

Rupee closed higher on Friday:

The rupee closed weaker on Friday as crude oil prices shot up on Thursday on the increased likelihood that Germany will join other European Union member states in an embargo on Russian oil. This development could further tighten oil supplies in the already-stressed global crude oil market. German Economy Minister Robert Habeck said that the European Union's largest economy could cope with an EU embargo on Russian oil imports and hoped to find ways to replace Russian oil with other supplies. Before the war in Ukraine, Germany was dependent on Russia for a third of its oil supply. A rise in oil prices increases India's import bill, which subsequently dampens sentiment for the Indian currency. The Dollar Index retraced its path after data showed that US GDP unexpectedly contracted in the first quarter. Banks are expected to sell dollars in anticipation of inflows from foreign portfolio investors for the initial public offering of Life Insurance Corp of India, which will open on May 4 and close on May 9. Asian markets opened higher today tracking sharp overnight gains in US equities. These are expected to lift sentiment for the Indian currency.

1-USDINR,22.05 May - 29/04/22
SMA(CloseLine:100)



Technical Outlook:

- USD-INR (MAY) has formed a “Rising channel” pattern on a weekly time frame.
- The overall trend is bullish but, fresh buying is recommended only when the prices break and sustain above its resistance level of 77.00, the upside rally could test the level of 77.60-78.20 in the upcoming sessions.
- On the contrary, if the resistance holds strong then there is a chance of a reversal in prices for the downside targets of 76.20-75.80.
- USD-INR has its major support at 76.20 and resistance at 77.00.

Weekly Pivot Table

Currency	S2	S1	Pivot	R1	R2
USD/INR	76.16	76.42	76.71	76.97	77.26
EUR/INR	79.54	80.34	81.54	82.34	83.54
GBP/INR	94.26	95.35	96.85	97.94	99.44
JPY /INR	57.64	58.36	59.42	60.14	61.20