	102.8200	-0.51
GBPINR	27-Oct-23	103.2700	103.3800	102.9000	102.9950	-0.45
JPYINR	26-Sep-23	56.5050	56.5050	56.2375	56.3025	-0.48
JPYINR	27-Oct-23	56.9475	56.9475	56.6425	56.7125	-0.47

Open Interest Snapshot

Currency	Expiry	% Change	% Oi Change	Oi Status
USDINR	26-Sep-23	-0.28	2.99	Fresh Selling
USDINR	27-Oct-23	-0.28	42.65	Fresh Selling
EURINR	26-Sep-23	0.03	-0.82	Short Covering
EURINR	27-Oct-23	0.03	11.30	Fresh Buying
GBPINR	26-Sep-23	-0.51	8.66	Fresh Selling
GBPINR	27-Oct-23	-0.45	20.52	Fresh Selling
JPYINR	26-Sep-23	-0.48	0.39	Fresh Selling
JPYINR	27-Oct-23	-0.47	26.89	Fresh Selling

Global Indices

Index	Last	%Chg
Nifty	19901.40	-1.15
Dow Jones	34440.88	-0.22
NASDAQ	13469.13	-1.53
CAC	7330.79	0.67
FTSE 100	7731.65	0.93
Nikkei	32658.87	-1.10

International Currencies

Currency	Last	% Change
EURUSD	1.0621	-0.28
GBPUSD	1.2308	-0.16
USDJPY	148.26	-0.04
USDCAD	1.3499	0.16
USDAUD	1.5609	0.46
USDCHF	90.08	0.16

Disclaimer: <http://bit.ly/2ziDavw>



Technical Snapshot



SELL USDINR SEP @ 83.2 SL 83.35 TGT 83.02-82.9.

Trading Levels

Expiry	Close	R2	R1	PP	S1	S2
26-Sep-23	83.1225	83.40	83.26	83.16	83.02	82.92
27-Oct-23	83.2300	83.52	83.37	83.27	83.12	83.02

Observations

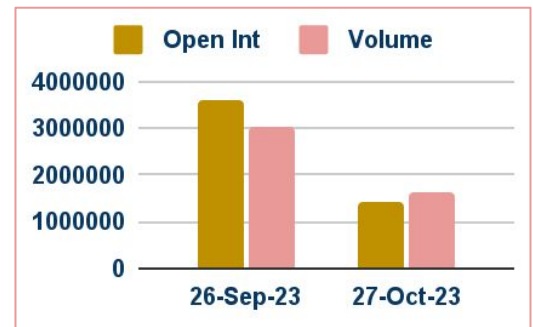
USDINR trading range for the day is 82.92-83.4.

Rupee rose amid likely dollar sales by RBI and easing crude oil prices

Fed kept the target range for the fund's rate at 5.25%-5.5%, but signaled there could be another hike this year.

India's banking system liquidity deficit jumps to over 4 – year high

OI & Volume



Spread

Currency	Spread
USDINR OCT-SEP	0.1075

Technical Snapshot



SELL EURINR SEP @ 89 SL 89.2 TGT 89.7-89.5.

Trading Levels

Expiry	Close	R2	R1	PP	S1	S2
26-Sep-23	88.9975	89.20	89.10	88.99	88.89	88.78
27-Oct-23	89.1925	89.39	89.30	89.19	89.10	88.99

Observations

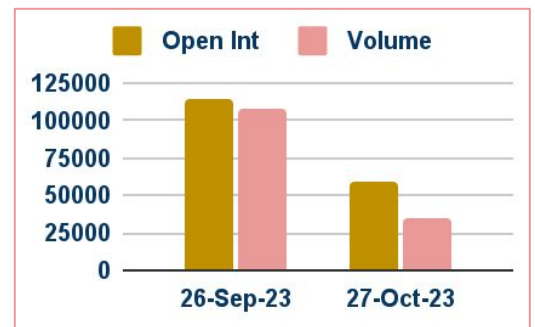
EURINR trading range for the day is 88.78-89.2.

Euro steadied amid reports that ECB policymakers are beginning to explore strategies for addressing the surplus liquidity in the banking system

German producer prices posted their biggest year-on-year decline in August since data collection began in 1949.

Current ECB rates allow for reducing inflation to target, Centeno says

OI & Volume



Spread

Currency	Spread
USDINR OCT-SEP	0.1075

Technical Snapshot



SELL GBPINR SEP @ 102.85 SL 103.05 TGT 102.55-102.35.

Trading Levels

Expiry	Close	R2	R1	PP	S1	S2
26-Sep-23	102.8200	103.46	103.14	102.92	102.60	102.38
27-Oct-23	102.9950	103.57	103.28	103.09	102.80	102.61

Observations

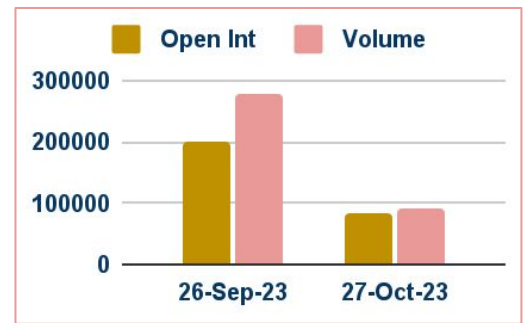
GBPINR trading range for the day is 102.38-103.46.

GBP dropped as investors reduced their expectations for future rate hikes by the Bank of England

The UK's inflation rate in August slowed to 6.7%, down from July's 6.8%, which defied predictions of a rise to 7%

Bank of England is set to convene on Thursday to decide on monetary policy

OI & Volume



Spread

Currency	Spread
USDINR OCT-SEP	0.1075

Technical Snapshot



SELL JPYINR SEP @ 56.3 SL 56.5 TGT 56.1-55.95.

Trading Levels

Expiry	Close	R2	R1	PP	S1	S2
26-Sep-23	56.3025	56.61	56.46	56.35	56.20	56.09
27-Oct-23	56.7125	57.08	56.90	56.77	56.59	56.46

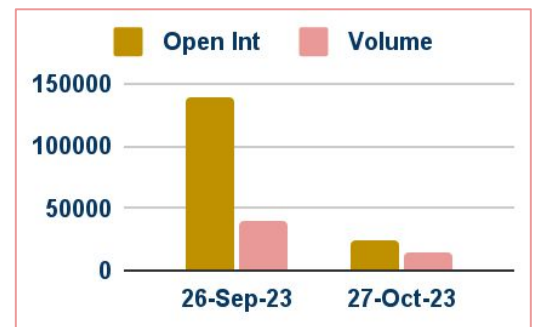
Observations

JPYINR trading range for the day is 56.09-56.61.

JPY weakened as investors reassessed the outlook for Bank of Japan monetary policy in light of Governor Kazuo Ueda's recent remarks. Ueda recently stated that the central bank could end its negative interest rate policy when the 2% inflation target is sustainability achieved.

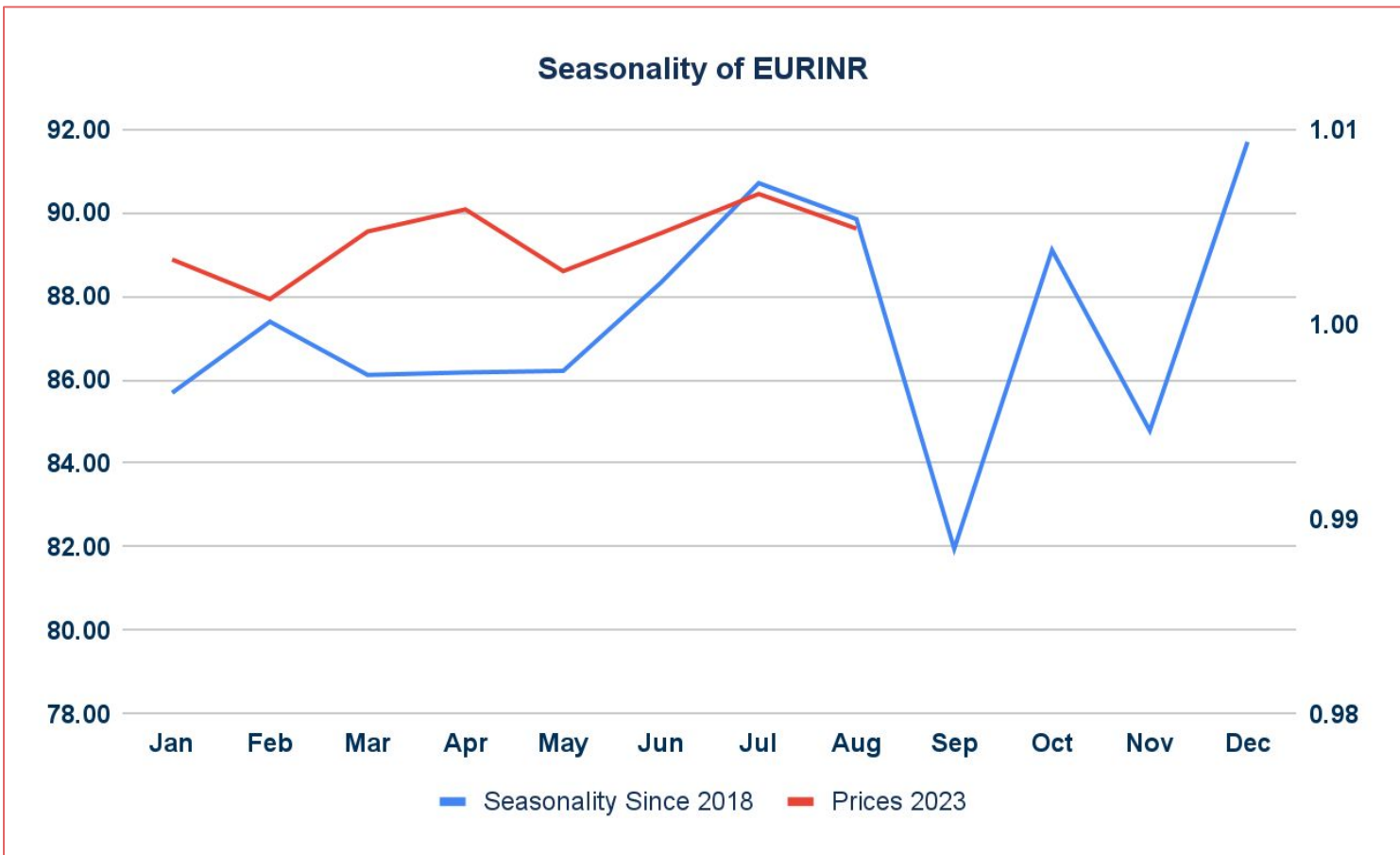
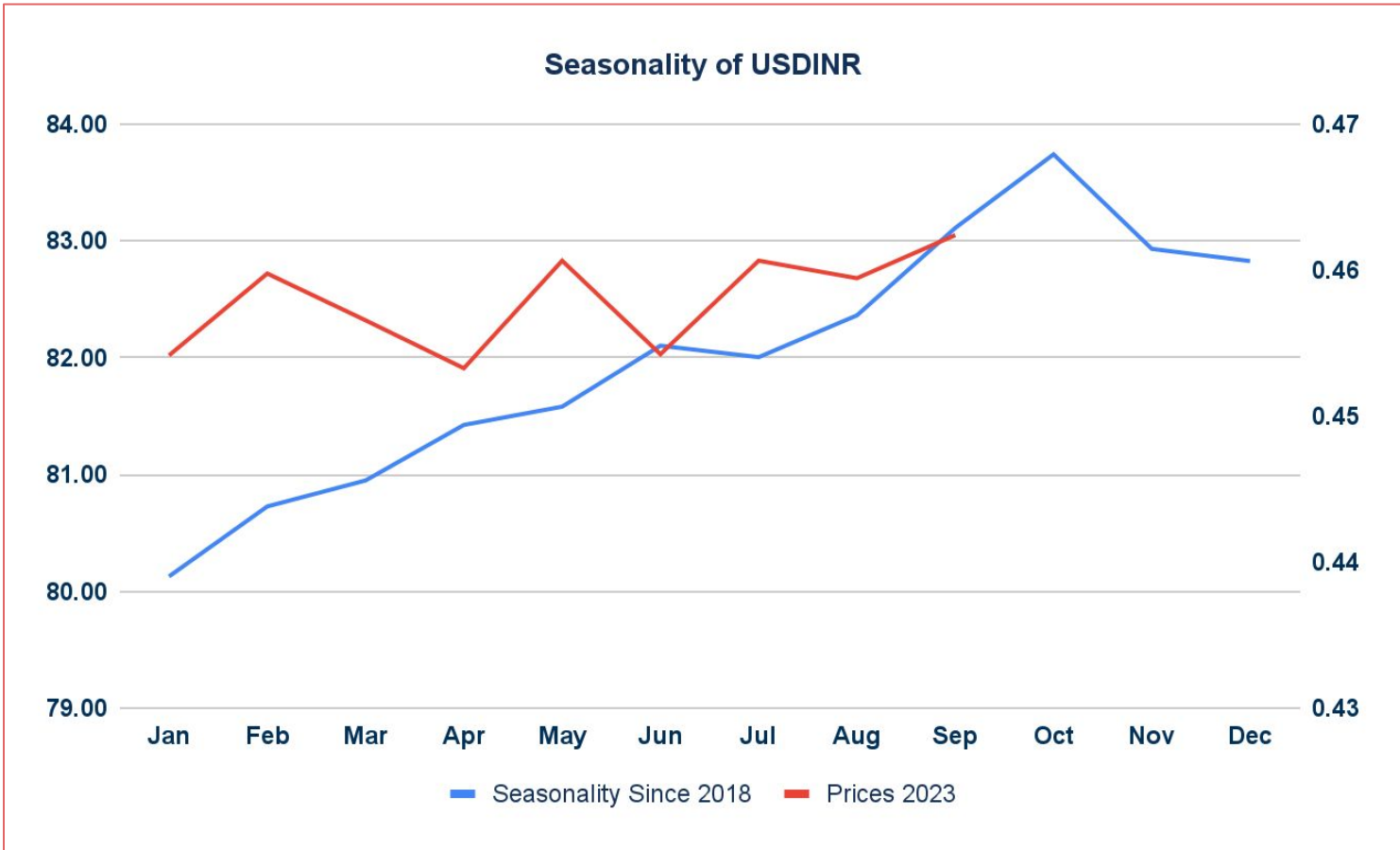
Data showed that producer prices in Japan rose the least in 29 months and decelerated for the eighth straight month in August.

OI & Volume



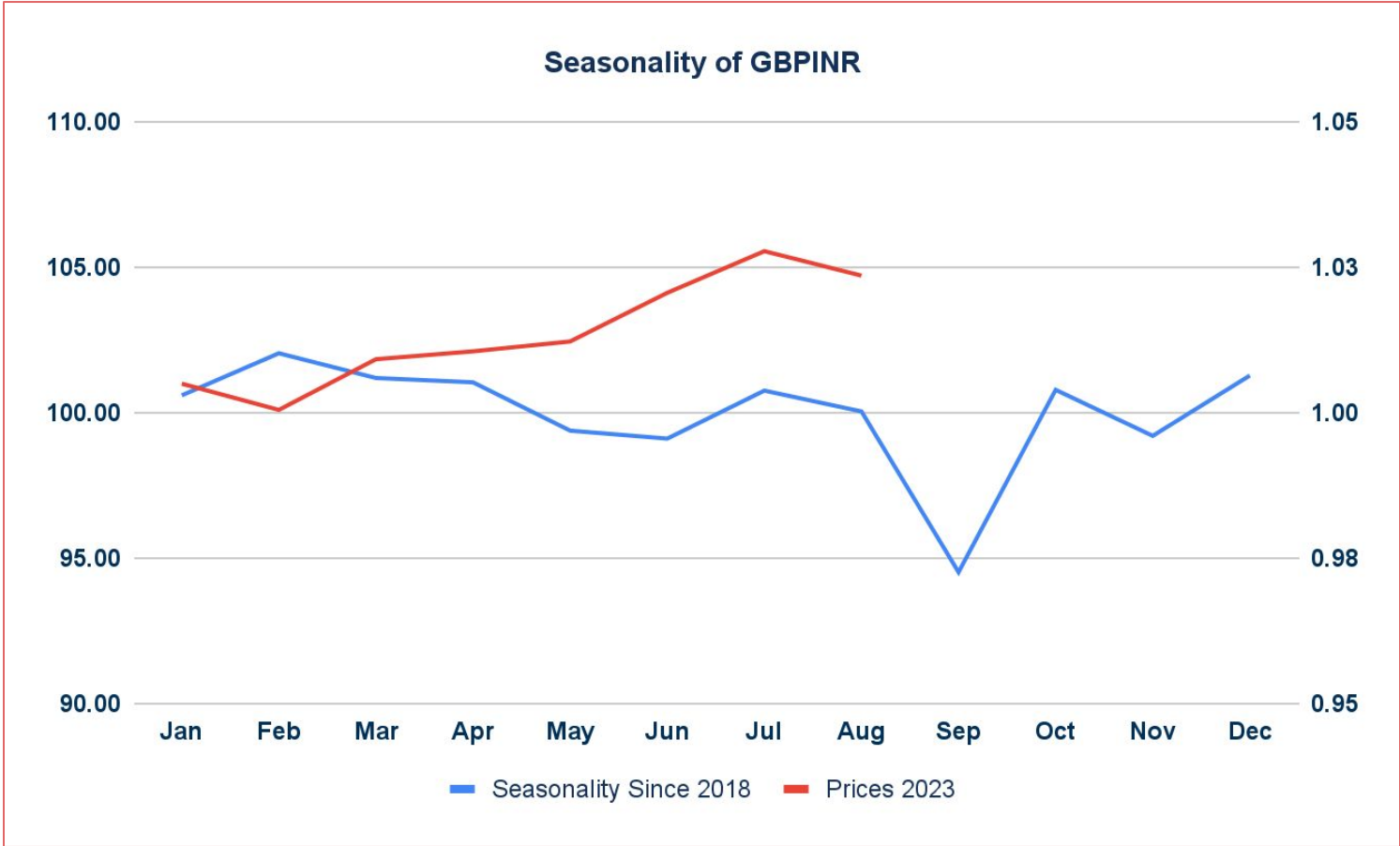
Spread

Currency	Spread
USDINR OCT-SEP	0.1075



Disclaimer: <http://bit.ly/2ziDavw>





Disclaimer: <http://bit.ly/2ziDavw>



Economic Data

Date	Curr.	Data	Date	Curr.	Data
Sep 18	USD	NAHB Housing Market Index	Sep 21	USD	Philly Fed Manufacturing Index
Sep 19	EUR	Current Account	Sep 21	EUR	Consumer Confidence
Sep 19	EUR	Final Core CPI y/y	Sep 21	USD	Existing Home Sales
Sep 19	EUR	Final CPI y/y	Sep 21	USD	CB Leading Index m/m
Sep 19	USD	Building Permits	Sep 21	USD	Natural Gas Storage
Sep 19	USD	Housing Starts	Sep 22	GBP	Retail Sales m/m
Sep 20	EUR	German PPI m/m	Sep 22	EUR	German Flash Manufacturing PMI
Sep 20	USD	Crude Oil Inventories	Sep 22	EUR	German Flash Services PMI
Sep 20	USD	Federal Funds Rate	Sep 22	EUR	Flash Manufacturing PMI
Sep 20	USD	FOMC Economic Projections	Sep 22	EUR	Flash Services PMI
Sep 20	USD	FOMC Statement	Sep 22	GBP	Flash Manufacturing PMI
Sep 21	GBP	Monetary Policy Summary	Sep 22	GBP	Flash Services PMI
Sep 21	GBP	MPC Official Bank Rate Votes	Sep 22	GBP	CBI Industrial Order Expectations
Sep 21	GBP	Official Bank Rate	Sep 22	USD	Flash Manufacturing PMI
Sep 21	USD	Unemployment Claims	Sep 22	USD	Flash Services PMI

News

China kept benchmark lending rates unchanged at a monthly fixing, matching market expectations, as fresh signs of economic stabilisation and a weakening yuan reduced the need for immediate monetary easing. Recent economic data showed the world's second-largest economy was picking up steam, while yuan declines have reduced the urgency for authorities to aggressively lower interest rates to prop up slowing growth. The one-year loan prime rate (LPR) was kept at 3.45%, while the five-year LPR was unchanged at 4.20%. Most new and outstanding loans in China are based on the one-year LPR, while the five-year rate influences the pricing of mortgages. The steady LPR fixings follow the central bank's decision last week to roll over maturing medium-term policy loans while keeping the interest rate on them unchanged last week. The medium-term lending facility (MLF) rate serves as a guide to the LPR and markets see it as a precursor to any changes to the lending benchmarks. China's central bank last week lowered the amount of cash banks must hold as reserves for a second time this year to boost liquidity and support economic recovery. China cut the one-year benchmark lending rate in August but surprised markets by keeping the five-year rate unchanged.

Economic growth in developing Asia this year will be slightly lower than previously expected as the weakness in China's property sector and El Niño-related risks cloud regional prospects, the Asian Development Bank (ADB) said. Updating its regional economic outlook, the ADB trimmed its 2023 growth forecast for developing Asia to 4.7%, from 4.8% projected in July. But the growth forecast for next year for the grouping, which consists of 46 economies in the Asia-Pacific and excludes Japan, Australia and New Zealand, was revised slightly upwards to 4.8% from 4.7% previously. "We see resilient growth in the region really based on pretty strong domestic consumption and investment, and despite reduced external demand, which is a dampener on export-driven growth," Albert Park, ADB's chief economist, told a press conference. The ADB tempered its growth forecasts for East Asia, South Asia, and Southeast Asia this year, with China and India expected to grow 4.9% and 6.3%, respectively, slightly lower than the July growth projections of 5.0% and 6.4%. China's property crisis "poses a downside risk and could hold back regional growth," the ADB said in its report. The Manila-based lender maintained its 2024 growth forecasts for China and India at 4.5% and

Disclaimer: <http://bit.ly/2ziDaww>



This Report is prepared and distributed by Kedia Stocks & Commodities Research Pvt Ltd. Our SEBI REGISTRATION NUMBER - INH000006156. for information purposes only. The recommendations, if any, made herein are expressions of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale through KSCRPL nor any solicitation or offering of any investment /trading opportunity. These information/opinions/ views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by KSCRPL to be reliable. KSCRPL or its directors, employees, affiliates or representatives do not assume any responsibility for or warrant the accuracy, completeness, adequacy and reliability of such information/opinions/ views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of KSCRPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information/opinions/views contained in this Report. The possession, circulation and/or distribution of this Report may be restricted or regulated in certain jurisdictions by appropriate laws. No action has been or will be taken by KSCRPL in any jurisdiction (other than India), where any action for such purpose (s) is required. Accordingly, this Report shall not be possessed, circulated and/ or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. KSCRPL requires such a recipient to inform himself about and to observe any restrictions at his own expense, without any liability to KSCRPL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

KEDIA ADVISORY**KEDIA STOCKS & COMMODITIES RESEARCH PVT LTD****Mumbai, India****SEBI REGISTRATION NUMBER - INH000006156****For more details, please contact: +91 93234 06035 / 96195 51022****Email: info@kediaadvisory.com****Regd.Off.: 1, 2, 3 & 4, 1st Floor, Tulip Bldg, Flower Valley Complex, Khadakpada Circle,
Kalyan-(W), Mumbai-421301**