

Rupee hits two month low on US-Iran tensions:

The Indian rupee fell to hit a two-month low against US dollar on Monday after oil prices surged following a spike in tensions between the US and Iran.

In early deals today, the rupee traded at 72.04 a dollar, down 0.3% from Friday's close of 71.81. The Indian unit had opened at 71.99 and so far today has touched a low of 72.05 a dollar -- a level last seen on 14 November.

A surge in Brent crude prices will hit India's current account deficit. On Monday, Brent crude advanced 2.7% to hit \$70 a barrel first time in nine month. Prices have gained nearly 7% so far this year.

9-USDINR.Rolling - 06/01/20
SMA(CloseLine:54)



Technical Outlook:

- USD-INR (Jan) shows strong buying on previous session after breakout of “Pennant” pattern in a Daily chart.
- The market is expected to continue its bullish momentum based on the current price action. Once the price breaks and sustains above resistance level of 72.30, the upside rally could test the level of 72.80-73.50 in the upcoming sessions.
- On the contradictory, if the resistance holds strong then the market might have a chance to turn bearish once again. The downside rally could test 72.00-71.30 levels in the upcoming sessions.
- **USD-INR has its major support at 71.30 and resistance at 72.30.**

Weekly Pivot Table

Currency	S2	S1	Pivot	R1	R2
USD/INR	71.174	71.571	71.782	72.178	72.389
EUR/INR	79.918	80.057	80.228	80.367	80.538
GBP/INR	93.08	93.6	94.238	94.758	95.395
JPY /INR	65.128	65.878	66.275	67.025	67.423